

THE ROLE OF BRAND TRANSPARENCY IN SHAPING BRAND IMAGE AND ENHANCING CUSTOMER LOYALTY IN NON-DURABLE GOODS

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Abstract:

In the non-durable market segment, transparency is seemingly being recognized as a proper influencer of consumer behaviour. In this paper, it has been enquired the form in which transparency impacts brand image and customer loyalty by going over the existing studies (literature review) as well as case examples. It shows that brands generally resonate better and build customer trust when they communicate openly and take responsibility for their actions. These findings seem to show that increasingly, it is the brand that is transparent and open-air in its approaches and attitudes that consumers choose, which pays off in much deeper-seated loyalty and a positive perception of the brand. This would seem to indicate that transparency is not a flash in the pan trend but something ingrained or an ingredient needed in any brand strategy today in the competitive market that exists for non-durable consumer goods.

Keywords: Brand transparency, Brand image, Customer loyalty, Non-Durable goods, Ethical Branding, Consumer Perception.

1. Introduction

In today's world, consumers have become more knowledgeable and particular about the brands they choose. This change has made transparency a key aspect of successful brand management. Brand transparency isn't just about marketing; it's about how openly a company shares details about its practices, values, and products with its customers. This kind of openness is especially important in the non-durable goods sector, which includes everyday items like food, beverages, and personal care products. Since these products are used regularly and have a direct impact on people's lives, consumers expect honesty and clarity from the brands they trust.

Information transparency is defined as a situation in which customers feel that they are well informed given the readily available, factual details provided by the firm. It describes how much the customer thinks the company is openly sharing information in a way that is easy to understand and access. When businesses practice transparency, they build trust in ways that assure customers that they are confident in getting all the information that is necessary to inform their choices (Liu, Aug 2013).

Many things have, in modern times, conspired to make transparency very pivotal. Most important is the revolution in sharing and disseminating information that the coming of digital media brought about. Today, it is possible for a person to know almost any detail regarding a given product from online customer reviews or even whether its ingredients are ethically sourced or not. Thus, the availability of data in an easy way allows consumers to make more informed choices and confront corporations with their deeds.

Consumers may further perceive the brand as encouraging, responsible and transparent as it allows consumers to participate in creating content, being accountable for their account and conduct, and facilitating open communication between themselves and other fans on a consumer-generated messages-related brand page with mixed positive/negative information about the brand (Yoo & Jeong, 2014).

As for another trend aligned with this one, that's the rise of importance of corporate social responsibility. Consumers have started caring about how companies conduct their businesses using right channels rather than bad ones. They wish to understand where their products come from, what processes they undergo during production, as well as their effects on environment and society at large. In this order, among other things emerging about consumer behaviour itself; more often than not, it's those brands whose administration respects its own principles that gain popularity among buyers.

Era of ethical consumption has prompted a greater emphasis on transparency. Present-day shoppers are not merely purchasing goods; they are also opting to endorse the philosophies and principles upheld by their selected brands. The customers tend to lean towards companies that share the same values with them such as sustainability crusaders, fair-trade proponents or promoters of social justice. In this way, when a brand's values coincide with that of its customers, strong and sustainable bonds are formed.

This paper analyses how brand image and customer loyalty related to non-durable products incorporate brand transparency. By examining theories and real-life scenarios, it intends to

give an extensive appreciation of how transparency shapes consumer behaviour and perception of brands thereof. It will be uncovered that, in terms of transparency, it is not just a marketing flavour but also an essential component of any modern brand's competitive strategy.

2. Objectives:

- 1) To explore the role of brand transparency in shaping brand image in the non-durable goods sector.
- 2) To understand the relationship between brand transparency and customer loyalty.
- 3) To analyse case studies of non-durable goods brands that have effectively utilized transparency as a strategic tool.

3. Literature Review

3.1 Brand Transparency:

Brand transparency is when the brand decides to share information about their products, practices and what they stand for. Transparency is key to trust-building via the reduction of information asymmetry between companies and consumers (Rawlins, 2008). Transparent brands are vocal about where they source ingredients, how their products are made and its larger impact on people and planet. This is in line with Fullerton (2011) who argues that transparency has become a crucial point of differentiation between products, especially as consumers increasingly want to know what goes into the production of their goods. The brands which adopt transparency will definitely obtain competitive advantage over the other brands as it would increase brand differentiation and enforce trust (Montecchi, Plangger, & Douglas West, 2024). The definition of managerial transparency is simply that they should be as explicit and direct as possible about the way that the brand is handled, what their procedures are, and—most importantly—how helpful an influence it has. Consequently, educating these customers about the brand's sustainable identity will guarantee that their perceptions of credibility, which are derived from transparency, will strengthen their understanding of ethicality (Sansome, Wilkie, & Conduit, 2024).

3.2 Brand Image:

Brand image indicates how customers view a brand from their experiences, associations, and contacts with it (Keller 1993). Brand image is the consumer's perception about the brand that

affects buying behaviour. A good brand image is critical for success in non-durable goods, where consumer's confidence and emotional ties count more than anything else in choosing brands. By revealing its honesty, fairness, and social responsibility for all facets of life, transparency can help a lot to create better brand image.

3.3 Customer Loyalty:

The loyalty of customers is based on the good experiences and satisfaction obtained from a certain brand which makes them make repeat purchases and promote it. Oliver (1999) refers to loyalty as a deeply held commitment to repurchasing a certain product or service consistently in the future. However, in non-durable goods sector, such loyalty is as a result of brand trust, product quality and emotional connections. Moreover, Morgan & Hunt (1994) asserts that brands that are transparent about their operations and values will have better interactions with customers hence enhancing customer loyalty.

3.4 The Impact of Transparency on Brand Image and Loyalty:

It has been stated in research that the degree of lucidity has significant effects on brand dynamics and retaining clients. According to research by Ball, Coelho, and Vilares (2006), trust is promoted through transparent communication; this enhances brand image and customer fidelity concurrently. Consumers relate better to transparent brands, which are taken as genuine and dependable resulting into increased association with the consumers' advocacy. Apparently, in the field of perishable goods where products are often used up, it really works for fostering unending conventionality.

4. Theoretical Framework:

This research is grounded in the **Commitment-Trust Theory**(Morgan & Hunt, 1994)and **Brand Equity Theory**(Keller, 1993), which together explain the relationship between brand transparency, brand image, and customer loyalty.

4.1 Commitment-Trust Theory:

This theory suggests that for a relationship to be fruitful there must be trust and commitment. Trust is built through showing how things are done, which implies they are open about it; thus, making them more committed and loyal. Transparency helps in augmenting brand trust. And trust in the brand further leads to brand loyalty among the customers (Yuana & Sutarso, 2020).

4.2 Brand Equity Theory:

Keller's Brand Equity Theory suggests that a strong brand image contributes to brand equity, which is enhanced by positive consumer perceptions and experiences. Transparency, by enhancing brand image, contributes to building brand equity and, consequently, customer loyalty.

Conceptual Model:

- **Brand Transparency → Brand Image → Customer Loyalty**
- **Moderating Factors:** Product quality, brand authenticity, and consumer values.

5. Research Methodology:

This paper is theoretical in nature and based on secondary sources such as academic journals, books, and case studies. The methodology includes:

1. **Literature Review:** Comprehensive literature review on brand transparency, brand image and customer loyalty focusing on non-durable goods.
2. **Case Study Analysis:** An analysis of brands such as Tata Tea, Hindustan Unilever and Nestlé that have successfully utilized transparency to boost their brand image and loyalty.
3. **Conceptual Framework Development:** Theoretical integration of relevant theories and literature to create a conceptual model linking brand transparency to brand image and customer loyalty.

6. Discussion:

6.1 Transparency as a Brand Image Enhancer:

Brand transparency helps to build trust and credibility in relation to improving the brand image. Thus, a brand is more prone to be seen through a positive lens by consumers if it is forthcoming with its operations, values, and impact. For example, public perception of Tata Tea as a socially responsible firm increased manifold due to its campaign, "Jaago Re," on transparency in sourcing and ethical practices. Findings from a study suggest that one way to promote positive and congruent schema relates to being transparent about brands' SR practices as information transparency leads participants' post schemas (Bhaduri & Ha-Brookshire, 2015).

The degree of brand authenticity is influenced by openness; nevertheless, both openness and validity made a significant, positive contribution to trust but loyalty resulted only from the

latter. To boost buyer retention marketers, need to focus more on how they perceive real brands in terms of their risk management perceptions that influence brand continuity and originality. However, if they seek to enhance their customers' trust in them, then marketers will dedicate equal resources towards improving authenticity as well as clarity.

6.2 Building Customer Loyalty through Transparency:

Establishing a base of trust is what makes customers to be loyal hence supporting their transparency. When consumers have faith in a trademark, their chances of being faithful and buying from this brand are heightened. For instance, the Lifebuoy brand from Hindustan Unilever has always included health as part of the advertising message; hence it has many customers who are loyal. Customers' long-term loyalty results from open conversations about the security of products, scrupulous procurement systems, and eco-friendliness projects. The term "green transparency" describes the manner in which environmentally conscious brands honestly and openly disclose pertinent information about their environmental policies and the environmental effects of their production processes (Eggert, 2003). Green perceived value was directly impacted by green transparency. It was discovered that green perceived value both directly and indirectly influences brand loyalty through self-brand connection (Jialing Lin, 2017).

6.3 Challenges in Implementing Transparency:

Although having an open-door policy may make your customers care for you more, it is not without its difficulties. Companies must ensure that they are meeting customer expectations when giving out their information; as a result, the data provided needs to be correct, uniform and corresponding this means for them to keep on being profitable. When a company claims something which does not match what it does, it loses its credibility resulting in questioning of their reliability. A good example would be firms promising the world this way but turning out to be causing pollution in their manufacturing processes. Transparency creates the impression that a brand is authentic; trust is strongly and favourably impacted by both transparency and authenticity, while loyalty is solely influenced by authenticity (Busser & Shulga, 2019).

7. Case Studies:

- **Tata Tea:** The "Jaago Re" campaign by Tata Tea focused on the importance of being open about the ways they obtain their tea leaves ethically, so this could be a reason why they were able to connect well with people who make use of their products. Social

responsibility became an important part of their identity, thereby enhancing brand image. Therefore, it made customers have more faith in the brand itself and remained loyal to them.

- **Hindustan Unilever (Lifebuoy):**Lifebuoy has really been firm about its support for public health especially through various campaigns on hygiene. The brand's open approach to communicating product effectiveness and health programs has promoted a positive brand image and generated great customer loyalty.
- **Nestlé:**By revealing the way, they source their coffee beans and carry out sustainable practices, Nestlé has changed the way people view them, thereby enhancing brand image while creating enthusiasm and enduring preference among customers.

8. Conclusion

Brand transparency is a strong instrument for improving brand image and inducing customer loyalty in the non-durable goods industry. When brands share information about their practices, values, and products transparently, they can win consumers' trust which enhances brand image and loyalty. However, it is important to manage transparency in such a way that it matches with customer expectations and does not unintentionally harm the brand's reputation.

For the non-durable goods companies, brand transparency should be a core part of their strategy in order to achieve distinction among competitors and also establish long-term relationships with clients. That being said, due to a greater number of consumers who demand ethical and transparent business conduct from brands, such companies must be transparent.

The businesses which are dealing in the realm of non-durable goods, branding transparency lies not only as an obligation but also a tactful administrative decision that embraces and attains competitive leverage over consumer perceptions. This theoretical research found that transparency is a critical and foundational element of continued brand success in this sector.

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