

Impact of Consumer's Loyalty and Attachment on Brand Equity (A of Beverage Sector of Pakistan)

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Abstract

The intention of this research is to evaluate factors influence on the brand equity specifically to know the impact of consumer's loyalty and attachment on brand equity. The research is composed of primary data, the population of this research consists on the different Educational, industrial, and commercial sector for conducting research. For gathering the response of respondents, the 200 questionnaires were distributed among the respondents on the different places. For interpreting the research result, we draw the correlation and regression analysis by using of SPSS software and frequency distribution are used. The research results indicate that there is positive relationship between the dependent and independent variables. The research results also showed that the independent variables influence the dependent variable. This research will be helpful commercial sector and managers to redesign their strategies in order to get customer loyalty and capture maximum potential customers.

Keywords: consumer's loyalty, attachment with brand, brand equity

Introduction

The marketing point of view brand equity defined as the value of any product in the mind of customer or user. One can examine the value of the brand in the mind of customer by viewing the level of attachment of customer with the brand, their loyalty with the brand. Various previous studies found that partial support for their brand equity model to which indicate the brand loyalty directly create. According to the Rios and Riquelme (2008) they also conclude that brand line equity model applies on the both in the traditional firm and to test online companies. By creating of the brand, loyalty brand equity can be strengthening. According to the Rios and Requelme (2008) that another factor that directly influencing the brand equity, which is attachment. Consumers needed to attachment on the trust and seller to purchase online, website and that provide the consumer peace of mind also would create more brand equity and patronage.

For the customer selection process the brand equity is a important play important roles especially in the service industry (Mourad,Ennew and Kortam,2010) which mean that sometime the brand equity create customer's purchase intention and also positive affect the brand loyalty. On the other hand, there is a dual relationship between the brand loyalty and the brand equity. One is that brand loyalty always leads to more strengthened brand equity and second is that the brand loyalty has the positive relationship with the brand equity (Arora, Raisinghani, Arora and Kothari, 2009). Base on the above relationship we assume that there is a dual relationship between the brand equity and the brand loyalty also; it seems that brand loyalty is more appropriate to be an antecedent of brand equity. In the summarize way that brand loyalty has a strong relationship with brand equity, brand loyalty. According to the Aaker (1996) due to change in the consumer loyalty the customers choose another brand. For developing the long term relationship there should be increase in the brand loyalty and attachment of brand in internet companies marketing strategies. The marketing point of view brand equity is defined as the value of any product in the mind of customer or user. One can examine the value of the brand in the mind of customer by viewing the level of attachment of customer with the brand, their loyalty with the brand. Furthermore, the idea of brand equity has been discussed both in the accounting and marketing literatures, and has painted out the importance of having long term focus with in brand management. Although there have been considerable moves by the companies to be strategic in the way that brands are managed.

Objectives of the Study

The main purpose of this research is to gain deeper understanding of how brand loyalty and brand attachment contributes to brand equity. Specifically to know:

- The impact of brand brand loyalty on brand equity.
- The impact of brand attachment on brand equity
- The impact on customer's selection, by increasing the worth of the brand in their mind.
- To develop the research model

Research Questions

The problem that needs to be addresses initially, to examine the effect of brand loyalty and attachment on the equity of brand in beverage sector. The research questions are given below:

- How much brand loyalties affect brand equity positively or negatively?

- Does the brand attachment have its impact on brand equity?

Scope of the Study

In this we studied on brand loyalty and attachment regarding the brand equity, that has a positive impact on brand equity, the other elements of secondary brand associations should also be investigated. The role of other associations such as co-branding, company, country of origin or other geographic area, channel of distribution licensing, celebrity endorsement, e.t.c must also be studied in this context.

Literature Review

Loyalty of the Brand

The emerging literature proposes that customer brand loyalty is generally considering the final attractive marketing-based outcome form strategic marketing activities (Chaduhuri, 1999; Gwinner et al., 1998; Kumar, 1999; Mittal and Lassar, 1998; Reichfeld and Scheffer, 2000; Straube and Friege, 1999). This assertion widely based on the growing influence of the relationship marketing orientation on marketing theory and practice (Sheth and Parvithy, 2000).

The movement from purchase loyalty in terms of (repurchase intention) towards more holistic conceptualization of the loyalty construct emerges supported in the emerging literature. (Keller, 1998) acknowledges that brand loyalty has historically often been simplistically measured behaviorally simply via repeat purchase behavior. However, he also acknowledges that customers' loyalty can view more broadly than reflected by simple purchase behaviors. Baldinger and Rubinson (1996) suggested in his previous researches that the use of loyalty and definitions that includes both attitudinal and behavioral components will be superior in terms of their predictive ability. It is also to conceptualizations of loyalty that are purely behaviorally based (Chaduhuri and Holbrook, 2001) recently proposed a model of brand loyalty that suggests the purchase loyalty tends to lead to greater market share, while attitudinal loyalty leads to higher relative brand pricing. (Morgan, 2000) similarly suggests that the term "loyalty" which can be discussed in different ways, ranging from affective loyalty to behavioral loyalty. (Narayandas, 1998 and White, and Schneider, 2000) proposed laddering models that appears consistent with this emerging orientation. Satisfaction is unique for other closely related concepts such as quality, loyalty, and attitude that have hypothesized in the literature to have a direct influence on customer loyalty (Mittal and Lassar, 1998; Oliver, 1997) and repurchase intention (Kumar, 2002; Mittal and Kamakura, 2001). We test the relationship between satisfaction and loyalty in our research to ascertain whether the relationship identified in previous studies can support in industrial setting when simultaneously considering all of the relevant constructs in a single research model.

Loyal customers are beneficial for the organizations as the base of loyal customers reduce the marketing cost of doing business. In addition, loyalty can capitalize on through strategies such as brand extension and market penetration. When there are large numbers of loyal customers, they are an asset for that particular brand they are also identified as huge determinant of brand equity (DeKimpe et al., 1997). Most of the researches on loyalty have focused on frequent purchases made by consumers, the concept of loyalty is also as important in industrial goods as in consumer goods, known as (vendor loyalty), services often referred as service loyalty in marketing literature (DeKimpe et al., 1997).

Most of the researchers define brand loyalty either on behavioral or attitudinal terms (Mellens et al., 1996). Loyalty itself is a difficult construct and many studies utilize the complex definition of brand loyalty that was present by Jacoby (1971). As discussed previously, it is commonly acknowledged in the literature (Jacoby and Chestnut, 1978; Baldinger and Rubinson, 1996, 1997; Mellens et al., 1996; Farr and Hollis, 1997) that the majority of loyalty measures can be categorized as either behavioral or attitudinal, which implies that loyalty is a dimensional concept. Now a day's according to the need of time, companies must be customer orientation (Kotler, 1997). All the bases of marketing concepts identify that satisfaction of customer need leads towards improved customer retention.

H1: There is positive relationship between the consumer loyalty and brand equity.

Consumer's Attachment with the Brand

Many researchers have examined attachment in interpersonal contexts, suggests that consumers can also develop attachment to marketplace entities, including products and brands (Fournier 1998; Keller 2003; Schouten and Mac Alexander 1995), celebrities (Thomson 2006) and special possessions (Ball and Tasaki 1992; Kleine and Baker 2004). Notably despite the growing status of the attachment construct, the conceptual properties of this construct remains indefinable.

Brand attachment defines as the strength of the bond connecting the brand with the self. Consistent with attachment theory (Mikulincer and Shaver 2007) this bond to exemplify by a rich and accessible memory network (mental representation) involving thoughts and feeling about the brand and the brand's relationship to the self. Two critical factors reflect the conceptual properties of brand attachment: brand-self connection and

brand prominence.

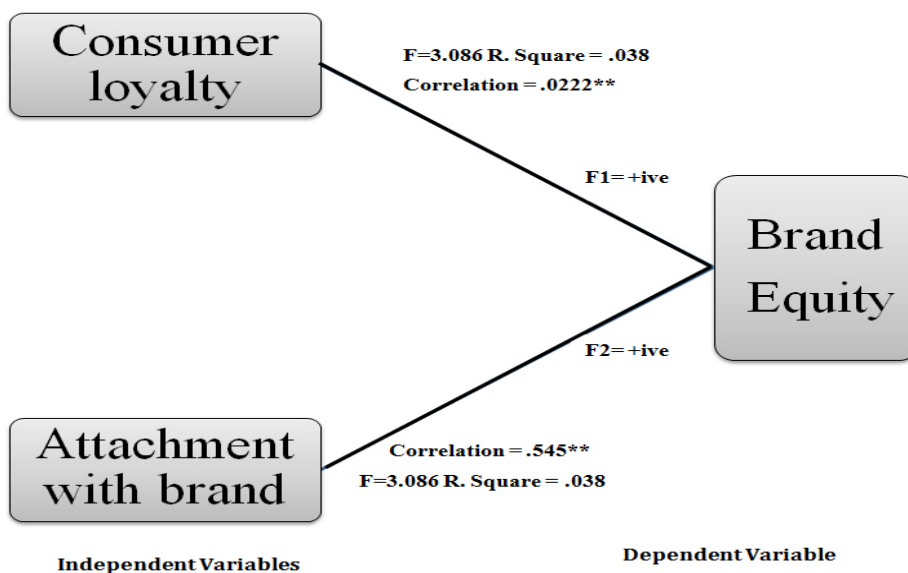
When a customer attached with a brand, some emotions are evoked, as emotions are inbuilt to brand-self connections and prominence factors. Undeniably, the emotional level of attachment has leads towards a measure of attachment based purely on emotions. Thomson et al.'s(2009) present's three-factor model characterizes brand attachment in terms of three emotional components: affection, passion, and connection. Even though we agree that attachment are emotional, in contrast to (Thomson et al, 2005) the set of specific emotions underlying attachment is not central to our conceptualization of attachment. Indeed, we are agnostic to the specific person-brand autobiographical meanings and their prominence. Such feelings could include those noted by (Thomson et al, 2005). However, they could also include joy, excitement, pride, contentment, relief, nostalgia or any other feeling retrieved from brand-self memories.

While passion may really characterize strong brand attachment as (Thomson et al. 2005) suggested the degree of passion linked to strong attachment might depend on the relationship's evolutionary status. Research indicates that passion may diminish as relationship progress (Ahuvia, Batra, and Bagozzi 2009). At the same time, relationship sequence brings with it more brand-self experience that should intensify the brand-self bond and enhances its salience. Thus, while time may be associated with fading passion, it may also be associated with enhanced attachment. Representing attachment based on passion may not fully capture all relationship characterized by strong attachment. "Attachment is more than emotions"; it is reflect by mental representation (rich-cognitive schemata) that include brand-self cognitions though and autobiographical brand memories (Berman and Sperling 1994; Mikulincer and Shaver 2007) that may not be captured by measures of emotions. As such, we do not include emotions as factors that indicate brand attachment. Instead, we reason that our two-factor model of attachment (brand-self connection and brand prominence) captures the emotions that convoy attachment.

Vertical brand extension refers to introduce a new product under the same product category but offers different price and quality. On the other hand in horizontal brand extension the existing brand name are use for new extensions where as in vertical extension, vertical extension uses a second brand name or descriptor alongside the core brand name is used (Kim and lavack, 1996, P 24). On examination of brand extension literature, it can see that one of the revolutionary and most cited studies is that of (Aaker and Keller 1990). Hence, this study adds a lot to brand extension literature by creating one of the first to be apply in a Middle Eastern culture. (Martinez and de Chrnatony) have analyzed "how variables related to the parent brand and the extension influence brand image after extension" (Martimez and de Chrnatony, 2004, p.39).

H2: There is positive relationship between the attachment and brand equity.

Theoretical framework



Research Methodology

The research is focus on the different aspect of the brand loyalty in the Pakistan. The purpose of this research is to find out the significance of attachment of the brand and loyalty of the consumer on the brand equity decision making.

Data Collection

During the summer of 2015, primary data was collect by thoroughly study of the literature review on their base, developed the questionnaires for an assessment of problem. A wide sample, explicitly 200 respondent conveniently selected from the different place were administered a various brand equity aspect. All responses were nameless, but the respondents have requested to list their respondents

Data Analysis

for the further research the primary data collected and have been analyzed using of SPSS. Correlation analysis ware used for conducted of the result. On the base of the result, further discuss with the experience person and justify the purpose and hypotheses of the study.

Data analysis and interpretation

Correlation analysis

Table No.1 Correlation Analysis

		Consumer loyalty	Attachment with brand	Brand Equity
Consumer loyalty	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	200		
Attachment with brand	Pearson Correlation	.222**	1	
	Sig. (2-tailed)	0.000		
	N	200	200	
Brand Equity	Pearson Correlation	0.222	.545**	1
	Sig. (2-tailed)	0.000	0.000	
	N	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Bi-Variate correlation is applied to find the relation between dependent and independent variables.

There are two independent variables (consumer loyalty, attachment with brand), on the other hand one dependent variable Brand equity. By making the comparison with our propose research hypothesis correlation analysis are used for clear understanding.

Hypothesis 01: consumer loyalty have a positively relationship with the Brand Equity

According the above table, which shows consumer loyalty and brand equity are highly correlated? The correlation result of are given in matrix i.e. ($r = .222^{**}$ at $p=0.000$). With the confident interval of 95%, this means that this result contain only 5% chances of variations. So hypothesis is accepted. For the further research, we can say that consumer loyalty influence on the brand equity

Hypothesis 02: Attachments have a positive effect on the brand equity.

The correlation research result regarding the brand attachment given in above correlation matrix is ($r = .545^{**}$ at $P=0.000$). Which show the positive relationship between the attachment of consumer and brand equity? The p value shows the significance level, which is 0.000 and is beyond the significance level in between 0.01 to 0.05. According to analysis of above table H_2 is accepted because their P value is less than the alpha level which is 0.01.

Conclusions

The final section of the research paper is base that aims to conclude with conclusions, suggestions and further research aspects. The conclusion for this research drawn from the results obtained from analyzing the survey performed and the respective literature. Finally yet importantly, the contributions of the research in the theoretical and empirical levels as well as the directions for future research opened by our results are going too presented.

Results and findings

Simple liner correlation tests are applied to analyze data, the results illustrates that all independent and dependent variables have significance relationship among each other. It means that ultimately brand loyalty have positive impact on the brand equity of the beverages. Brand loyalty and attachment of consumer helps to increase the brand equity in beverages sector. Both hypotheses are accepted consumer loyalty and attachment of consumer on brand equity. Therefore, the brand loyalty has its impact on brand equity and no hypothesis is rejected from the research analysis, we came to know that brand (loyalty and attachment) in the beverage sector play a very important role in the successful entry of new products. Infect brand loyalty contributes a lot in brand equity in

the beverage sector of Pakistan. Customers prefer to buy the new variants of beverages, they like the different shapes colors and sizes of the brands.

Recommendations and Suggestions

In this research, we have studied brand associations that the brand attachment and loyalty affect the brand equity are further investigate. There is no more research on this topic, to know the consumer loyalty and brand attachment of commoner with the brand equity. It is also conclude that a lot of work remains to be done in the future because this research is on the initially stage. Until on these day on research is given the clear understanding about the brand equity and the attachment of consumer with the brand. Therefore, this research contributes for the marketing manager and for all of the marketing companies to motivate and create the loyalty of brand and to increase the attachment of brand. The marketing manager manage their policy that show have the strategies which increase the loyalty of brand. The role of other associations such as co-branding, company, country of origin or other geographic area, channel of distribution licensing, celebrity endorsement.

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