CHAPTER II

REVIEW OF LITERATURE

"A brand is the proprietary visual, emotional, rational and cultural image that you associate with a company or product"

- Charles R. Pettis III, Brand Solutions
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2.1 INTRODUCTION

The research on brand equity is fragmented, as it has been studied in several contexts with different product groups. The researchers in this field have identified some common factors which provide some conceptual clarity about brand equity. The concept of brand equity is solely based on various elements, factors and attributes of products. In the present research, the researcher identified and reviewed most influencing factors of brand equity such as brand loyalty, brand awareness, brand knowledge, perceived quality, brand associations, purchase decisions and post purchase behaviour. Through this literature review, the assumptions, views and dimensions evident in the most central research on customer based brand equity are identified and the same has been arranged in a systematic order.

2.2 BRAND LOYALTY AND BRAND EQUITY

Brand loyalty is considered as one of the major element of building brand equity in this study. It is the primary factor which creates customer based brand equity because the customers are loyal to their brand only in the case of complete satisfaction and trust. The following literature are outcome of the various researches related to brand loyalty by various researchers.
Pokorny (1995)\(^1\) offered a two step procedure in managing brand equity. First, the use of consumer research to determine what he calls the “core competencies” of brand image. These core competencies were the consumer perceptions of the brand personality and attitudes that cause the consumer to become loyal customers. Second, the company needs to identify those brand relationships that will incrementally built customer loyalty. After obtaining the ways of building brand loyalty the research naturally posses what are the different context in which brand equity can be placed in the minds of customers.

Chaudhuri (1995)\(^2\) discussed the theories of double jeopardy and brand equity. Results indicated support for both theories of brand equity and double jeopardy since both direct and indirect relationships were found between attitudes/habit and brand equity outcomes. The indirect relationships were mediated by the concept of brand loyalty. Hence it is essential to know the relationship between attributes/habits and other brand equity constructs.

Lyong Ha (1998)\(^3\) integrated three aspects of brand loyalty, and investigated the relationships among several antecedents of behavioural brand loyalty by introducing the theory of reasoned action. Eight conditions of unit brand loyalty had different levels of brand loyalty shown by the consumers. When attitude, subjective norm and purchase

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behaviour were all consistent and favourable, the maximum level of unit brand loyalty will be realized.

*Knox and Walker (2001)* developed a measure in which both brand commitment and brand support were found to be necessary and sufficient conditions for loyalty to exist. Based on this measure, four consumer purchasing styles were identified and characterized as 'loyals', 'habituals', 'variety seekers' and 'switchers'. The strategic implications of segmenting grocery markets on this basis were discussed in both the context of the marketing of brands and managing brand equity. After identifying the purchase behaviour there is a need for a research to evaluate the post purchase behaviour and its elements because post purchase behaviour is one of the factor which affects brand equity.

*Quester and Lim (2003)* examined the link between product involvement and brand loyalty. The factor structure of involvement was found to vary between the two product categories (sneakers and pens). Furthermore, the link between product involvement and brand loyalty was found to involve different aspects of product involvement for each of the products concerned. Hence, future researchers in the area should be mindful that product involvement and brand loyalty were not universal constructs: they should be examined within specific consumer and product parameters.

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Schoenbachler, Gordon and Aurand (2004)\textsuperscript{6} investigated a possible avenue for building brand loyalty that was not directly related to the marketing of the product – attracting individual investors in the brand's corporate parent. A survey of over 500 individual investors revealed that individual investors do tend to buy brands from companies in which they hold stock, and investors may buy stock in a company because they had experienced with the brand. In contrast with brand loyalty, where consumers will not buy competitive offerings, individual investors indicated they would buy competitive offerings, suggesting that stock ownership was more likely to lead to repeat purchase behavior, but not brand loyalty.

Merisavo and Raulas (2004)\textsuperscript{7} examined the effects of e-mail marketing on brand loyalty and also revealed the kinds of e-mail content valued by consumers. Data were gathered from 890 consumers, who were users of a multinational cosmetics brand and had received regular permission-based e-mail messages from the marketer. Results reveal that regular e-mail marketing has positive effects on brand loyalty. E-mail-activated consumers visited retail stores. Consumers exposed to e-mail marketing recommended the brand to their friends. Loyal customers appreciated regular communication and various other information content from the brand more than mere offers. These results encourage marketers to keep in frequent contact with customers via e-mail with the aim of enhancing brand loyalty. It was proved that communication was an integral part of building brand loyalty. In future,


the research may be focused towards other dimensions of brand loyalty also.

Atilgan, Aksoy and Akinci (2005)\textsuperscript{8} examined the practicality and application of a customer-based brand equity model, based on Aaker's well-known conceptual framework of brand equity. The study employed structural equation modeling to investigate the causal relationships between the dimensions of brand equity. It specifically measured the way in which consumers' perceptions of the dimensions of brand equity affected the overall brand equity evaluations. Data was collected from a sample of university students in Turkey. The study concludes that brand loyalty was the most influential dimension of brand equity. Weak support was found for the brand awareness and perceived quality dimensions. After identifying that the brand loyalty was a most influential dimension of brand equity, naturally there was a need to find the factors involved in the brand awareness and perceived quality for strengthening its influence on brand equity.

Brink, Gaby Schroder and Pauwels (2006)\textsuperscript{9} conducted a study with two objectives. The first objective was to find out to what extent consumers reveal an effect of strategic and tactical cause-related marketing on brand loyalty. Second, the article seeks to assess the moderating role of consumer involvement with a product on the relationship between cause-related marketing and brand loyalty. The results show that consumers perceive a significantly enhanced level of

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brand loyalty as a result of strategic cause-related marketing as long as the firm has a long-term commitment to this campaign and the campaign is related to a low involvement product. Consumers do not exhibit a significant impact of tactical cause-related marketing campaigns whether related to high or low involvement products on brand loyalty.

_Gil, Andres and Salinas (2007)_\(^{10}\) analyzed the source of consumer-based brand equity and its dimensions by evaluating information of a brand provided by both the family and the firm (via price, promotion and advertising spending). Results prove that positive brand information provided by the family had effects on the formation of brand awareness-associations and perceived quality, and this may lead in turn, to brand loyalty and overall brand equity. The effects of the information provided by the family were higher than those of the marketing variables studied. Results also show that brand loyalty was much closer to the concept of overall brand equity than brand awareness-associations and perceived quality. Hence there is a need to study the impact of purchase decision and post purchase behaviour.

_Paswan, Spears and Ganesn (2007)_\(^{11}\) focused on the feeling associated with being rejected by the preferred service brand, and its effect on consumer assessment of the alternate brand. The findings revealed that the consumers who do manage to get their preferred service brand tend to be more satisfied with the features of the obtained


brand and exhibit higher levels of brand loyalty towards that brand. In comparison, consumers who end up with a service brand that is not their first choice seemed to have lower levels of satisfaction with and loyalty towards the obtained brand.

2.3 BRAND AWARENESS AND BRAND EQUITY

Brand awareness is considered as one of the indispensable factors of building blocks of customer based brand equity. The awareness will be created among the customers by the way of creating remembrance and identification about the brand in many ways. The following are the various literature related to brand awareness.

Yoo and Donthu (2002)\textsuperscript{12} explored the cross-cultural generalizability of Yoo et al’s brand equity creation process model. The results revealed which marketing efforts and brand equity dimensions had invariant effects on brand equity. Specifically, brand loyalty and perceived product quality do not have an invariant effect on brand equity, while brand awareness/associations had an equivalent effect. Hence, it is essential to evaluate the brand awareness/association characteristics, because such a thing may explore the brand loyalty and perceived quality attributes.

Baldaur, Cravens, and Binder (2003)\textsuperscript{13} evaluated the consequences of brand equity management was one of the most important measurement issues for intangible assets in the new

economy. Results indicated strong support for measures of brand awareness as antecedents of firm performance, customer value and willingness to buy.

Ye and Raaij (2004)\(^{14}\) extended the concept of brand awareness to 'awareness sensitivity and bias' and the concept of 'brand likeability' to 'liking sensitivity and bias' using Signal Detection Theory. The effect of divided attention on the extended components was investigated in three laboratory experiments. It was found that, in the attended mode compared with the unattended mode, consumers perform better in preserving favourable brand awareness and have a conservative reaction tendency. This effect of attention occurs in building brand awareness for short presentations, but not for long presentations. These findings may serve as guidelines for a strategy formulation for enhancing customer mind set brand equity.

Kim and Kim (2004)\(^{15}\) conducted a study with the aim of testing four elements of brand equity namely, brand awareness, brand image, brand loyalty and perceived quality. The results found that of those attributes brand awareness had the strongest direct effect on revenues, while loyalty had the least effect. Dividing the restaurants into high-performing and low-performing groups, the researchers found that customers differentiated the high-performing restaurants on several product-quality measures, including knowledgeable employees and food served on time and as ordered. Oddly, high-and low-performing restaurants were not differentiated on such other quality factors as

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making quick corrections of errors, experienced personnel and cleanliness. One other contrary finding was that although brand equity comprises all four factors being tested, awareness showed the smallest effect on brand equity, far eclipsed by image, loyalty and product quality. Thus there is a further research required to exhibit how for all the attributes of brand awareness is positively correlated with brand equity.

Yasin, Noor and Mohamad (2007)\(^\text{16}\) explored the effects of brand’s country-of-origin image on the formation of brand equity. A conceptual framework in which brand's country-of-origin image was postulated to influence the dimensions of brand equity, which was made up of brand awareness as one of the main element. These dimensions, in turn, influence brand equity. Factor analysis conducted on brand equity dimensions, produced brand awareness as one of the important factor. The regression analysis results showed that brand’s country-of-origin image positively and significantly influences dimensions of brand equity. The results also showed that brand’s country-of-origin image influences brand equity, either directly or indirectly, through the mediating effects of brand awareness.

2.4 BRAND KNOWLEDGE AND BRAND EQUITY

Brand knowledge is one of the factors which is directly involved in building brand equity because it is purely depending upon the minds of the customers. Hence, from the customer’s point of view brand

knowledge is a vital factor. The following are the various outcome of the previous researches.

*Keller (1993)*\(^{17}\) considered brand equity from the view point of consumers, using a cognitive psychological foundation. He defined consumer based brand equity as the marketing effects uniquely attributable to the brand that had differential effect of what is known about the brand (brand knowledge) on consumer response to the marketing brand. Thus, brand equity, according to this definition, relates to the knowledge about the brand created by the firm’s investment in previous marketing efforts. By defining brand equity in this manner, the focus was on the effectiveness of marketing strategies, enabling marketing managers to consider how their marketing programs increase the value of the brand. This stream of research had provided a useful conceptual framework within which to reason about and manage brand equity, but it had not been fruitful in terms of creating formal and testable models of brand equity and choice behaviour.

*Keller (1998)*\(^{18}\) proposed customer based brand equity as: “the differential effect that brand knowledge has on customer response to the marketing of that brand”. A real brand equity for a consumer was brought forward from the relevant knowledge of the brand with a set of favorable associations in a given purchase decision context.

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Macky (2001)\textsuperscript{19} applied ten existing consumer based measures of brand equity to a financial services market (credit cards). The convergent and predictive validity of these measures was assessed, which in turn helped to determine whether these measures that have typically been applied in product markets can be used to capture brand equity in a service market. The results found that most measures were convergent and correlated highly with market share in the predicted direction, where market share was used as an indicator of brand equity. Brand recall and familiarity, however, were found to be the best estimators of brand equity in the credit card market. Consequently the impact of brand recall and familiarity may be tested in FMCG market.

\textit{Esch, Langner, Schmitt and Geus (2006)}\textsuperscript{20} conducted a study to develop a comprehensive model that combines brand knowledge and brand relationship perspectives on brands and shows how knowledge and relationships affect current and future purchases. It was found that current purchases were affected by brand image mostly directly and by brand awareness mostly indirectly. In contrast, future purchases will not be affected by either dimension of brand knowledge directly; rather, brand knowledge affects future purchases via a brand relationship path that includes brand satisfaction, brand trust, and attachment to the brand. Thus, brand knowledge alone is not sufficient for building strong brands in the long term; brand relationship factors must be considered as well.


Davis, Golicic and Marquardt (2007)\textsuperscript{21} extended the existing brand theory to a new setting, namely B2B services. Drawing on the results of two mail surveys, they examine B2B services branding in the context of logistics services. Findings suggest that brands do differentiate the offerings of logistics service providers and that brand equity exists for this commodity-like B2B service. Findings also support the extendibility of Keller’s brand equity framework into the logistics services context. However, results of this study show that; logistics service providers and their customers had different perspectives on the relative influence of brand image and brand awareness on brand equity.

2.5 PERCEIVED QUALITY AND BRAND EQUITY

The customers are always aware about the quality of the product which they purchase. The product with good quality reaches very well in the market. It is indispensable that perceived quality is one of the prominent factors which directly affect the brand equity. The following are the various research output of previous researches.

Kamakura and Russell (1991)\textsuperscript{22} proposed three measures of brand equity, each based on the value that the consumer places on a product. The authors calculated the following three measures of brands, using consumer choice histories from retail scanner data on powdered laundry detergents. Perceived value estimates the value consumers assigned to the brand, after discounting for situational factors such as price and promotions. Dominance Ratio evaluates the brand’s ability to


withstand price competition, an important indicator of a brand’s value to the firm. Intangible Value isolates the component of quality perceptions that cannot be directly attributed to the physical product. The findings revealed that from a theoretical perspective, perceived value and the dominance ratio appeared to be equivalent concepts. That was, brands perceived to be of high quality were also the strongest price competitors. In contrast, intangible value highlights brands that were unusually strong (or weak) competitors, relative to the brand’s objectively determined quality. A product or service comprises of tangible and intangible attributes. Apart from the quality factors, intangible things are also to be identified and same thing may be tested how for it affects the price of a brand.

Hellier, Geursen, Carr and Rickard (2003) developed a general service sector model of repurchase intention from the consumer theory literature. A key contribution of the structural equation model was the incorporation of customer perceptions of equity and value and customer brand preference into an integrated repurchase intention analysis. The model describes the extent to which customer repurchase intention was influenced by seven important factors – service quality, equity and value, customer satisfaction, past loyalty, expected switching cost and brand preference. The analysis found that although perceived quality does not directly affect customer satisfaction, it does so indirectly via customer equity and value perceptions. The study also finds that past purchase loyalty was not directly related to customer satisfaction or current brand preference and that brand preference is an intervening factor between customer satisfactions and repurchase intention. The

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main factor influencing brand preference was perceived value with customer satisfaction and expected switching cost having less influence. Thus customer satisfaction is a main factor stimulating towards repurchase, at the same time the factors involved in repurchase may be tested for brand equity building.

Netemeyer, Krishnan, Pullig, Wang, Yagci, Dean, Ricks, and Wirth (2004)\(^{24}\) presented four studies that developed measures of “core/primary” facets of customer-based brand equity. The facets chosen were perceived quality, perceived value for the cost, uniqueness and willingness to pay a price premium for a brand. The results of the study suggested that perceived quality, perceived value for the cost, uniqueness were potential direct antecedents of the willingness to pay a price premium for a brand and that willingness to pay a price premium was a potential direct antecedent of brand purchase behaviour. Thus the brand purchase behaviour is an influencing factor of brand equity because a customer decides his purchase by considering all the above said factors.

Bamert and Wehrli (2005)\(^{25}\) conducted a study for assessing the quality dimension in consumer-based measures of brand equity in the context of services and to compare it with consumer goods. Nine different brands were tested in a consumer-based experimental online survey. Each participant was assigned randomly to one brand. The research findings indicated that, in the consumer goods markets


customer service can be considered as a marketing instrument. In the services market customer service was a part of the perceived quality of a service. Therefore there is a need for identifying the impact of other building blocks of brand equity through further research.

Anselmsson and Persson (2006) developed a framework for understanding what really drives price premium and customer-based brand equity for consumer packaged groceries. The findings of the study indicated that quality attributes (taste, odour, consistency/texture, appearance, function, packaging and ingredients) are very much important for developing customer based brand equity. Quality is one of the indispensable factor of building brand equity at the same time it is essential to know the other factors which leads to improve the elements of quality.

Taylor, Hunter and Lindberg (2007) explored a study to advance marketers’ understanding of customer-based brand equity within the context of a B2B financial service marketing setting. Two nation-wide studies were used to investigate whether brands were in fact differentiated in the minds of the target audience; test two competing explanations of the formation of customer based brand equity using structural equation analyses; and reconcile satisfaction and customer based brand equity theories within a single theoretical model. The results suggested that these customers do differentiate brands, and

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that Netemeyer et al.'s model of customer-based brand equity is generally supported.

Chen (2007)\textsuperscript{28} investigated the impact of parallel importation on brand equity in high and low product involvement arrangements. Authorized goods/gray-marketed goods and high involvement/low involvement between-subjects experimental design was utilized. Consumer electronics and ballpoint pens were examined for the study. The results of this empirical study shows that source channel (authorized goods versus gray goods) has a significant impact on brand equity; among the five brand equity dimensions, consumers were most concerned about the difference in "perceived quality" between gray goods and authorized goods.

2.6 BRAND ASSOCIATION AND BRAND EQUITY

Brand association is a factor comprises of various attributes and elements attached to a particular brand. The consumers are always giving much importance for brand association because apart from the core benefits they are expecting some kind of additional benefits from the products which they are buying. The following are the various literature related to brand association.

Keller (1991)\textsuperscript{29} conducted a study with the aim of providing conceptual framework of what brands mean to consumers to assist managers and researchers who were interested in the strategic aspects of brand equity. Consistent with this rationale for studying brand


\textsuperscript{29} Kevin Lane Keller (1991), “Conceptualizing, Measuring and Managing Customer-Based Brand Equity”, Research Paper No. 1140, Stanford Graduate School of Business.
equity, he conceptualizes brand equity from the perspective of the individual consumer. The result of the study introduced the concept of customer-based brand equity, defined as the differential effect that brand knowledge has on consumer response to marketing activity for that brand. A brand is said to have positive (negative) customer-based brand equity when consumers react more (less) favorably to marketing mix activity for the brand as compared to when the same marketing activity is attributed to a hypothetical or unnamed version of the product or service. The main finding of his study was customer-based brand equity occurs when the consumer was aware of and familiar with the brand and holds some favorable, strong and unique brand association in memory. The brand knowledge was the basis of brand equity which was created by differential effect. The differential effect was identified by brand association. Hence, it is essential to know other related factors of brand association that are crucial for building brand equity.

Park and Srinivasan (1994) developed a new survey-based method for measuring and understanding a brand’s equity in a product category and evaluating the equity of the brand’s extension into a different but related product category. It used a customer-based definition of brand equity as the added value endowed by the brand to the product as perceived by a consumer. It measures brand equity as the difference between an individual consumer’s overall brand preference and his or her brand preference on the basis of objectively measured product attribute levels. To understand the sources of brand equity, the

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approach divides brand equity into attribute-based and non-attribute-based components. The method provided the market share premium and the price premium attributable to brand equity. The survey-based results from applying the method to the toothpaste and mouthwash categories showed that the proposed approach had good reliability, convergent validity, and predictive validity. Their finding among top brands, attribute based sources do not account for much variation in brand equity, had important implications for marketers. Product attributes were the factors which directly involved with utility. The researchers in this study identified that attribute based sources do not account for much variations in brand equity. Hence, future research may be directed towards the identification of correlation between attributes and other elements of brand equity.

*Krishnan (1996)* measured association characteristics such as size, valence, uniqueness, and origin and examines differences between high and low equity brands on these measures. For this research he used a memory network model to identify various association characteristics underlying consumer-based brand equity. The results showed that consumer association differences were consistent with external equity indicators and provide insights on strong and weak areas for each brand that could be used to strengthen the brand.

*Low and Lamb (2000)* conceptualized brand associations consists of three dimensions: brand image, brand attitude and perceived quality. Three studies were conducted to test a protocol for developing

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product category specific measures of brand image, investigate the
dimensionality of the brand associations construct and explore whether
the degree of dimensionality of brand associations varies depending
upon a brand’s familiarity. Findings confirm the efficacy of the brand
image protocol and indicated that brand associations differ across
brands and product categories. The latter finding supports the
conclusion that brand associations for different products should be
measured using different items. As predicted, dimensionality of brand
associations was found to be influenced by brand familiarity.
Dimensionality of brand associations was depending upon brand
familiarity. Therefore the element of brand familiarity is a vital factor
which should be recognized in such a way that it promotes brand equity
or not.

Rio, Vazquez and Iglesias (2001)\(^{33}\) studied the dimensions of
brand image, focusing on the functions or value of the brand as
perceived by consumers. In this way, four categories of functions were
identified: guarantee, personal identification, social identification and
status. By the way of hypotheses, it had been proposed that these
functions had a positive influence on the consumer’s willingness to
recommend the brand, pay a price premium for it and accepted brand
extensions. The results obtained confirm the convenience of analyzing
brand associations separately and enable the ascertaining of the brand
associations that were most relevant in order to attain certain consumer
responses.

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Cheng and Chen (2001)\textsuperscript{34} identified two types of brand association and examined the relationship between association characteristics and brand equity. One was product association including functional attribute association and non-functional attribute association. The other was organizational association including corporate ability association and corporate social responsibility association. An empirical study measured the number of association, deriving from free association, and examined its differences between three pairs of high and low equity brands. They found that the corporate social responsibility association is almost absent across four high equity brands from subject’s free associations. Based on the other three contents of brand association, the authors used its total number of association to identify the orientation of association for each brand. The results were the same as that of using the favorable association. In addition, it was found that the number of brand association and total association have a significant relationship with brand equity.

Faircloth, Capella and Alford (2001)\textsuperscript{35} reported a study which operationalizes brand equity and empirically tests a conceptual model adapted from the work of Aaker and Keller considering the effect of brand attitude and brand image on brand equity. The results indicated that brand equity can be manipulated at the independent construct level by providing specific brand association or signals to consumers and that these associations will result in images and attitudes that influence brand equity. The effects of brand attitudes and brand image were


obligatory factors of building brand equity, where a question arises that how the brand association influence to develop brand attitudes and image.

Vazquez, Rio and Iglesias (2002)\(^{36}\) conducted a study by considering the development and validation of a measurement instrument of brand equity based on the value ascribed by consumers. The results obtained indicated the existence of four basic dimensions of brand utilities: product functional utility, product symbolic utility, brand name functional utility, brand name symbolic utility.

Keller and Lehman (2003)\(^{37}\) measured brand equity from the perspective of the firm consider brand equity as the value of the brand to the firm and encompass most of the product market outcome and financial outcome measures of brand equity categorized. Customer mindset measures defined by include “everything that exists in the minds of customers with respect to a brand (e.g., thoughts, feelings, experiences, images, perceptions, beliefs and attitudes)” and encompass a wide variety of both quantitative and qualitative measures of brand equity.

Myres (2003)\(^{38}\) explored some of the consequences attributes may have on brand equity such as the bias on consumer preference. For comparative purposes, a longitudinal study was conducted on the high involvement soft drink category using the top nine national soft drinks


brands. In addition to brand equity and the top attributes being measured, overall preferences and the impact of other variables were included. Attributes were examined from a tangible and intangible perspective and both were found to be important contributors to brand equity and brand choice. The attributes were very diminutive and sensitive which directly affects brand equity of a brand. Thus the research naturally posses to find how far brand attributes related to brand association and lead to attain brand equity.

_\textit{O'Cass and Grace (2004)}^{39}_ \text{ focused on consumer based perceptions of brand associations of a service brand, attitudes toward and intention to use the branded service via qualitative and quantitative methods. The results indicated a number of key dimensions that were important for consumers of services such as core service, experience with brand, self-image congruency, feelings, servicescape and interpersonal service, publicity, advertising, price and brand. The findings indicated that service brand associations influence brand attitude and associations influence intention to use a service brand.}

\textbf{2.7 PURCHASE DECISION AND BRAND EQUITY}

The purchase decision is a crucial factor because the customer’s purchase decision is taken after careful consideration of various elements and various brands. If a brand is with high equity where the comparison process will be reduced and the decision will be taken very shortly. The following are the various outcome of purchase decision by previous researches.

John (1910)\textsuperscript{40} suggested the decision making process in five stages. According to his model the decision making process, adopted to the context of consumer buying has five stages such as problem recognition, search for satisfactory solution, evaluation of alternatives, purchase decision and post purchase evaluation.

Kenneth (1980)\textsuperscript{41} analyzed the consumer search for information and explored that consumer often weighs between the cost and value of search. The information does not come free. It involves costs in the form of time, psychological discomfort and financial expenditure. The value of search depends on consumer experience, urgency of making purchase, satisfaction derived from search, perceived risk and value placed on the product.

James and Blackwell (1982)\textsuperscript{42} modified and name the decision making stages as: problem recognition, searching for information, alternative evaluation, purchase and outcomes.

Bruner, Gordon and Pomazal (1988)\textsuperscript{43} found that the problem recognition may be simple and complex. A simple problem recognition was the frequent arousal of needs which were automatically dealt with, while complex problem recognition is the development of a problem over time, as actual state and derived state move apart.

\textsuperscript{40} Dewey, John, (1910), “How We Think”, Health. New York
Mowen (1988)\textsuperscript{44} found that the focus of many consumer decision was on the feelings and emotions associated with acquiring or using the brand or with the environment in which it was purchased or used than its attributes. Whether consumer decisions were attribute-based or driven by emotional or environmental needs, the decision process discussed helps to gain insights into all types of purchases.

Paul and Olson (1993)\textsuperscript{45} identified that the consumers' evaluation of the choice alternatives in the consideration set were based on their beliefs about the consequences of buying those products or brands. It was revealed that the specific consequences that were used to evaluate and choose among choice alternatives were called evaluative criteria.

Swai, Erdem, Louviere and Dubelaar (1993)\textsuperscript{46} presented a first step in the operationalization of framework by developing a method for the measurement of brand equity that was built upon a theory of consumer behavior. Specifically, designed choice experiments that account for brand name, product attributes, brand image and consumer heterogeneity effects were proposed as the method for quantifying a brand equity measure called the Equalization Price (EP). Given an existing market structure, brand images built over time by advertising and product experiences, consumer brand perceptions and preferences, EP is a measure of the implicit value to the individual consumer of the brand in a market in which some degree of


differentiation exists vis-a-vis its implicit value in a market characterized by no brand differentiation. The proposed measure can be used for both existing products and proposed brand name extensions, so it can double as a product-concept screening tool.

Wolgren, Ruble and Donthu (1995) explored some of the consequences of brand equity. In particular the authors examined the effect of brand equity on consumer preference and purchase intentions. For comparative purposes, two sets of brands were tested, one from a service category characterized by fairly high financial and functional risk (hotels) and one from a generally lower risk product category (household cleansers). Each set includes two brands that were objectively similar (based on Consumer Reports Rating), but they have invested different levels of advertising spending over the past decade. Across both categories, the brand with the higher advertising budget yielded substantially higher levels of brand equity. In turn, the brand with the higher equity in each category generated significantly greater preferences and purchased intentions.

Lawson (1997) explored that consumer decision making requires three types of information which consists of appropriate evaluative criteria for the solution of the problem, existence of appropriate alternative solutions and performance level or attributes of each alternative on each evaluative criterion. So it stresses that a great variety of information of potential interest to consumers exist in the external environment.

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Jarvis (1998)\textsuperscript{49} identified that a purchase decision requires a subset of decisions associated with information search. At some point in time, consumers acquire information from external sources that gets stored in long-term memory. For most consumers usually this stored information, referred to as internal information, serves as the primary source of information most of the time as is evident in nominal or limited decision making.

John and Minor (1998)\textsuperscript{50} identified alternative perspectives on consumer decision making. There are three perspectives in consumer behaviour: the traditional decision making perspective, the experimental perspectives, and the behavioural influence perspective. In the traditional decision making, consumer evaluates various options based on beliefs about brand attributes leading to attitude formation. According to experimental perspective, consumer decision making is dominated by the affect or emotion side of the individual. The key aspect of behavioural influence perspective is that environmental contingencies play a dominant role in how consumers behave.

Bagozzi, Gopinath and Nyer (1999)\textsuperscript{51} noted that moods were transient feeling states that were generally not tied to a specific event or object. Moods tend to lack intensity unlike emotions and may operate without an individual’s awareness. Moods both affect and get affected by the consumption process. They also influence consumers’ decision processes and the purchase and consumption of various products.


Consumers' perception of service and waiting time is also influenced by moods.

Miranda and Konya (2007) examined consumers' perception of the difference between customized/modified products and brand stereotypes, and the extent of brand's impact on consumers' decisions to customize their purchases. The results show that factors, other than the motive of and the satisfaction from customizing the product, with a significant influence on the perceived difference between customized items and brand stereotypes, had little in common with factors that impel consumers to customize/modify their purchases based on the imagery of brands. A significant reason why consumers self-engage with composing their product purchases was to satisfy their desire for quality and genuinely believe that their compositions were appreciably different from brand stereotypes thus vindicating the theory of self-congruency. Indeed, there was evidence that the extent brands influence customers to tailor their purchases, depend on the stores from which consumers make their purchases.

2.8 POST PURCHASE BEHAVIOUR AND BRAND EQUITY

After the purchase and utilization of products customer will feel some kind of feelings that may be positive or neutral or negative. The behaviour of the customer will be varying according to the feelings after purchase depending upon the expected or actual things about the product. The following literature are the outcome of various studies on post purchase behaviour.

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Cardozo (1965) found that the reinforcement takes place when the purchase confirms the consumer's expectations. Further he identified that when expectations are not confirmed, however, cognitive inconsistency develops and the consumer will likely reduce the dissonance by evaluating the product somewhat negatively. Thus, where a product fails to measure up to the consumer's expectations or guidelines for evaluation, the result may be no initial sale, no repeat sale or unfavourable word-of-mouth communication.

Venkatesan (1973) found that the result of satisfaction to the consumer from the purchase of a product or service was that more favourable post purchase attitudes, higher purchase intentions and brand loyalty are likely to be exhibited. That was, the same behaviour was likely to be exhibited in a similar purchasing situation. Thus, as long as positive reinforcement takes place, the consumer will tend to continue to purchase the same brand.

Oliver (1980) compared the pre-purchase expectations and post purchase satisfaction and found that even good performance does not ensure satisfied customers. This was because customer satisfaction typically depends on more than actual performance. According to his expectancy disconfirmation model it was identified that satisfaction depends on a comparison of pre-purchase expectations to actual outcomes.

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Westbrook (1987)\textsuperscript{56} found that even the consumer’s expectations were met by the product they were not in a position of attaining complete satisfaction. It was explored that the emotional experiences should be recognized in connection with product ownership and usage. These positive affective responses need to be stimulated by marketers in the post purchase period in order to enhance consumers’ satisfaction and possibly favourable word-of-mouth communication.

Oliver and Swan (1989)\textsuperscript{57} found that when a consumer does not get what was expected, the situation was one of disconfirmation. Such disconfirmation can be of two varieties i.e. positive and negative. A positive disconfirmation occurs when what was received was better than expected and a negative disconfirmation occurs when things turn out more than anticipated. Thus any situation in which the consumer’s judgment is proven wrong was a disconfirmation.

Geva and Goldman (1991)\textsuperscript{58} discussed possible inconsistencies in consumer’s post-purchase attitude when faced with disconfirmed expectations. The main argument, based on an extension of cognitive dissonance theory, was that post-purchase attitude may be characterized by duality. Satisfaction with post purchase may not be closely related to intentions to repurchase because of the different functions they may fulfill. Whereas satisfaction reflects the need to justify post purchase behavior, intentions to repurchase, which are of instrumental importance, reflect learning from experience. This


approach contrasts the prevalent satisfaction-intention paradigm which assumes a causal link from satisfaction with the purchase to intentions to repeat it.

_Ballester and Aleman (2005)_\(^5^9\) analyzed the importance of brand trust in the development of brand equity. The authors specifically, examined the relationships network in which brand trust is embedded. The findings revealed that brand trust was rooted in the result of past experience with the brand, and it was also positively associated with brand loyalty, which in turn maintains a positive relationship with brand equity.

### 2.9 OTHER RELATED LITERATURE

Out of the factors considered for this research work many studies have been conducted earlier regarding the concept of brand equity. The following are other reviews related to the concept of brand equity which consists of various factors and elements.

_Farquhar (1989)_\(^6^0\) analyzed the meaning of brand equity and found that there was a general agreement at the conceptual level as to the meaning of brand equity which can be summarized as “the financial value endowed by the brand to the product” and the brand equity is measured by the incremental cash flow from associating the brand with the product. The competitive advantage of firms that have brands with high equity includes the opportunity for successful extensions, resilience against competitors’ promotional pressure and creation of

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barriers to competitive entry. Consumer based perspective of equity emphasizes on psychological and Behavioural tenets that go into the causality of consumer purchases like brand loyalty, dominance and brand image etc. after identifying the requirements of psychological and behavioural aspects in building brand equity, naturally a need will be created to explore the factors and elements involved in psychological and behavioural tenets.

_Baldinger (1990)_61 analyzed the long-range aspects of brand equity and brand extensions. Brand extension approach correlates the brand equity with the brand extension, capability of existing brand to provide new avenues to expand. He offered a rather simple approach to long range planning. He recognized and supported the consumer aspects of brand equity. However, his focus was directed more to the after-the-fact spectrum of consumer behaviourism. He suggested that the marketing researcher should shift from a “tactical problem solver” to an informational strategist.

_Aaker and Keller (1990)_62 conducted a study and explored that researchers in this division look more at the relationships that existed between the consumer and the brand. Attention was given to brand attributes such as; brand name, attitude towards the original brand, and the fit between the existing and the new brand, to name just a few.

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Srivastava and Shocker; (1991) conducted a study with the purpose of providing an integrative framework linking the various constructs, facets and dimensions of brand equity. The concept of brand equity subsumes two multi-dimensional concepts-brand strength and brand value. Brand strength is based upon perceptions and behaviors of consumers and distributors that allow the brand to enjoy sustainable and differentiated competitive advantages. Brand value depends on management’s ability to leverage brand strength via tactical and strategic actions to provide superior current and future profits and lowered risks. Thus much of brand equity may be latent unless exploited. Management of brand equity requires a focus on both consumers and distributors. The conclusion of their study identified that the high level of mergers and acquisitions in the corporate world was given as one of the main reasons for the interest in estimating the value of a brand and consequently brand equity measurement. The researcher explored the importance of brand strength and value which were important for merger and acquisition decisions of corporations. The same elements may be implemented to identify customer based brand equity.

Aaker (1992) viewed from the financial perspective and stated that the financial value approach gives importance to know the value of brands to know the true value of company to avoid the financial loss of the stockholders, especially at the time of acquisition and takeovers. The major disadvantage with the financial approach of defining brand equity is that it focuses on maximizing short-term goals at the expense of long-term growth.

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Keller and Aaker, (1992)\(^6\) explored the impact of brand extension on brand equity and their findings revealed that successful brand extension contribute to higher brand equity of the original brand and in the customers.

Barwise (1993)\(^6\) argued that progress may have been hindered by attempts to find a single all-embracing measure of brand equity, partly because the value of a brand is not in practice separable from the value of the product and the rest of the firm. He concluded that researchers should now focus more effort on the strategic, financial, managerial, and international aspects of brand equity. Even in these circumstances the emphasis shifts from the near-term to measuring future growth potential.

Simon and Sullivan (1993)\(^7\) presented a technique for estimating a firm’s brand equity that was based on the financial market value of the firm. Brand equity was defined as the incremental cash flows which accrue to branded products over unbranded products. The estimation technique extracts the value of brand equity from the value of the firm’s other assets. This technique was useful for two purposes. First, the macro approach assigns an objective value to a company’s brands and relates this value to the determinants of brand equity. Second, the micro approach isolates changes in brand equity at the individual brand level by measuring the response of brand equity to major marketing decisions. Empirical results proved that financial measures of brand equity help investors determine the value of brand or

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a company. The financial measure of brand equity helps the investors to take the investment decisions. After measuring the financial value naturally there was a need will be raised that value creation of a brand among the customers. Hence it is essential for studying customer based brand equity.

Mahajan, Rao, and Srivastava (1994)\(^6\) argued from firm point of view that many firms acquire other firms with well-known and proven brands to hedge against the high costs and risks of new product development. A critical question in these acquisition decisions involves the assessment of the importance of brand equity to the acquiring firm. Since the brand equity benefits can vary by firm (and also by the decision maker within a firm) a critical question is how can one systematically decipher the effect of brand equity in acquisition decisions. Using the balance model the authors presented a methodology to determine the importance of brand equity in acquisition decisions. By capturing the idiosyncratic perceived importance of brand equity of every decision maker involved in acquisition decisions, the methodology enables members of a committee within a firm to understand and reconcile their differences in evaluating potential acquisitions. The authors also discussed benefits, limitations, and further extensions of the suggested approach. Forethought necessarily has to be given to the financial aspects of a brand. However, they are used as secondary indicators of a brand’s value. They concluded that financial considerations become important when contemplating an acquisition or introduction of a new brand. Hence,

further research may be directed towards the study of customer based approach and brand extension approach.

Lassar, Mittal and Sharma (1995)\textsuperscript{69} presented a scale to measure customer-based brand equity. The customer-based brand equity scale was developed based on the five underlying dimensions of brand equity: performance, value, social image, trustworthiness and commitment. In empirical tests it was found that brands that scored higher on the customer-based brand equity scale generally had higher prices.

Pitta and Katsanis (1995)\textsuperscript{70} developed a program called “Brand Asset Management for the 1990’s.” That was a four-step process that redirects management’s focus away from short-term objectives to long-term goals. They state, “Leveraging a brand asset management approach will help companies achieve what should be the number one objective for their brand maximizing its long-term value, while profiting from short-term results. The primary proponents of using brand equity purely as a long-term planning tool. The authors touched on the long-range aspects of brand equity and brand extensions. Brand extension approach correlates the brand equity with the brand extension, capability of existing brand to provide new avenues to expand. However, they did not offer specific methodologies for executing these plans. Therefore new methodologies for executing the above said plans may be identified through the further research.


Davis and Douglass (1995)\textsuperscript{71} argued that financial approach to defining brand equity is largely concerned with assigning a measurable value to every brand a company owns or produces. The researchers and marketing managers who used the financial approach champion the position that a brand was a viable asset. Therefore, a value must be affixed to it. It matters little to them that brand equity is based on the idea that a brand has a value greater than the sum of its tangible assets. Therefore, brand equity by definition was an intangible asset. After identifying brand equity as an intangible asset it is essential to enumerate the tangible characteristics of brand equity.

Aaker (1996)\textsuperscript{72} considered brand equity from the firm’s view point, defined it as “set of brand assets (and liabilities) linked to a brand’s name and symbol that add to (or subtracts from) the value provided by a product or service to a firm and/or that firm’s customers”. The essential point in this case is that for assets and liabilities to contribute to brand equity, they need to be linked to the brand’s name or symbol. Aaker groups these assets and liabilities into five groups: brand loyalty, name awareness, perceived quality, brand associations other than perceived quality, other proprietary brand assets such as patents, trademarks, channel relationship etc. Aaker’s model of brand equity seems to lack a conceptual foundation, though it remains managerially appealing.


Aaker (1996)\textsuperscript{73} proposed the use of his Brand Equity Ten, a system that gauges five major categories of brand equity: loyalty, perceived quality, differentiation awareness, and market behavior. Each of these five major categories were further subdivided into ten specific measurements as a means by which market planners can develop a system to evaluate the equity or brand. He recommends constructing a summary measure based on the importance of the dimensions for a given brand in a competitive situation.

Dyson, Farr and Hollis (1996)\textsuperscript{74} conducted a study after recognizing the financial value attached to brands. They argue that economic value is created in transactions which were the source of equity. Therefore, they developed a model called the ‘Consumer Value Model’ that predicts transactions in order to bridge the gap between the intangible perceptions and the tangible revenues generated by a brand. They suggested a consumer driven definition of brand equity, and propose a new system for understanding, measuring and using that equity. A brand can be should be an enduring and profitable asset for its owners. Recognizing this fact, many brand owners have sought to place the monetary value of a brand on the balance sheet. As a result there is a requirement for finding the monetary value of a brand.

Feldwick (1996)\textsuperscript{75} noticed that terms which become popular such as “brand equity”, can actually assume a great variety of meanings, and rather than trying to reach agreements about the true meaning they


must have, it was better to be conscious that if can mean different things, and so trying to avoid unnecessary confusion. He stated that the term brand equity was used in three distinct senses: financial value of the brand, market strength and brand image. The first one varies amply from the other two; it can be seen as a notion regarding the commercial exchange of assets among business. On the other hand the second and third meanings refer directly to the consumer, which makes them more relevant in marketing research. Hence, much importance should be devoted for the marketing research on customer based brand equity because that will be helpful for the marketers in brand extension and introduction of new products.

Ambler (1997) explored that brand equity, key to the evaluation of marketing performance, exists in the hearts and minds of consumers, and other marketplace players, but was largely assessed on the basis of observed behaviours. Such measures were typically relative to other brands where as direct measures of brand equity was conventionally expressed in absolute terms. Expressing brand equity in relational terms opened a new line of research which may provide better performance prediction and assessment. Trust was the most popular measure for relationship assessment and may similar prove to be the leading indicator for brand equity. After obtaining trust as the most popular element leading to brand equity the research logically posses to find the factors involving the brand trust among customers.

Hutton (1997) addressed two basic questions: do organizational buyers exhibit brand-equity behaviors such as the willingness to pay significant price premiums for certain brands; and under what conditions do those buyers place a premium on well-known brands? Finds significant brand-equity behaviors, based on hypothetical buying situations, in the form of organizational buyers’ willingness to pay a significant price premium for their favorite brand, make referrals, and extend their brand preference to other products with the same brand name.

Randall, Ulrich, and Reibstein (1998) addressed the question of how vertical product line extent was associated with brand equity. Does the presence of “premium” or high-quality products in a product line enhance brand equity? Conversely, does the presence of “economy” or low-quality products in a product line diminish brand equity? The analysis revealed that brand price premium was significantly positively correlated with the quality of the lowest-quality model in the product line for the lower quality segments of the market; and that for the upper quality segments of the market, brand price premium was also significantly positively correlated with the quality of the highest-quality model in the product line. The results of the analysis were supported by the results of an experiment in which 63 percent of the subjects preferred a product offered by a high-end brand to the equivalent product offered by a low-end competitor.

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Thode and Maskulka (1998) introduced the concept of a “place-based” marketing strategy, i.e. a marketing strategy that identifies a consumer product with a specific geographic area; explain why it was essential to the wine business; and, why it may be superior to other types of marketing strategies for certain types of agricultural products. Additionally, traditional valuation techniques applied to agricultural land typically assume that agricultural goods were undifferentiable commodities. With the growing trend toward the production of “place-based” agricultural products, the traditional valuation methods omit an important variable – the potential for the geographical source to help develop a product’s brand equity.

Motameni and Shahrokhi (1998) made an attempt to reach several objectives. First, the marketing and finance perspectives of brand equity were presented, and their interrelationships are shown. Second, the different measurements of brand equity were presented. Next, a comprehensive model of global brand equity, which we believe was capable of both estimating the brand equity more accurately and show the sources of the equity will be proposed. Thus, the measurement of brand equity should be in all levels of marketing activity.

Lisa Wood (2000) suggested that strategic brand management was achieved by having a multi-disciplinary focus, which was facilitated by a common vocabulary. Further the author seeks to establish the relationship between the constructs and concepts of

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branding, and to provide a framework and vocabulary that aids effective communication between the functions of accounting and marketing. Performance measures for brand management were also considered, and a model for the management of brand equity was provided. The profitability of a firm was depending upon the accounting and marketing effectiveness, hence the value creation for the brand marketed by the firm was obligatory.

Washburn, Till and Priluck (2000)\textsuperscript{82} examined the effects of co-branding on the brand equity of both the co-branded product and the constituent brands that comprise it, both before and after product trial. It appears that co-branding was a win/win strategy for both co-branding partners regardless of whether the original brands are perceived by consumers as having high or low brand equity. Although low equity brands may benefit most from co-branding, high equity brands are not denigrated even when paired with a low equity partner. Further, positive product trial seems to enhance consumers’ evaluations of co-branded products, particularly those with a low equity constituent brand. Co-branding strategies were effective in exploiting a product performance advantage or in introducing a new product with an unfamiliar brand name.

Eagle and Kitchen (2000)\textsuperscript{83} reported an investigation of the perceptions of senior marketing and advertising agency personnel regarding the importance of brand equity as a valuation and performance measurement tool and whether financially based brand

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equity measures and marketing-oriented measures can be translated into a single composite measure of brand equity/value. The findings reported therein indicate that, although financially based brand equity valuations had been a low priority in the past, there is increasing interest in this area and in the evaluation of the long-term impact of promotional activity as part of wider drive for marketing accountability. Brand equity is a concept nowadays related to consumer perceptions and views about a particular brand which is used by them, however it is essential to identify the value of a brand for accountability purpose.

Yoo, Donthu and Lee (2000) explored the relationships between selected marketing mix elements and the creation of brand equity. The authors proposed a conceptual framework in which marketing elements are related to the dimensions of brand equity, that is, perceived quality, brand loyalty, and brand associations combined with brand awareness. These dimensions were then related to brand equity. The empirical tests using a structural equation model supported the research hypotheses. The results showed that frequent price promotions, such as price deals, are related to low brand equity, whereas high advertising spending, high price, good store image, and high distribution intensity were related to high brand equity.

Krishnan and Hartline (2001) explored a study with three objectives: to empirically test whether brand equity is more important for services than for tangible goods, to test whether the presumed differences in brand equity for search-, experience-, and credence-
dominant services can be confirmed in an empirical examination, and to assess whether consumer knowledge of a product category had an effect on the importance of brand equity across product types. The results indicated that brand equity is more important for tangible goods than for services.

Keller (2001) outlined the Customer-Based Brand Equity (CBBE) model to assist management in their brand-building efforts. According to the model, building a strong brand involves four steps: (1) establishing the proper brand identity, that is, establishing breadth and depth of brand awareness, (2) creating the appropriate brand meaning through strong, favorable, and unique brand associations, (3) eliciting positive, accessible brand responses, and (4) forging brand relationships with customers that are characterized by intense, active loyalty. Achieving these four steps, in turn, involves establishing six brand-building blocks—brand salience, brand performance, brand imagery, brand judgments, brand feelings, and brand resonance.

Moore, Wilkie and Lutz (2002) reported the findings of two studies that show intergenerational impacts on brand equity to be persistent and powerful across an array of consumer packaged goods. However, as a strategic challenge, these effects seem to apply strongly for some brands but not for others—they are selective. In Study 1, the authors used parallel surveys of mother–daughter dyads to isolate and quantify intergenerational impacts, and the surveys reveal a differential range of effects at both the product category and the brand level. In

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Study 2, the authors used interpretivist methods to delve more deeply into these effects—the forms they take, the way they have developed, and factors that sustain or disrupt them. On the basis of these findings, the authors identified implications for managers and future research needs. Overall, intergenerational influences are a real marketplace phenomenon and a factor that merits much closer attention from marketing strategists who are interested in brand equity issues.

Ailawadi, Lehman and Neslin (2003)\(^8\) proposed that the revenue premium a brand generates compared with that of a private label product is a simple, objective and managerially useful product-market measures of brand equity. The authors provided the conceptual basis for the measure, computed it for brands in several packaged goods categories, and tested its validity. The empirical analysis showed that the measure is reliable and reflects real changes in brand health over time. It correlated well with other equity measures and the measure’s association with a brand’s advertising and promotion activity, price sensitivity and perceived category risk is consistent with theory. Revenue premium is conceptually grounded in the fundamental definition of brand equity and theoretically grounded as the equilibrium outcome of a competitive marketplace.

Rajh, Vranesevic and Tolic (2003)\(^9\) conducted a research on five product categories (coffee, chocolate, beer, milk, and carbonated soft drinks) from the food industry. A behavioral conceptualization of brand equity had been employed in this research. A telephone survey had

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been conducted on a sample of 495 respondents from all parts of Croatia, with proportional representation of counties in regard to population size. In order to determine brand equity, a measure of substitutability had been used. By this measure, consumers were categorized into one of a possible six segments. According to this method, a repeat rate is a key indicator of brand equity. The brands with highest equity had been identified as an outcome of this survey.

Kim, Kim and An (2003)\(^9\) examined the underlying dimensions of brand equity and how they affect financial performance of hotel firms. The results of this empirical study, using data collected from 12 luxury hotels indicated that brand loyalty, perceived quality and brand image are important components of consumer-based brand equity. The result implied that hotel firms should seriously consider brand loyalty, perceived quality, and brand image when attempting to establish definite brand equity from the customers' viewpoint.

Bendixen, Bukasa and Abratt (2004)\(^1\) explored the concepts of brand equity in a specific industrial marketing setting. The results of the study suggested that while brand equity has a role to play, price and delivery were more important. However, a price premium can be obtained when a company has high brand equity.

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Punj and Hillyer (2004)\textsuperscript{92} tried to identify the underlying cognitive structure of brand equity. Existing research on brand equity was used to identify 4 cognitive components (global brand attitude, strength of preference, brand knowledge and brand heuristic) of customer-based brand equity. A conceptual framework of how these components (or sub constructs) are interrelated is proposed and empirically tested using data from two frequently purchased product categories. Covariance structure modeling is used as the analysis methodology. The results indicated that all the identified cognitive components were important determinants of customer-based brand equity.

Srinivasan, Park and Chang (2004)\textsuperscript{93} observed that while most of the existing literature on brand equity measurement had adopted either a distinctively consumer-based or a firm-based approach, a number of recent studies had started to look into the link between consumer-based brand equity and the brand's market performance.

Rajh (2005)\textsuperscript{94} pointed out the need for careful selection of individual marketing mix elements in order to avoid deterioration of the achieved brand equity. The research findings underlined the importance of a long-term approach to brand management. Companies using brand sales as the only indicator of the successfullness of brand management may be in danger of reducing the equity of their brands.


Robinson, Abbott and Shoemaker (2005)\textsuperscript{95} reviewed brand equity and customer satisfaction as they relate to customer loyalty and relationship marketing in an effort to understand and mitigate some of the challenges facing quick-service restaurants. It concluded that customer satisfaction, brand equity and loyalty are invaluable to the formation of customer loyalty, as is the understanding that customers' relationships with companies need to be treated with the same respect of personal relationship.

Lebar, Buehler, Keller, Sawicka, Aksehirli and Richy (2005)\textsuperscript{96} conducted a study with the objective of exploring how joint branding affects consumer perceptions. The study findings suggested that brand alliances can help to build brand equity, but only under certain conditions and certain ways.

Bauer, Sauer and Schmitt (2005)\textsuperscript{97} defined existing customer-based brand equity models for the team sport industry and examined the importance of brand equity in the professional German soccer league Bundesliga. The results of the study highlighted the adequacy of a parsimonious brand equity model in team sport model and the importance of the brand in team sport for economic success.

\textsuperscript{95} Camillee Robinson, Je'Anna Abbott, Stowe Shoemaker (2005), "Recreating Cheers; An Analysis of Relationship Marketing as an Effective Marketing Technique for Quick-Service Restaurants", \textit{International Journal of Contemporary Hospitality Management}, Vol. 17 (7), pp. 590-599.


Kartono and Rao (2005) proposed an integrated approach to brand equity management by developing an econometric model of supply and demand that captures the structural link between consumer-based brand equity and the brand’s market performance and accounted for strategic firm competition in pricing and advertising. The results of their study suggested the existence of a strong structural link between consumer-based brand equity and the brand’s market performance, and illustrated the value of the former in accounting for changes in the latter and in helping managers make optimal brand equity management decisions.

Kim and Kim (2005) examined the underlying dimensions of brand equity and how they affected firms’ performance in the hospitality industry in particular luxury hotels and chain restaurants. The result of the study indicated that brand loyalty, perceived quality and brand image were important components of customer-based brand equity. A positive relationship was found to exist between the components of customer-based brand equity and the firms’ performance in luxury hotels and chain restaurants.

Ulrich Orth (2006) compared two models, one based on product attribute utility, other on dimensions of brand equity. Comparing both models suggested that brand equity dimensions such

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as functional quality, price, social and emotional utility had a higher predictive ability than product attributes.

**Pappu, Quester and Cooksey (2006)** examined the impact of the country of origin of a brand on its consumer-based equity. Brand equity was conceptualized in this paper as a combination of brand awareness, brand associations, perceived quality and attitudinal brand loyalty. Multivariate analysis of variance of the data indicated that consumer-based brand equity varied according to the country of origin of the brand and product category. This impact of country of origin on brand equity occurred where consumers perceived substantive differences between the countries in terms of their product category-country associations.

**Pappu and Quester (2006)** conducted a research with the objective to examine the relationship between consumers' satisfaction with a retailer and the equity they associate with the retail brand. A survey was undertaken using a convenience sample of shopping mall consumers in an Australian state capital city. Results indicated that retail brand equity varies with customer satisfaction. For department stores, each consumer-based retailer equity dimension varied according to customer satisfaction with the retailer. However, for specialty stores, only three of the consumer-based retailer equity dimensions, namely retailer awareness, retailer associations and retailer perceived quality, varied according to customer satisfaction level with the retailer.

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Bravo, Fraj and Martínez (2007)\textsuperscript{103} analyzed the different nature and effects of family influences on the dimensions of young customer-based brand equity. Results showed different facets of how the family may affect brand awareness, associations, perceived quality and brand loyalty.

Kayaman and Arasli (2007)\textsuperscript{104} aimed to explore interrelations of the four brand equity components; brand awareness, brand loyalty, perceived quality and brand image in hotel industry and improve the conceptualization of customer-based hotel brand equity. The findings supported the three-dimensional model of customer-based brand equity in hotel industry. Brand awareness dimension was not found significant in the tested model for hotels. The study contributed to the understanding of customer-based brand equity measurement by examining the dimensionality of this construct.

The literature review relating to the outcome of brand equity concepts are deeply analyzed from various perspectives. It is obvious that all the studies have attempted to examine the brand equity of various product categories with many different constructs. The analysis of the review of literature unleashed an abundance of innovative thoughts aimed at identifying the bases of customer based brand equity. The analysis also ascertained that no serious attempts have been made by the researchers in segregating the fundamental building blocks of customer based brand equity. This was identified as research gap after


through reviewing the literature. Hence, it is perfectly justified to study the brand equity in the context of brand loyalty, brand awareness, brand knowledge, perceived quality, brand association, purchase decision and post purchase behaviour. In this direction, the research brings a limelight of Customer Based Brand Equity for fast moving consumer goods in a particular area of town based civilization.