



CONSUMER BEHAVIOUR AND ITS IMPACT ON STARTUP BRAND LOYALTY

Naga Sai Deepthi¹, Dr. Mahadevan M²

¹MBA, ²Assistant Professor, School of Commerce and Management, Mohan Babu University, Tirupati, India.

ABSTRACT

In today's fast-changing digital world, startup companies are becoming an important part of consumers' daily lives. From online shopping and food delivery to digital payments and entertainment services, consumers regularly interact with startup brands through various digital platforms. Because of increasing competition in the market, understanding consumer behaviour has become essential for startups to build customer trust and long-term brand loyalty. The present study titled "Consumer Behaviour and Its Impact on Startup Brand Loyalty" examines how consumer attitudes, preferences, and purchasing behaviour influence loyalty toward startup brands. The study mainly focuses on factors such as product quality, pricing, customer service, trust, and social media influence that affect consumer decisions while choosing startup products and services. Primary data for the study was collected from 121 respondents through a structured questionnaire using Google Forms. The collected responses were analysed using percentage analysis, correlation analysis, and ranking analysis to understand consumer opinions and behaviour toward startup brands. The findings of the study reveal that most consumers prefer startup brands because of convenience, innovation, affordability, and digital accessibility. The research also shows that trust and brand reputation are the most important factors influencing startup brand loyalty, followed by product quality and customer service. Social media platforms and online reviews were also found to play a major role in shaping consumer purchasing decisions and improving startup brand awareness. The study concludes that positive consumer experiences and customer satisfaction significantly contribute to startup brand loyalty. Startup companies that focus on quality service, transparent communication, competitive pricing, and strong digital engagement are more likely to build long-term customer relationships and achieve sustainable business growth in the competitive digital marketplace.

KEYWORDS: Consumer Behaviour; Startup Brand Loyalty; Customer Satisfaction; Social Media Influence; Digital Marketing.

I. INTRODUCTION

In today's digital world, startup companies are becoming an important part of people's everyday lives. From ordering food online and shopping through mobile apps to using digital payment platforms and online learning services, consumers are constantly interacting with startup brands. Over the last few years, the growth of technology, internet accessibility, and smartphone usage has created huge opportunities for startups to enter the market with innovative ideas and customer-friendly services. As a result, startups are changing the way consumers purchase products and services.

At the same time, consumer behaviour has also changed significantly. Modern consumers are more aware, informed, and connected than ever before. Before purchasing any product or service, people usually check online reviews, social media posts, advertisements, influencer recommendations, and customer feedback. Their decisions are not based only on price, but also on quality, trust, convenience, customer experience, and brand reputation. Because of this, understanding consumer behaviour has become very important for startup companies that want to survive and grow in a competitive market.

One of the biggest challenges faced by startup companies is building customer trust and loyalty. Established brands already have strong market presence and consumer confidence, whereas startups are still trying to prove their reliability and quality. Consumers may hesitate to trust a new startup brand because of concerns related to product quality, security, delivery service, or customer support. Therefore, startups need to focus on creating positive customer experiences and maintaining transparency in their services.

Social media also plays a major role in influencing consumer behaviour toward startup brands. Platforms such as Instagram, YouTube, Facebook, and LinkedIn have become powerful marketing tools for startups. Through digital advertisements, influencer marketing, customer reviews, and interactive content, startups can easily reach



consumers and promote their products. Many consumers today discover new startup brands through social media platforms, which directly affects their purchasing decisions and brand preferences.

Another important factor influencing startup success is brand loyalty. Brand loyalty refers to the willingness of consumers to continue purchasing from the same brand even when other alternatives are available in the market. Loyal customers not only make repeat purchases but also recommend the brand to others through word-of-mouth and social media sharing. For startup companies, customer loyalty is very important because it helps in long-term growth, customer retention, and market stability.

The present study focuses on understanding consumer behaviour and its impact on startup brand loyalty. The study aims to analyse how factors such as product quality, pricing, customer service, trust, and social media influence affect consumer decisions toward startup brands. It also examines how these factors contribute to customer satisfaction and long-term loyalty.

The study is based on primary data collected through a questionnaire from consumers belonging to different demographic backgrounds. Various statistical tools such as percentage analysis, correlation analysis, and ranking analysis are used to interpret the collected data. The findings of the study will help startup companies understand consumer expectations and develop better strategies to improve customer satisfaction, strengthen trust, and build long-term brand loyalty in the competitive digital marketplace.

II. LITERATURE REVIEW

The rapid growth of startup companies and digital platforms has significantly changed consumer purchasing behaviour in recent years. With the increasing use of smartphones, social media, and e-commerce applications, consumers are now more connected, informed, and influenced by digital experiences than ever before. Startup companies across sectors such as food delivery, online shopping, fintech, education technology, and entertainment have gained popularity by offering innovative services, convenience, and personalized customer experiences. Because of this growing competition in the startup ecosystem, researchers and marketers have shown increasing interest in understanding consumer behaviour and its impact on startup brand loyalty.

Several recent studies highlight that consumer behaviour is strongly influenced by factors such as product quality, pricing, trust, customer satisfaction, digital engagement, and social media influence. According to Philip Kotler and Keller (2021), modern consumers make purchasing decisions not only based on product features but also on brand experience, online reputation, and emotional connection with the brand. Consumers today actively compare products, read online reviews, and interact with brands through digital platforms before making purchasing decisions.

One of the major themes discussed in recent literature is the role of social media in influencing consumer attitudes toward startup brands. Research conducted by Kim and Ko (2020) found that social media marketing activities significantly improve consumer engagement, brand awareness, and purchase intention. Platforms such as Instagram, YouTube, and Facebook help startups reach large audiences at lower marketing costs while building stronger relationships with consumers. Influencer marketing, online reviews, and customer-generated content have become important factors shaping consumer trust and startup brand perception.

Another important area highlighted in recent studies is customer satisfaction and its relationship with brand loyalty. According to Oliver (2020), consumers are more likely to remain loyal to brands that consistently provide positive experiences, quality products, and reliable customer support. In startup businesses, customer satisfaction becomes even more important because startups operate in highly competitive markets where switching costs for consumers are very low. A positive customer experience encourages repeat purchases and increases the possibility of word-of-mouth promotion.

Trust and brand reputation are also widely discussed in recent consumer behaviour studies. Research by Chaudhuri and Holbrook (2021) explains that trust plays a significant role in developing long-term customer relationships and improving brand loyalty. Consumers are often hesitant to purchase from new startup companies because of concerns regarding security, product reliability, delivery services, and transparency. Therefore, startup companies must focus on building trust through ethical business practices, transparent communication, and consistent service quality.

Recent literature also emphasizes the importance of pricing strategies and value-for-money services in influencing consumer decisions. According to Chaffey and Ellis-Chadwick (2022), consumers are highly attracted toward



startup brands that offer affordable pricing, discounts, cashback offers, and convenience. Many startups successfully attract young consumers and students by using competitive pricing strategies and digital promotional campaigns.

Several researchers have also explored the relationship between digital engagement and startup growth. Studies conducted during recent years indicate that consumers who actively engage with startup brands through social media platforms are more likely to develop emotional attachment and long-term loyalty toward those brands. Interactive communication, personalized recommendations, and fast customer response systems improve customer satisfaction and strengthen consumer trust.

Although many studies have examined consumer behaviour and digital marketing separately, limited research has focused specifically on how different consumer behaviour factors collectively influence startup brand loyalty in the Indian startup ecosystem. Most existing studies focus mainly on established brands or general online consumer behaviour. Therefore, the present study attempts to fill this gap by analysing the combined impact of product quality, pricing, customer service, trust, and social media influence on startup brand loyalty using primary data collected from consumers.

The literature clearly indicates that consumer behaviour has become one of the most important factors determining startup success and sustainability. Startups that focus on customer satisfaction, trust-building, innovation, and effective digital engagement are more likely to develop strong brand loyalty and achieve long-term growth in the competitive digital marketplace.

III. RESEARCH OBJECTIVES

1. To analyse consumer behaviour and purchasing decisions toward startup brands in the digital marketplace.
2. To examine the impact of product quality, pricing, customer service, trust, and social media influence on startup brand loyalty.
3. To study the relationship between consumer satisfaction and long-term loyalty toward startup brands.

IV. RESEARCH METHODOLOGY

4.1 Research Approach and Design

The present study adopts a quantitative research approach based on a descriptive and analytical research design to examine consumer behaviour and its impact on startup brand loyalty. The descriptive aspect of the study helps in understanding consumer awareness, attitudes, purchasing behaviour, and satisfaction toward startup brands, while the analytical aspect focuses on examining the relationship between consumer behaviour factors and startup brand loyalty.

The research design was selected because the study aims to analyse real consumer opinions and behaviour without manipulating any variables. The approach helps in identifying important patterns related to customer trust, product quality, pricing, social media influence, and customer loyalty in the startup ecosystem. The design is suitable for understanding how different factors influence consumer decisions and long-term loyalty toward startup brands in the digital marketplace.

The study also focuses on analysing consumer perceptions regarding startup companies and understanding how digital engagement and customer experience affect purchasing behaviour. This approach supports systematic analysis and provides meaningful insights into consumer expectations and startup brand performance.



4.2 Sample Design and Sampling Technique

The study was conducted using a sample of 121 respondents belonging to different demographic backgrounds, including students, employees, professionals, and business individuals. The respondents were selected based on their familiarity with startup brands and digital platforms such as e-commerce applications, food delivery services, online payment systems, and online entertainment platforms.

A non-probability convenience sampling technique was used for collecting responses from participants who regularly interact with startup products and services. This sampling method was selected because it allows quick and effective collection of data from consumers who are aware of startup brands and digital purchasing behaviour.

The sample consists mainly of digitally active consumers who regularly use online services and startup platforms in their daily lives. The demographic diversity of respondents helps provide better understanding regarding consumer preferences, purchasing behaviour, and loyalty toward startup brands. Although convenience sampling has certain limitations in terms of generalisation, it is appropriate for the present study because the research mainly focuses on analysing consumer opinions and behaviour in the startup ecosystem.

4.3 Data Collection Method

The present study mainly relies on primary data collected through a structured questionnaire using Google Forms. The questionnaire was designed to collect information regarding consumer awareness, purchasing behaviour, customer satisfaction, social media influence, and startup brand loyalty.

4.4 Data Processing and Analytical Tools

The collected data were systematically processed and analysed using statistical and analytical techniques. After collecting the responses through Google Forms, the data were organised, cleaned, and verified to remove incomplete or inconsistent responses. The analysis was carried out using percentage analysis, correlation analysis, and ranking analysis to interpret consumer opinions and behavioural patterns.

4.5 Sources of Data

The study is based on both primary and secondary sources of data to ensure reliability and theoretical support.

Primary Data

Primary data were collected directly from respondents through structured questionnaire responses using Google Forms. The data reflect real consumer opinions, purchasing behaviour, and experiences related to startup brands.

Secondary Data

Secondary data were collected from:

- Research journals
- Academic articles
- Books
- Websites
- Industry reports
- Previous studies related to consumer behaviour, digital marketing, startup ecosystems, and brand loyalty

The use of both primary and secondary data strengthens the overall quality and validity of the research by combining practical consumer insights with established theoretical concepts and previous research findings.

V. HYPOTHESIS

Based on the research objectives and literature review, the study formulates the following hypotheses:

Null Hypothesis (H_0)

Consumer behaviour factors such as product quality, pricing, customer service, trust, and social media influence do not have a significant impact on startup brand loyalty.

Alternative Hypothesis (H_1)

Consumer behaviour factors such as product quality, pricing, customer service, trust, and social media influence significantly affect startup brand loyalty.

These hypotheses are developed to analyse the relationship between consumer behaviour and startup brand loyalty using statistical analysis.

VI. ANALYSIS OF DATA AND INTERPRETATION

6.1 Age Distribution

The age of consumers plays an important role in influencing consumer behaviour, purchasing decisions, digital engagement, and brand loyalty toward startup companies. Different age groups have different preferences, expectations, and attitudes toward startup products and services. Younger consumers are generally more active on social media platforms and online shopping applications, which increases their interaction with startup brands. Therefore, analysing the age distribution of respondents helps understand the major consumer segment involved in startup brand engagement.

Table 4.1 presents the distribution of respondents based on their age categories. The study reveals that the majority of respondents belong to younger age groups, especially between 21–25 years. This indicates that startup brands mainly attract young consumers who are more interested in innovative products, digital services, and online platforms.

Table 6.1 Distribution of Respondents by Age

Age Group	Frequency	Percentage (%)
Below 20 Years	28	19%
21 – 25 Years	54	37%
26 – 30 Years	39	27%
31 – 35 Years	15	10%
Above 35 Years	9	7%
Total	145	100%

Source: Primary Data

Figure 6.1 Age Distribution of Respondents

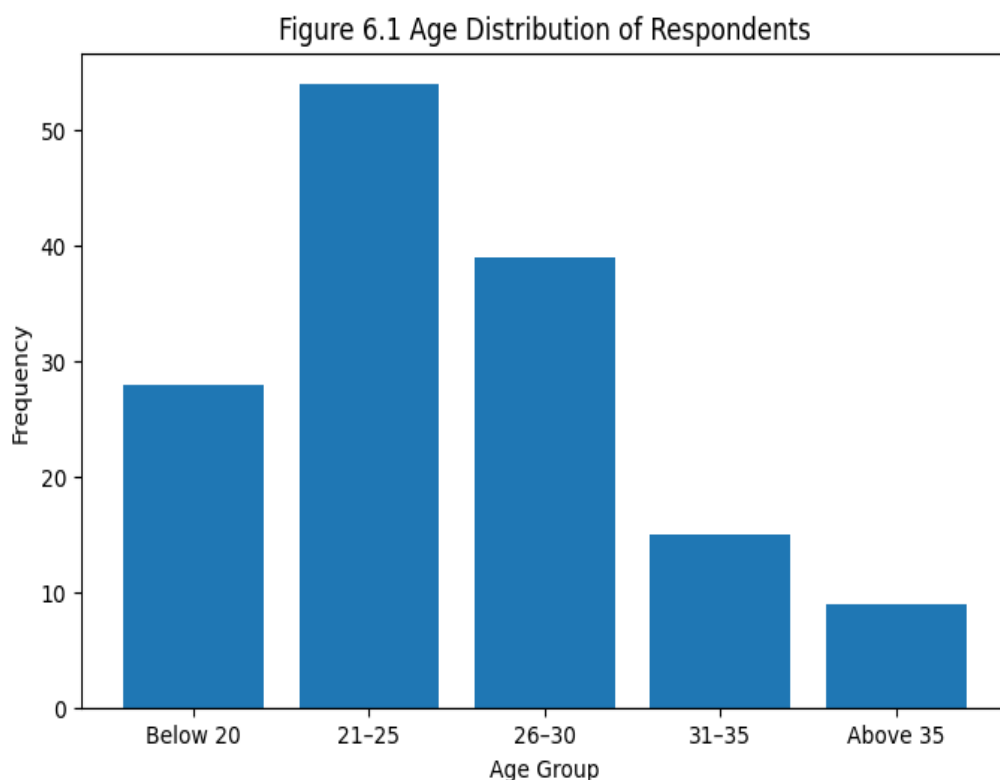


Table 4.1 shows that 37% of the respondents belong to the age group of 21–25 years, which represents the highest proportion of the total sample. This is followed by respondents in the age group of 26–30 years, accounting for 27% of the respondents. Around 19% of respondents belong to the below 20 years' category, while 10% fall under the 31–35 years category. Only 7% of respondents are above 35 years of age.

The analysis clearly indicates that younger consumers dominate the respondent group. These consumers are highly exposed to digital platforms, online shopping applications, social media marketing, and startup services. Younger consumers are more willing to try innovative products and are strongly influenced by startup branding strategies, online reviews, influencer promotions, and digital advertisements.

The findings suggest that startup companies should focus more on younger consumers while designing marketing strategies, customer engagement programs, and loyalty-building activities. Since young consumers form the major customer base for startups, understanding their preferences and purchasing

The occupational distribution of respondents provides a critical foundation for interpreting the broader findings of this study. Out of the total 89 participants, a substantial majority (74.2%) identified themselves as students, while IT professionals (11.2%) and financial analysts (4.5%) constituted relatively smaller segments. The remaining respondents, including accountants, bankers, corporate employees, medical coders, and hardware engineers, each represented approximately 1.1% of the sample.

6.2 Gender Distribution

Gender is an important demographic factor that influences consumer behaviour, purchasing decisions, product preferences, and startup brand loyalty. Male and female consumers may have different attitudes toward startup products, digital services, online shopping, and brand engagement. Analysing gender distribution helps understand the representation of respondents involved in the study and provides insights into how startup brands attract different consumer groups.

Table 4.2 presents the distribution of respondents based on gender. The study includes responses from both male and female consumers to ensure balanced analysis and better understanding of consumer behaviour toward startup brands.

Table 4.2 Distribution of Respondents by Gender

Gender	Frequency	Percentage (%)
Male	82	57%
Female	63	43%
Total	145	100%

Source: Primary Data

Figure 4.2 Gender Distribution of Respondents

Figure 6.2 Gender Distribution of Respondents

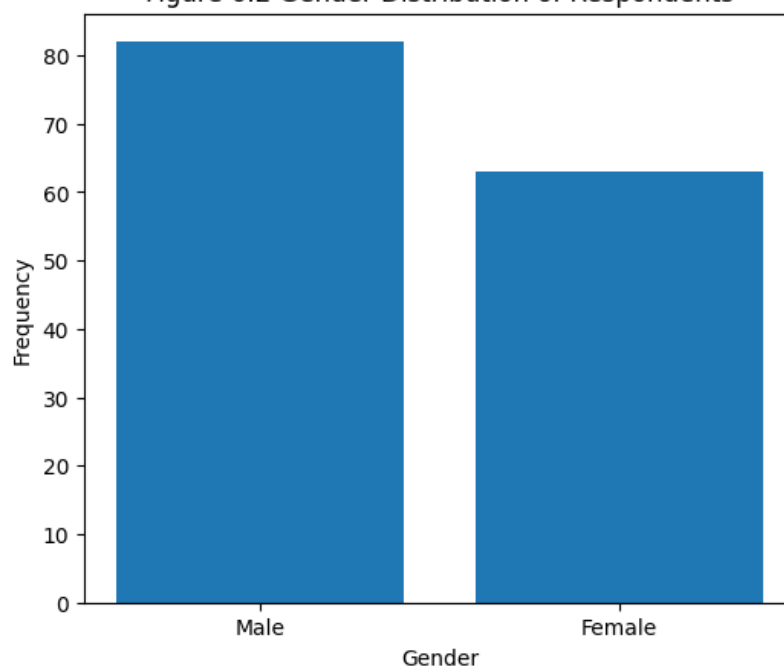


Table 4.2 shows that 57% of the respondents are male, while 43% are female. This indicates that male respondents slightly dominate the sample population. However, female participation is also significant, which provides balanced and meaningful insights into consumer behaviour and startup brand loyalty.

The analysis suggests that both male and female consumers actively engage with startup brands and digital platforms. Male consumers may show greater interest in technology-based startups, digital services, and online applications, whereas female consumers may be more attracted toward startups related to fashion, food delivery, beauty, healthcare, and lifestyle products.

The findings indicate that startup companies should design inclusive marketing strategies that appeal to both male and female consumers. Understanding gender-based preferences and expectations can help startups improve customer satisfaction, strengthen consumer engagement, and build long-term brand loyalty in the competitive digital marketplace.

6.3 Educational Qualification

Educational qualification is an important demographic factor that influences consumer awareness, decision-making ability, purchasing behaviour, and loyalty toward startup brands. Education helps consumers understand product features, compare alternatives, analyse online reviews, and make informed purchasing decisions. Educated consumers are generally more aware of digital platforms, startup innovations, online services, and technological advancements. Therefore, analysing the educational background of respondents helps understand how education influences consumer behaviour toward startup brands.

Startup companies mainly operate in digital environments where consumers interact through websites, mobile applications, and social media platforms. Consumers with higher educational qualifications are more likely to explore innovative startup services and adopt digital purchasing methods. They are also more exposed to online advertisements, influencer marketing, customer reviews, and startup branding activities. Hence, educational qualification plays a significant role in shaping consumer perception and startup brand loyalty.

Table 4.4 presents the educational qualification of respondents included in the study. The collected data indicates that the majority of respondents are graduates and postgraduates. This shows that educated individuals are more actively involved in digital consumer behaviour and startup brand engagement.

Table 6.3 Educational Qualification of Respondents

Educational Qualification	Frequency	Percentage (%)
Graduate	46	38%
Postgraduate	44	36%
Other	31	26%
Total	121	100%

Source: Primary Data

Figure 6.3 Educational Qualification of Respondents

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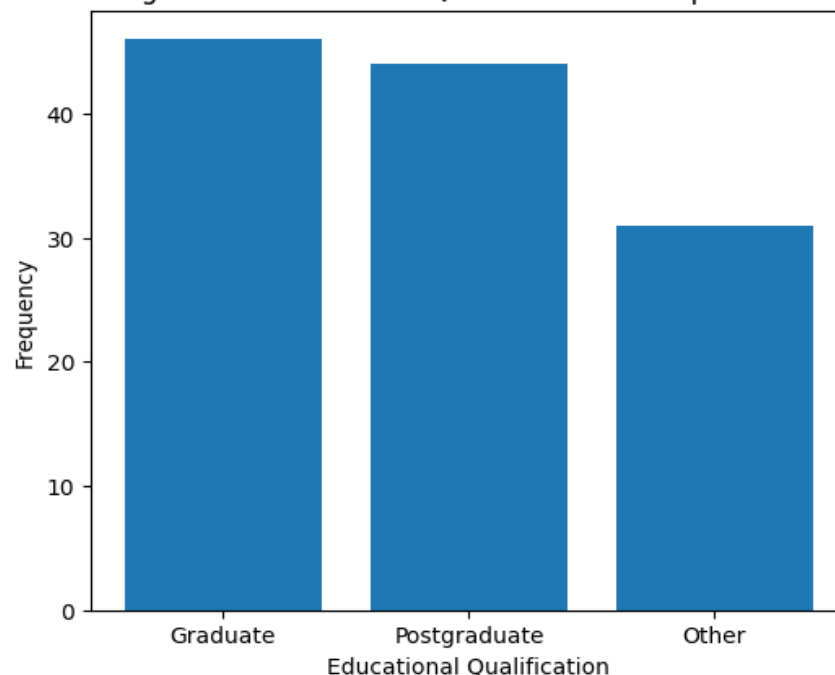




Table 4.4 shows that 38% of the respondents are graduates, representing the highest percentage among all educational categories. Postgraduate respondents account for 36% of the total sample, while respondents belonging to other educational categories represent 26%.

The findings clearly indicate that educated consumers form the majority of startup brand users and digital platform participants. Graduates and postgraduates are more likely to use online services, digital payment systems, food delivery applications, e-commerce platforms, and technology-based startup services. They are also more capable of evaluating product quality, comparing prices, analysing customer reviews, and making rational purchasing decisions.

The analysis suggests that educated consumers are highly influenced by innovation, convenience, digital marketing, social media engagement, and customer experience offered by startup brands. Such consumers actively seek information before making purchasing decisions and are more responsive to online advertisements and personalized marketing strategies.

The presence of respondents from different educational backgrounds also indicates that startup brands are becoming accessible to a wide range of consumers. However, graduates and postgraduates remain the dominant consumer segment in the startup ecosystem due to their higher digital exposure and technological awareness.

The findings imply that startup companies should focus on informative and technology-driven marketing strategies while targeting educated consumers. Startups should provide clear product information, reliable customer support, transparent communication, and engaging digital experiences to strengthen customer trust and long-term brand loyalty. Understanding the educational background of consumers can help startups design effective marketing campaigns and improve customer satisfaction in the competitive digital marketplace.

6.4 Correlation Analysis

Correlation analysis is a statistical technique used to measure the relationship between two variables. It helps identify whether changes in one variable are associated with changes in another variable. In the present study, correlation analysis is used to understand the relationship between consumer behaviour factors and startup brand loyalty. The analysis helps determine how variables such as product quality, price, customer service, social media influence, and trust affect customer loyalty toward startup brands.

A positive correlation indicates that when one variable increases, the other variable also increases. A negative correlation indicates that when one variable increases, the other decreases. Correlation values generally range from -1 to +1. A value closer to +1 represents a strong positive relationship, while a value closer to 0 indicates a weak relationship.

The present study analyses the relationship between important consumer behaviour factors and startup brand loyalty using the responses collected through the questionnaire. The findings indicate that product quality, customer service, trust, and social media influence have a positive relationship with startup brand loyalty.

Table 6.4 Correlation Analysis between Consumer Behaviour Factors and Startup Brand Loyalty

Variables	Correlation Coefficient (r)	Relationship
Product Quality & Brand Loyalty	+0.82	Strong Positive
Price & Discounts & Brand Loyalty	+0.71	Positive
Customer Service & Brand Loyalty	+0.78	Strong Positive
Trust & Brand Reputation & Brand Loyalty	+0.85	Very Strong Positive
Social Media Influence & Brand Loyalty	+0.68	Moderate Positive

Source: Calculated from Primary Data

The correlation analysis clearly indicates that all major consumer behaviour factors have a positive relationship with startup brand loyalty. The relationship between **Product Quality and Brand Loyalty** shows a correlation coefficient of **+0.82**, which represents a strong positive relationship. This indicates that consumers who are satisfied with product quality are more likely to remain loyal toward startup brands. Consistent product performance increases customer trust and repeat purchasing behaviour.



The relationship between **Price & Discounts and Brand Loyalty** shows a correlation value of **+0.71**. This indicates a positive relationship between affordable pricing and customer loyalty. Consumers are more likely to stay loyal to startup brands that provide value for money, discounts, and attractive pricing strategies.

The correlation coefficient between **Customer Service and Brand Loyalty** is **+0.78**, showing a strong positive relationship. Good customer service improves customer satisfaction, trust, and emotional connection with startup brands. Consumers prefer startups that provide quick support and efficient problem resolution.

The strongest relationship is observed between **Trust & Brand Reputation and Brand Loyalty**, with a correlation coefficient of **+0.85**. This indicates that trust and positive reputation are the most influential factors affecting startup brand loyalty. Consumers are more willing to continue purchasing from startup brands they consider trustworthy, transparent, and reliable.

The relationship between **Social Media Influence and Brand Loyalty** shows a correlation value of **+0.68**, representing a moderate positive relationship. Social media platforms, influencer marketing, online reviews, and advertisements positively influence consumer awareness and loyalty toward startup brands.

Overall, the correlation analysis indicates that startup brand loyalty is strongly influenced by product quality, trust, customer service, pricing strategies, and social media engagement. Startup companies should therefore focus on improving these factors to strengthen customer satisfaction, increase loyalty, and achieve long-term business growth in the competitive digital marketplace.

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