



Brand Equity Perspective from 1990 to Till Today

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ABSTRACT

Brand Equity is a very old & most important concept in marketing. In an overcrowded market, critical success factor for any company is building brand portfolio which gives a company competitive advantage against their competitors. Every organization is bound to focus on Brand equity which enhances customer satisfaction, higher profitability, and premium pricing & so on. However the determinants of brand equity have varied over time, brand equity is viewed from different perspective such as investor, employee, and customer. This paper seeks to identify brand equity dimension from customer perspective through reviewing various literature from 1980's to till date and to study how brand determinants have changed over a period and which elements are more relevant today.

Keywords : Brand Equity, Brand Determinants, Customer Based Brand Equity, Employee Based Brand Equity.

I. INTRODUCTION

Brand being intangible asset has lot of influence on the valuation of the firms, intangible asset are being valued at higher premium than the tangible assets because of numerous advantage firm can achieve such as lower transaction cost, premium pricing, steady demand, higher bargaining power, loyal customer, increased marketing communications, easy product extension, lesser time to market new brand & so on. So for any company prime focus is building a sustainable brand in the markets, but building strong brands is not so easy in a market which is very diverse as well as very dynamic.

The Goal of my study is first to comprehend the evolution of brand equity over a period and second to analyze the changes happened in the brand equity construct over time also to know those brand constructs which are more relevant in today's market environment.

A brand is – A name, a term, a symbol, or any other unique element of a product that identifies one firm's

products and sets them apart from the competition (Solomon & Stuart, 2002).

Brand equity is defined as, a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers (Aaker, 1991).

Customer-based brand equity is defined as the differential effect that brand knowledge has on consumer response to the marketing of the brand. A brand has positive customer based brand equity when consumers react more favorably to a product and the way it is marketed when the brand is identified than when it is not on the other hand, a brand has negative customer based brand equity if consumers react less favorably to marketing activity for the brand compared with an unnamed or dishonestly named version of the product. Customer- based brand equity (CBBE) is used to show how a brand's success can be directly attributed to customers' attitudes towards that brand.

1. Brand Salience (who are you)

It looks at the brand from the customer point of view and about what buyers associate when they hear a specific brand name. In short, it quantifies both the depth and the breadth of customer awareness of a brand.

2. Brand Meaning (what are you) Performance & imagery are two aspects of brand meaning. The imagery-related associations depict how well the brand meets social and psychological needs of the consumer. The function-related association such as product or service performance is what the consumer looks for primarily. A brand with the right identity and meaning creates a sense of relevance in the consumer's mind.

3. Brand Responses

The companies must cater for the consumer's response. Keller segregates these responses into consumer's judgments and consumer's feelings.

Consumer Judgments are consumer's personal opinions regarding the brand and how he has put imagery-related and performance-related associations together. There are four types of judgments crucial for creating a strong brand – Quality, Credibility, Consideration, superiority.

Consumer Feelings – are consumer's emotional reactions to the brand. They can be mild, intense, positive, negative, driven from heart or head. There are six important feelings crucial in brand building – Warmth, Fun, Excitement, Security, Social approval & Self-respect.

4. Brand Resonance

It is the level of personal identification the consumer has with the brand. Brand resonance is the most difficult and highly desirable level to achieve. Keller categorizes this into four types Behavioral Loyalty – Consumers may purchase a brand repeatedly or in high volume.

Attitudinal Attachment – some consumers may buy a brand because it is their favorite possession or out of some pleasure.

Sense of Community – Being identified with a brand community develops kinship in the consumer's mind towards representatives, employees, or other people associated with the brand.

Active Engagement – Consumers invests time, money, energy, or other resources and participates actively in brand chat rooms, blogs, etc., beyond mere consumption of brand. Thus, the consumers strengthen the brand.

(Keller, Kevin Lane, Jan 1993) Keller develops a conceptual model of brand equity from the perspective of the individual consumer. Studies how customer brand knowledge will have a differential effect on marketing of the brand which is defined as Customer-based brand equity.

(Lassar, Mittal, & Sharma, 1995) Developed an instrument to measure customer-based brand equity based on four perceptual dimensions such as performance, social image, price/value, trustworthiness and identification/attachment. To begin with they asked 22 consumers open-ended questions as to why most people prefer a brand name product over unbranded or generic products, following it they generated 83 measurement items which

is screened by 3 marketing professors. These experts provided a content-based screening process by assigning individual items to the construct category they thought the item best indicated. Later administered the item pool to 75 consumers for a set of existing products (one product per respondent) with their brand names specified. They reduced the measurement items from 83 to 17 in three iterations. Tested the scale in two categories. The first is television monitors and the second is watches. In general they found that prices reflected the equity associated with the brand.

(D. A. Aaker, 1996) The article by Aaker, 1996 provides a framework by using it we can measure the strength of a brand. It evaluates ten attributes which are grouped into five categories namely loyalty, perceived quality, associations, awareness, and market behaviour. This model helps the manager to measure the impact of each one on the brand equity. (J. L. Aaker, Aug 1997) J. L. Aaker constructs a theoretical framework of the "Big Five" dimensions of brand personality (Sincerity, Excitement, Competence, Sophistication and Ruggedness). To measure the five brand personality dimensions, a reliable, valid and generalizable measurement scale is created. Finally theoretical and practical implications regarding the symbolic use of brands are discussed.

(Boonghee Yoo, Naveen Donthu, & Sungho Lee, April 2000) Explores the relationships between selected marketing mix elements and brand equity. They proposed a conceptual framework which states the relationship between marketing elements and brand equity dimensions. Used structural equation model support their

II. Literature Review

research hypotheses. Outcome of the study is 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 are related to high brand equity. (Yoo & Donthu, 2001) A multistep study is developed to validate a multidimensional consumer-based brand equity scale (MBE) drawn from Aaker's and Keller's conceptualizations of brand equity. A total of 1530 American, Korean American, and Korean participants evaluated 12 brands from three product categories (athletic shoes, film for cameras, and color television sets). Multistep psychometric tests demonstrate that the new brand equity scale is reliable, valid, parsimonious, and generalizable across several cultures and product categories. The authors discuss theoretical and practical implications of the study.

(Ailawad, Lehmann, & Neslin, Oct2003) The authors recommend that the revenue premium a brand generates is a simple, objective, and managerially useful product-market measure of brand equity. A conceptual basis for measuring & computing brand equity for brands in several packaged goods categories is developed and tested its validity. Results reflect real changes in brand health over time. It correlates 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.

(Netemeyer et al. 2004) Presents four studies that develop measures of "core/primary" facets of customer-based brand equity (CBBE). Drawing from various CBBE frameworks, the facets chosen are perceived quality (PQ), perceived value for the cost (PVC), uniqueness, and the willingness to pay a

price premium for a brand. Using numerous advocated scale developmental procedures, the measures of these facets showed evidence of internal consistency and validity over 16 different brands in six product categories. Results also suggest that PQ, PVC, and brand uniqueness are potential direct antecedents of the willingness to pay a price premium for a brand, and that willingness to pay a price premium is a potential direct antecedent of brand purchase behavior.

(Atilgan, Aksoy, & Akinci, 2005) this article examine the practicality and application of a customer-based brand

equity model, based on Aaker's brand equity framework. Authors used structural equation modelling to analyse the cause & effect relationships between brand equity dimensions & brand equity itself. Respondents for the study were Turkey university students. Outcome is brand loyalty is most dominant dimension & least dominant is brand awareness and perceived quality. (Chattopadhyay, Shivani, & Krishnan, 2008) Reviews the various approaches to define and Measure Brand Equity. Paper justifies the interest of establishing a formal system to measure CRM performance. Analyzed attributes of Brand equity measurement. Classified measures of brand equity into three categories one set of measures focus on outcome of Brand Equity at the product market level, the second category related to customer mindset and the third set is based on measurement of financial parameters. It analyse the merits and limitations of the different types of measures.

(Afsar, Rehman, Qureshi, & Shahjehan, 2010) The study investigates the determinants of brand loyalty. Data analysis is done by collecting response

from 316 respondents. The study infers that Perceived quality, satisfaction, trust, switching cost and commitment each individually as well as jointly influence the loyalty of the customers.

(Anderson, spring2011) Anderson says that brand is a perpetual firm asset. Brand equity is defined as the financial value that a firm derives from customer response to the marketing of a brand. So brand perpetual value is developed as a financial measure of brand equity, where brand perpetual value is calculated as the value of perpetuity.

(Saleem & Abideen, 2011) This paper interrogate the relationship between independent variables which is environmental response and emotional response with attitudinal and behavioural aspect of consumer buying behaviour, by tapping the responses of 200 respondents using telecommunication services from Rawalpindi, Islamabad, and Lahore (cities of Pakistan). The major findings of the study demonstrate an overall normal association between the variables but in-depth analysis found that emotional response of consumer purchase behavior is the variable that results into strong association with the consumer buying behavior. It is true that people purchase those brands with which they are emotionally attached.

(Chu, Lee, & Chao, 2012) Author proposed a model to examine the relationships between service quality, customer satisfaction in, customer trust of, & loyalty to Taiwanese e-banks. 442 respondents who had experience with E- Banking were included in the study & data analysed using partial least squares structural equation modelling. It is found that e-banks must focus on service quality to increase customer satisfaction & trust to obtain customer loyalty.

(Abad, Ghadir, & Hossein, 2013) Aimed to conceptualize the customer based brand equity in the financial service sector with respect to its effect on perception of brand. Sample of 384 customers taken to test the relationship which is depicted in the proposed model of the study. Outcome of the study is perceived quality, brand loyalty, brand awareness and brand association are influential criteria of brand equity that enhances perception of brand in financial service sector. Brand association have most influence than other elements on brand equity. (Loureiro, 2013) Examines the interrelationships of trust, brand awareness/associations, perceived quality and brand loyalty in building Internet banking brand equity. The respondents were online banking user and data analysed using partial least squares (PLS) which employs a component-based approach for purposes of estimation and can readily handle formative factors. The results suggest that perceived quality and brand loyalty are more important to explain the Internet banking brand equity than brand awareness/associations and trust. Trust contributes only indirectly, through perceived quality and brand awareness/association to Internet banking brand equity. Online perceived benefits impact positively on customers trust and online perceived risks tend to be lower when trust increase. (Moghaddam, 2014) Study Pays attention to the role of quality of services in promotion of brand equity and ultimately customer's preference to the company's brand. 397 individuals were selected from the customers of the 5 elite banks of Tehran. For data analysis, the structural equation modelling (SEM), and confirmatory factor analysis (CFA)

and the software packages of SPSS and LISREL were used. The results indicate that the factors of services quality and perceived value have significant impact on brand equity and brand equity has a significant impact on brand preference and purchase intention and finally, brand

preference has a significant impact on customers' purchase intention.

(Sirisha, 2014) The study analyse the literatures related to brand equity & understand the different dimensions of the customer-based brand equity has referred by different researchers over a period. Develop a conceptual framework for measuring customer based brand equity.

(Dib & Alhaddad, 2014) Author analyzed hierarchical relationship between the brand equity dimensions such as brand awareness, brand trust, perceived quality and brand loyalty from the student perspective. 369 students from the higher institute of business administration (HIBA) were analysed using structural equations. The outcome is perceived quality does not have a significant influence on both brand trust and brand equity and on other hand, the rest of relationship between brand equity dimensions and brand equity is confirmed.

(Far, Rezaei, & Sadat, August 2015) Aimed at investigating affective factors (service experience, brand affinity and customer satisfaction) on building brand equity in banking industry of Iran. Research conducted taking 220 samples & using structural Equation Modelling. Service experience, brand affinity as the independent variables, and customer satisfaction as mediator variable, had an effect on building brand equity. (D. S. Arora & Naagar, April 2016) Study is about those factors which determine the strong customer based

brand equity in the banking industry. A structured questionnaire is used to collect data from 120 respondents from selected Public Sector banks and Private Sector banks. The results produced six factors i.e. Brand investments, Brand performance, Brand salience, Brand verdict, Brand feelings and Brand unfamiliarity accounted for 73 percent variance. The findings revealed that out of the six factors extracted from the study, Brand verdict emerged as the most significant factor that leads to the determination of customer based brand equity.

(Rahi, Ghani, & Alnaser, 2017) Objective of the research is to measure the E-customer service which is the core dimension of e-service quality with internet banking adoption and Brand loyalty of Banks. In addition to this Customer perceived value has also been explored within internet banking context. A self-administered survey is conducted to approach 500 internet banking users in major cities of Pakistan. The data is analyzed through correlation and structural equation model (SEM) by using AMOS. Findings reveal that e- customer service and

perceived value significantly influence on internet banking adoption and brand loyalty of Banks.

(Chekalina, Fuchs, & Lexhagen, 2018) author applied CBBE concept to tourism destination. Study considered five dependent constructs and destination resources, value in use & value for money.

(Algharabat, Rana, Alalwan, Baabdullah, & Gupta, 2019) authors analysed attributes of CBE such as consumer involvement, consumer participation and self-expressive brand and its association between the determinants of CBBE namely brand

loyalty, brand awareness, perceived quality. (Iglesias, Markovic, & Rialp, 2019) study investigate how employee empathy effect sensory brand experience on brand equity through customer satisfaction and customer affective commitment.

Research overview on Brand Equity & its determinants

Keller (1993)	The space your brand occupies in customers mind	Brand salience Brand meaning Brand response Brand relationship
Lassar, Mittal, & Sharma, 1995)	Prices reflect the equity associated with the brand.	Performance social image price/value trustworthiness and identification/attachment
Aaker (1996)	Brand Equity is differential value added to both firm & customer	Brand loyalty Brand name awareness Brand associations Perceived quality Other proprietary brand assets
(Boonghe e Yoo, Naveen Donthu, & Sungho Lee, April 2000)	Explores the relationship s between selected marketing mix elements and brand equity.	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 are related to high brand equity.
(Yoo & Donthu, 2001)	Developed multidimensional consumer-based brand equity scale (MBE) drawn from both Aaker's and Keller's conceptualizations of brand equity	
(Ailawad et al., Oct2003)	The revenue premium a brand generates is a simple, objective, and managerially useful product-market measure of brand equity	
(Netemeyer et al. 2004)	Willingness to pay a price premium for a brand	perceived quality (PQ), perceived value for the cost (PVC), uniqueness, and the willingness to pay a price premium for a brand
(Chattopadhyay et al., 2008)	Establish Brand equity measurement based on 3 aspects such as product	Product/Market Customer Financial

	market level, customer level & financial measures	
(Afsar et al., 2010)	Brand equity in terms of brand loyalty	Perceived quality satisfaction trust switching cost and commitment
(Anderson, spring 2011)	Financial value that a firm derives from customer response to the marketing of a brand	brand perpetual value is calculated as the value of perpetuity
(Saleem & Abideen, 2011)	Brand equity analyzed using environmental response and emotional response with attitudinal and behavioral aspect of consumer buying behavior	
(D. S. Arora & Naagar, April 2016).		Brand investments, Brand performance, Brand salience, Brand verdict, Brand feelings and

		Brand unfamiliarity
(Iglesias, Markovic, & Rialp, 2019)	Employee empathy effect sensory brand experience on brand equity through customer satisfaction and customer affective commitment	Sensory Brand experience Customer satisfaction Customer Affective Commitment
(Algharabat, Rana, Alalwan, Baabdullah, & Gupta, 2019)	Attributes of CBE and its association between the determinants of CBBE namely	consumer involvement, consumer participation self-expressive brand brand loyalty, brand awareness, Perceived quality.

VI Conclusion

Branding is most stimulating topics among both academicians & industry, since its introduction till today lot of research is done on this marketing concept. Even in a in the market and what has to be done to command high equity in the market. Conceptual study provides better insights about brand equity models & helps to identify various brand equity determinants & their relationship. Also it provides necessary framework to construct our own model & test their hypothesis in our market. It is also noticed that conceptualization of brand equity model developed by both Aaker & Keller holds good even today irrespective of the product /service & markets with little variation in the attributes of brand equity element.

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