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# The Impact of Brand Features on Brand Equity

**MUHAMMAD BILAL**
Researchers Cusit Peshawar Pakistan

**AAMIR KHAN**
Researchers Cusit Peshawar Pakistan

**SAJJAD KHAN**
Researchers Cusit Peshawar Pakistan

***Abstract***

*Powerful marketing communications is among the key equipment or tools in building brand equity in organizations. This research seeks to examine the influence of marketing communications on brand equity in the Cell Phones and Cold Drink industries. The population for this research has been gathered from Peshawar and its surrounding areas. The population sampling for the study consist of 150 consumers. The data were obtained via author made questionnaire. The result indicates that there is significant relationship between brand equity and perceived quality.*

***Keywords:*** *Brand equity, Brand loyalty, advertisement, and Perceived quality*

## Introduction

According to Huber (2010), While presence in the global markets needs top quality and best price. In addition continual attendance requires brand. The consumers stick to the pinpoint brand inside the very similar circumstance. Hence, the department with no devoid of brand needs to improve its quality or lower its rates. Both these activities result in decrease fringe advantages or shedding rivalry strength. To put it differently, the organization with no brand deficits benefits to sustain the competitor's strength and also this dropping benefit equates towards the opponent brand equity (Sachse and Mangold, 2011).

Organization recognized its brand as an impalpable property, at one hand. There is a direct connection among authorized organization's stock price and brand equity inside the intensive economics. Thus, the domestic companies need to look into the brand process as well as carry out this method and contend with the well-known brands. The brand is usually a complicated procedure that offered distinct concepts and features. Simply by utilizing its components and also every single useful component as discovered identity, brand conveys along with consumers (Hollenbeck et al, 2008).

Despite the fact that advertising and also other communicator's possibilities play an essential part inside the marketing programs and strategies, growth and development of brand equity are the absolute goal. Due to the versatility, brand equity is diversely affected by the marketing communication. Marketing communications providing information regarding brand i.e. it play an essential role in progression of brand equity, optimistic interactions in the mind of customers, endorsement of apprehension and optimistic thoughts in accordance with brand and also the facilitation of shaping strong connection in between customers as well as compliance with the brand (Keller, 2008).

Unluckily, because the brand idea is inexplicit in Pakistan, thus the majority of the brands of various companies are not registered. The companies' proprietors say that it is not necessary to enroll their brand, because they think that brand is surely an abstruse notion and they've it. The useful elements of brand and marketing of the brands are deemed. Furthermore, due to the fact Pakistan isn't dynamic in the entire world trading constitution and there's zero competition among firms as compare to the worldwide level, thus the proprietor of such companies usually do not contemplate this to be necessary.

## The significance of the Subject Matter

According to Hyun (2009), Due to brand equity the possibility of choosing a particular brand increases via devotion and loyalty among customers. Various firms has adopted this edge for the growth and expansion of their products. Also because of the brand generalization with current products, we can see that the expense of the ads is decreased for new products. While considering the attributes of brand equity, it is usually accredited to providing licenses and legal rights, efficiency of marketing communications, chain shops approach in the direction of utilizing state brand within their products, depletion of sensitivity of consumers regarding price and also decrease in susceptibility of the companies against rivals as well as a financial economic breakdown or economic decline (Rajh, 2005).

In accordance with FASB definition, the advertising expense entails almost all amount of an organization's procreation activities for creating a brand, institute or perhaps new and exclusive products so as to provide the perfect image of the organization or induce new customers and sustain the current customer fidelity or exaggerate the desire for new products. According to this definition, advertisement expenditure can be presented with two views. Advertising expenditure could be viewed as an asset (Park and Jang, 2010). To make investment in advertisement and made the very best decision first the degree of efficiency of advertisement on setting up the special brand needs to be examined, in both cases. Advertisement is carried out; concerning identification of the particular brand affected proportions, in order that it leads to the approbation of the stated proportions or dimension. According to Keller (2003), Advertisement has positive impact on customer behavior. A few experts think that advertisement is ephemeral despite the fact that it changes the customer behavior.

Park and Jang (2010) imply that due to change in behavior by brand loyalty is static and because of this sustainability, it could be invested. Providing free samples, support of sports activity and social events are conducted in this relation. In accordance with this idea that the number of studies is limited within this scope, however it looks like many of these activities had positive impact on brand equity (Buil et al, 2011). Hence brand equity dimensions impacted by propagation activities and advertisement ought to be acknowledged in order to allocate the communication resources, to make the best decisions and also focusing on the best beneficial aspects. Lastly, the aims and objectives of this study are given below:

1. Determine the dimensions of brand equity and also provides the model to identify the relationship regarding these dimensions in the assessment of dimensions of the brand equity
2. Compare the dimensions of the brand in computing the brand equity
3. Identifies the connection between dimensions of brand equity and propagation activities
4. Identify the association between dimensions of brand equity and advertising
5. Determine the most effective aspect of marketing communication that impact brand equity

## Hypotheses of the Study:

**H1:** Advertising positively affects the perceived quality.
**H2:** Advertising has significantly influence the brand loyalty.
**H3:** Advertising significantly influences the brand awareness.
**H4:** Brand loyalty has significantly effect on the Perceived quality.
**H5:** Awareness of the brand has positively influence the perceived quality.
**H6:** Brand awareness has significantly influence the brand loyalty.
**H7:** Brand loyalty has positively influence the brand equity.
**H8:** Brand loyalty has significant relationship with awareness of brand.
**H9:** Perceived quality has a significant relationship with advertising.

## Literature Review

### Marketing Communications

Keller (2008) implies that firms endeavor to guide their customers on the road to buy their brands by means of marketing communication. An effective link is made relating customers as well as brand via marketing communication.
Marketing communications is mixture of proliferation and promotion (Armestrong and Katler, 1999). Even though marketing in media, on web, on billboards, posters, in airport, cinema, and various other places are the most important fundamentals of marketing, however promotional activities (awarding for substantial buy, dealing fairs, providing complimentary item for consumption as well as discount), games, leisure and artistic activities can be added in.

### Advertisement

Rosta et al (1388) says Advertisement is introducing as well as shaping impersonal goods or services through various messengers by getting cash from nonprofit or profit institutes or persons referred in the memo. This arrangement includes economics, statistics, sociology, psychology, sciences as well as art.
Firms utilize brand for the attraction of customer and also making brand impartiality. The goods and services are determined via marketing and so it prospects to raise sale (Park and Jang, 2010). In accordance with Rau and Chen (2006), Promotion leads to identification of product, understanding and also posture inside the customer and its effects on customer brain as structured info. Though it looks that the advertisement does not switch the customer performance, however it is very essential for the brand impartiality i.e. it constructing info inside the customer mind. There are numerous ways to perform Marketing i.e. through magazines, net, TV ads, and also posters.

### Some Additional Activities to Advertise Sales

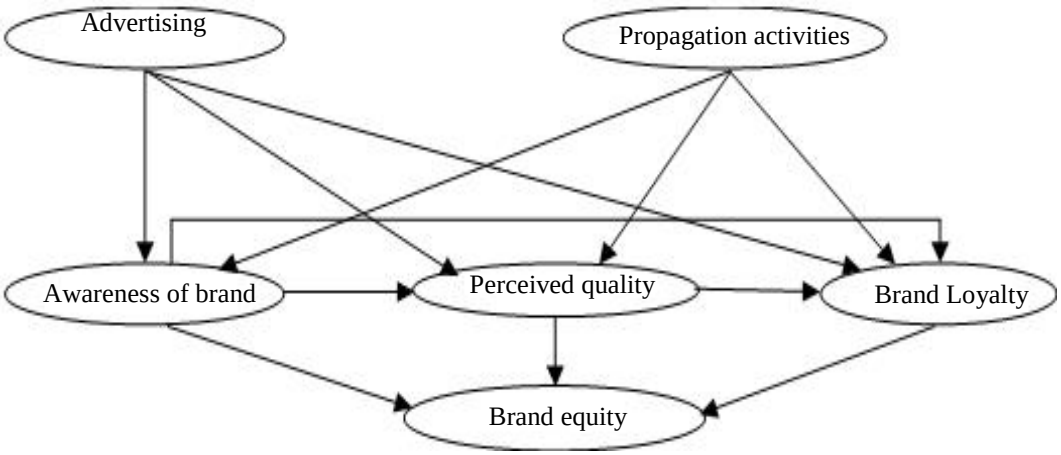
Marketing propagation behavior includes short term incentives and also spur or motivation to be able to support trading of products and services. Sale promotion contains various promulgation instruments intended for market quick as well as strong reactions (Rosta et al, 1388). These actions can be targeted on absolute customer, vendor and also distribution persons or affiliates.
Sale promotion actions or activities are rationalized in several ways whereas promotion activities suggest reasons behind purchasing the goods. The Sale promotion dissemination behavior allows purchasing incentives in the customer (Keller, 2008).

### Brand Equity

Brand equity has no particular definition. In accordance with Killer (2003) it's a distinct response of the customers towards a company's brand due to the discriminate impact on customer's reactions. Aaker propose's that the brand impartiality is group of components generating appraise for the goods and also customers. It may be alluding to brand and the like (Aaker, 1991).

In earlier studies the elite brand equity is split into two classes. The foremost class includes customer's belief or notion i.e. awareness of brand, perceived quality, brand loyalty and other class includes consumer performance similar to brand devotion (brand loyalty) and focus on price variations.

Aaker combines the two elements i.e. behavioral and perceptional. One of the best advantage of this combination of measuring brand equity criteria is that they have been defined so that the indicators are the merely determinants concerning market performance. Consequently they might be utilized extensively in measuring activities (Shamash and Seyed Javadin, 1386). The elite brand equity is formed from four fundamentals said by Aaker:




Yoo and et al provided a reputable multidimensional measuring standard for measuring brand equity from customer perspective. This model was intervening from Aaker and Keller models. Brand awareness, brand loyalty, and perceived quality are parameters of the study. Yoo and et al offered the very new the new idea that is to measure brand equity via psychological assessments and studying twelve brands in numerous cultures and markets inside Korea and the United States. This standard is legitimate and is pertinent in several cultures and customers (Yoo and Donthu, 2001).

Yoo and Donthu (2001), they provided a relational design for three dimensions of brand particular value such as brand awareness, perceived quality, and brand loyalty. These particular dimensions have three directions. Awareness of the brand influences the perceived quality which then results in brand loyalty.
According to Keller (2003), Loyalty indicates the possibility of acquire some other brand if the price as well as other proportions are shuffled.

Zithem (1998), implies that Perceived quality signifies judgment of customer regarding top priority and benefit of goods based on the desired goals and also other goods out there in the market.
Awareness necessitates the capacity for potential consumer in identification and memorizing the brand as being a member of special products (Aaker, 1991). Hyun (2009) says that Brand awareness gives you the defined picture of the product.

Aaker (1991), stated that Subjective association means relationship of brand and almost everything that linked to brand in the mind. Also it can be engaged subjectivity of buyer, products qualities and attributes, consumption cases and connection pertains to a firm, brand persona and symbols (Keller, 2003). There should be some distinction between products with brand, its quality and also features without brand (Beverland et al, 2007).

In fact, the final value of brand exhibits the impact of brand equity on three dimensions. These 3dimensions impact favorably on brand final equity (Yoo and Donthu, 2001).

**Conceptual Model for studying the Impact of Advertisement on Brand Equity**

According to Yoo model and hypotheses, the below model is suggested for calibrating brand equity. Research conceptual model (Baumgrarth and Schmidt, 2010)

**Theoretical Framework**

The below diagram signifies that Brand Equity depends upon four critical dimensions. Framework of the study implies that those variable that can impact Brand Equity in the cold drink and mobile phone industry. Quite simply, Brand Equity can be affected by Advertising, Brand Loyalty, Awareness of the Brand and Perceived Quality.

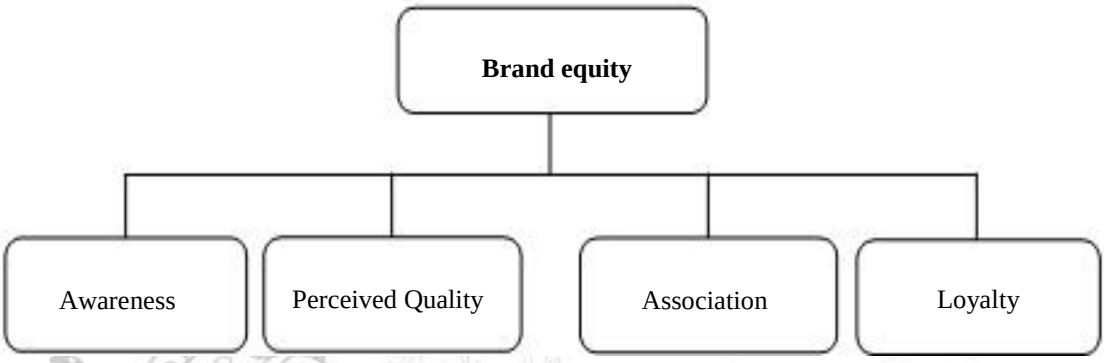



**Figure 1: Brand equity in Aaker model (Seyed Javadin and Shamash, 1386)**

## Methodology

To collect data structured questionnaire method was used. In order to obtain correct info from consumers a number of closed ended questions were made-up.

The questionnaire consists of two parts .The first one is the Demographical Background while the second one includes the dependent variable (Brand Equity) and independent Variables such as (Advertising, Brand Loyalty, Awareness of the Brand and Perceived Quality). Five Point Linkert Scale method was used to reveal the consumers' agreement/disagreement regarding the items mentions in this proposal.

**Population:**

For population, related to this research, students of the City University and the surrounding areas were taken.

**Procedure:**

In this the questionnaire was distributed among 100 students of the City University and the remaining was among the surrounding areas of Dalazak road near City University. Among those 150 only 120 questionnaires were received and the remaining 30 were not yet collected or received. So descriptive statistics, regression and correlation analysis was performed on the remaining 120 questionnaires.

## Demographic Profile

Table 1 below shows the demographical analysis of 120 respondents. Descriptive table below shows that 86% of the respondents are male and 14% respondents are female. Table 1 also explained that 20% respondents were in the age group of 10-20, while in age ranged from 21-30, 69% of respondents. While in age of 31-40 only 09% respondents and respondents having age more than 41 are only 02 %.

**Table 1:** Demographical Result

| Measures | Items | Frequency | |
|---|---|---|---|
| **Gender** | Male | 103 | |
| | 86% Female | 17 | |
| **Age** | 10-20 | 24 | 20% |
| | 21-30 | 83 | 69% |
| | 31-40 | 11 | 09% |
| **Designation** | Student | 93 | |
| | 78% Teacher | 10 | |
| | 08% | | |

## Results and Analysis

For the analysis part of this research SPSS 20 were used. The following results has attained after inserting the linear regression.

The below table shows that the dependent variable (Brand Equity) is 43.4 % explained by the independent variables (Perceived quality, Awareness of brand, Advertising & Brand Loyalty). That is the dependent variable shows 43.4 % of association with the independent variables. Also as some variables are not included in this research, that might also influence the brand equity+ so it gives us some error and in this case the error is 64.13 %. As F-change value is greater than 3.78 so it means that the "sig.F-change" value would be less than 0.05 that makes the whole model statistically significant.

**Note:** The standardized value for f- is 3.78 while for p- is 0.05. Here we have 2 cases i.e.
Case 1: If f-value is greater than 3.78, so the p-value will be automatically less than 0.05 which means that our hypothesis is statistically significant. And we will accept our hypothesis.
Case 2: If f-value is less than 3.78, so the p-value will be automatically greater than 0.05 which means that our hypothesis is statistically insignificant. And we will reject our hypothesis

**Table 2: Model**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .659a | .434 | .415 | .64133 |

a. Predictors: (Constant), Perceived quality, Awareness of brand, Advertising, Brand Loyalty

The below table of ANOVA explained that overall model was significant. Since the sig. value is less than 0.05 so it indicates that the model is statistically significant. It is clear that all the independent variables, that is, Perceived quality, Awareness of brand, Association, Brand Loyalty are connected to the dependent variable, that is, brand equity.

**Table 3:**

**A**

| Model | | Sum Of Squares | Df | Mean Square | F | |
|---|---|---|---|---|---|---|
| 1 | Regression | | 4 | 9. | 22.07 | .000[b] |
| | Residual | 36.324 | 11 | 08 | 8 | |
| | Total | 83.624 | 119 | 4 | | |

a. Dependent Variable: BRAND EQUITY

b. Predictors: (Constant Perceived quality, Awareness of brand, Advertising, Brand Loyalty)

**Table 4:** Regression Co-efficient

| Coefficients[a] | | | | | | |
|---|---|---|---|---|---|---|
| | Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .063 | .781 | | .081 | .936 |
| | ADVERTISING | .162 | .090 | .159 | 1.76 | .076 |
| | PERCEIVED QUALITY | .488 | .094 | .449 | 5.182 | .000 |
| | BRAND AWARENESS | .259 | .108 | .190 | 2.400 | .018 |
| | BRAND LOYALTY | .040 | .154 | .018 | .257 | .797 |

a. Dependent Variable: BRAND EQUITY

Advertising - The coefficient for Advertising is 0.162. So for every unit increase in Advertising, a 0.162 unit increase in Brand Equity is predicted, holding all other variables constant.
Perceived Quality – For every unit increase in Perceived Quality, we expect a 0.488 unit increase in the Brand Equity score.
Brand Awareness - The coefficient for Brand Awareness is 0.259. So for every unit increase in Brand Awareness, we expect an approximately 0.259 point increase in the Brand Equity.
Brand Loyalty - For every unit increase in Brand Loyalty, we expect a 0.040 unit increase in the Brand Equity score.
Also to know whether our hypothesis that we mentioned are true or false; we use the following technique.
Note: The standardized value for t- is +1.96 0r -1.96 while for p is 0.05. Here we have 2 cases i.e
Case 1: If t-value is greater than +1.96 or -1.96, so the p-value will be automatically less than 0.05 which means that our hypothesis is statistically significant. And we will accept our hypothesis.
Case 2: If t-value is less than +1.96 or -1.96, so the p-value will be automatically greater than 0.05 which means that our hypothesis is statistically insignificant. And we will reject our hypothesis.
Advertising - Since the value of t- is 1.76 i.e. less than +1.96 it means that the p-value would be greater than 0.05 which indicates that the hypothesis regarding Advertising is rejected, and also it is statistically insignificant.
Perceived Quality - Since the value of t- is 5.182 i.e. greater than +1.96 it means that the p-value would be less than 0.05 which indicates that the hypothesis concerning Perceived Quality is accepted, and it is statistically significant.
Brand Awareness - Since the value of t- is 2.400 i.e. greater than -1.96 it means that the p-value would be less than 0.05 which indicates that the hypothesis concerning Brand Awareness is accepted, and it is statistically significant. Brand Loyalty - Since the value of t- is 0.257 i.e. less than -1.96 it means that the p-value would be greater than 0.05 which indicates that the hypothesis regarding Brand Loyalty is rejected, and it is statistically insignificant.

## Conclusion

The main aim of this research was to find out how the marketing communication affects the Brand Equity in the cold drink and mobile industries. From the above results, following findings and conclusion is drawn. It is concluded that perceived quality and brand awareness are the key factors that impacts the brand equity of the listed item. Keeping the findings of this research it is very obvious that the companies should always continue to emphasize on perceived quality and brand awareness regarding brand equity in the cold drink and mobile industries. Furthermore, advertising also impact the brand equity concerning any of the above listed industry.

## Discussion

This study shows that the independent variables can influence brand equity in cellular industry as well as the cold drink industry. Now a day's cell phone has taken an important place in our daily life. Basically brand equity depends upon the category of customer. We can divide them according to their age, gender, profession, status, etc.

Also mobile devices tech is a big success in Pakistan. It is explained from the results that Perceived quality, Awareness of brand, Advertising is three momentous elements that can influence the brand equity. Perceived quality plays an important role in the industries listed here. Thus, if we want to say that industries like soft drink, beverages and mobile phones should concentrate on the perceived quality and brand awareness to be successful in the nearer future.

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