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Determining the Factors Influencing the Brand Equity from the Perspective of the Consumer in Iran Chocolate Industry (Baraka Chocolate)

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ABSTRACT

Objective: The research on the brands (brand) and brand equity has become important for marketing activities and marketing theory in recent years. The brand equity is one of the assets which either preserve the company's value or also will follow customer loyalty. **Methodology**: This study aims to determine the factors influencing brand equity from the consumer perspective in Iran chocolate industry. In this research, Aaker David brand equity model is used which has four dimensions of awareness, perceived quality, associations, and loyalty to the brand. The population has been the consumers of Baraka chocolate in Shahrvand chain shops that 50 people of them were selected as samples. **Results**: Results showed that there is a significant relationship between perceived quality and brand equity. Furthermore, there is a direct significant relationship between loyalty to the brand and brand equity. There is a strong significant relationship between awareness of the brand and brand equity and there is a very strong significant relationship between brand association and brand equity. **Conclusion**: There is no significant difference between men and women in none of the components. And only in the component of loyalty to the brand in Iran chocolate industry there is significant difference between different age groups and in the components of awareness, perceived quality, loyalty to the brand and brand added value there is significant difference between different age groups.

1. Introduction

Considering marketing activities as a means to participate in the minds of customers and create intellectual property entitled brand names considered a new perspective in marketing science. The different researches show that the real value is not in the product or service, but this value is in the minds of customers potentially and actually and this is the brand that evokes the true value in the customer's mind (Kapferer, 2008).Today, creating a strong brand help the organizations to possess proper Identities in the market (Aaker, 1996).In today's competitive markets, achieving good rankings in the mind of consumer so that consumer be loyal to the company, is of utmost importance and such factors that are effective in achieving this position in customers' minds is the company's brand equity (Aaker, 1991). The brand equity is the added value which adds to products and services and may be reflected in the way of thinking, feeling and client's respect for the brand and or show itself in the price, market share and profits that a brand bring to the organization. The brand equity is an intangible asset which has financial and emotional value for the company (Kotler, 2003). David Aaker knows the brand a symbol that is linked with many assets and mind liabilities and is presented to identify and distinguish the goods. Aaker in 1991 and 1996 examined the importance of understanding the brand value concept. Based on this scientist, brand equity arises from loyalty to the brand towards to brand, the perceived quality of the brand, association, and awareness of the brand. Therefore, according to the subject matter importance, in this study we will explain the factors affecting brand equity from the perspective of the consumer in Iran chocolate industry and particularly in Baraka products. In the second part we

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will describe the subject literature and review of the literature and in the third section the research methodology will be illustrated. Then we will analyze the data in the fourth section. The conclusion is discussed in the fifth section.

2. Material and Methods

2.1. Review of the Literature

A brand is a name, term, sign, logo or design, or a combination of these which is used to identify the goods or services of the seller or group of sellers and to differentiate these goods or competitor's services. In short, a brand causes identifying the seller or manufacturer. A brand is actually a permanent commitment to provide a set of features, benefits and special services to buyers. However, when a product / service has not certain characteristic, it cannot be easily named a brand and honored this brand as a lasting mark. These distinctions can have a logical or tangible or even intangible function. The most brand names guarantee a certain level of quality. But a brand can also be a symbol of more complex cases such as: Nature of the product, the product's personality, culture of product using and the personality of the product user.

2.1.1 The Brand Meanings

Kotler has expressed different meanings for the brand which is presented below (Keller, 2001).

Features: A brand would make that certain features come to the mind.

Interests: The features must be converted into tangible and emotional benefits and the product feature such as durability can be converted into tangible benefits.

Value: The brand suggests the value of the manufacturer company.

Culture: It is possible that brand indicates the culture of personality.

Personality: It is possible that brand indicates a special personality.

User: The Brand indicates the type of customer that buys a product or uses it.

The first person, who offered model based on both dimensions to conceptualizing brand equity, is Aaker (1991). He proposes 4 components for evaluating the brand equity from the perspective of the consumer which include: Awareness of the brand, loyalty to the brand, perceived quality and brand association

2.1.2 Awareness of the Brand

One of the aspects of brand equity is awareness and visibility of the brand's name and symbol. The results show that people are willing to buy a familiar name, because they are more comfortable with their names. Furthermore, there is this assumption that a brand which is famous is probably trustable and has a justified quality. Often, a known brand is chosen better than the unknown one. The factor of awareness is important because a brand primarily must be entered to personal concerns (It must be one of the brand that is evaluated for buying) thus an unknown brand usually has little chance of buying (Simon & Sullivan, 1993).

2.1.3 Loyalty to the Brand

Loyalty to the brand can be defined as the amount of customer positive attitude towards a brand, the amount of his commitment to the declared brand and the intention of continuing to buy in the future. The loyalty to the brand directly is influenced by satisfaction or dissatisfaction with a brand that is collected over time and also is affected by quality.

2.1.4 Perceived Quality

Perceived quality is the consumer's perception of the overall quality or superiority of a product or service to the customer's desire towards the replaces of it. For perceiving the perceived quality, recognizing and measuring the fundamental dimensions will be useful, but the quality perceived itself is a global and summarized structure. The brand is linked to the quality perceived by the customer, the perception of quality may be somewhat varying in different industries. High quality effect directly on the decision to purchase and loyalty and more protect the higher price and profit margin.

2.1.5. Brand Association

The value of a brand is often based on belongings and associations that are linked to it. The association of the brand is the heart of the brand equity and also a key factor for competitive advantage. Chen states the following reasons to confirm this:

1- Awareness of the brand is a necessary condition but not sufficient for creating the brand equity.

2- The other dimensions of equity have increased loyalty to the brand.

3- Perceived quality is a type of brand association. In general, there are these associations that create the brand image (Chen, 2001).

Karbasi & Yar del (2011) in a research entitled The Assessment of Brand Equity and the Factors Affecting that from the Perspective of the Consumer; using David Aaker's brand equity model achieved these results that the factors of loyalty to the brand and brand association have a direct impact on brand equity. Also the factors of perceived quality and awareness of the brand indirectly and through loyalty to the brand effect on the brand equity.

GilaniNia & Mousavian (2010) in a research entitled The Effect of Loyalty to the Brandon Bank Special Worth from the Perspective of E-Card Clients, considering Aaker model, first examine the impact of loyalty to the brand (treatment dimension) on brand equity and since loyalty to the brand can be established by affecting of other aspects of the model (perceived quality, awareness of the brand and brand association); in the next step, these factors were studied as the factors affecting loyalty and then their impact on brand equity were examined. And the results showed that loyalty, awareness and quality have an impact on brand equity and awareness of the brand is also a factor affecting customer's loyalty towards the brand

2.1.6 Research Conceptual Model

Because of the advantages of Aaker model in this field and considering that he has not tested this model empirically, after him, this model has been tested and validated in different statistical society. Aaker model is a conceptual approach that seeks to identify the characteristics which from consumer perspective will shape the brand value (Aaker, 1991). The brand equity is a multidimensional concept that includes loyalty to the brand, awareness of the brand, perceived quality, and brand association. Aaker conceptual model for conceptualizing is presented in the following figure, thus the present research hypothesis based on Aaker model is also (the model used in this study) illustrated as figure 1.

Figure. 1: Research Conceptual Model (Aaker, 1991)

H_1: Perceived quality has a significant relationship with brand equity.
H_2: Loyalty to the brand has a significant relationship with brand equity.
H_3: Awareness of the brand has a significant relationship with brand equity.
H_4: Brand association has a significant relationship with brand equity.

2.2. Methodology

The method of this research is the survey and its aim is to identify the factors influencing brand equity based on Aaker model which is practical by considering the purpose. Using statistical analysis, the existence of a significant relationship between 4 variables of Aaker model (Brand, awareness of the brand, perceived quality, and brand association) and a specific value of the products from the consumer perspective is studied.

The populations of this research were consumers of Baraka chocolate in chain stores that 50 of them were selected in the simple random sampling for the study.

In this type of research internet, library research and a questionnaire was used for collecting required data and information. Furthermore, each measuring tool should have at least two major features means the justifiability (validity) and final (reliability). The questions are designed in the form of closed and with Likert 5 scales.

Validity has different types (superficial, content, criterion and construct). In this study, the validity is studied according to the superficial type (based on the informed individual judgment). The questionnaire has been used from the main sources of research (Chang and Chieng, 2006; Pappu et al., 2005; Delgado & Luis, 2005). For determine the reliability of the questionnaire used in this study Cronbach's alpha method can be used, the method is used for calculating the internal consistency of measurement tools including questionnaires or tests that measure different attributes. First, the data obtained from the questionnaires are distracted and adjusted in general information table, then all information are analyzed by using the computer and through statistical software especially SPSS software and since the questionnaire is designed based on Likert scale and data are ranked and considering the nonparametric distribution, we should use Spearman correlation coefficient to measure the relationship. For analyzing data first, the demographic characteristics of responders (including gender, age, educational level) must fully examined and then followed by statistical indicators related to each question of the questionnaire and research variables in research questionnaires means brand equity, awareness of the brand, perceived quality of brand, loyalty and brand associations should be calculated (Sedghiani & Ebrahimi, 2002).

The amount of obtained reliability from the questionnaire is 0/807 and more complete description of it is presented in the table 1.

Table 1. Cronbach's alpha coefficient of research components

Number of Samples	Number of Items	The Alpha Coefficient	Indicators
50	3	0/835	Perceived Quality
50	2	0/888	Loyalty to the Brand
50	6	0/711	Awareness of the Brand
50	4	0/701	Brand Associations
50	2	0/862	Brand Equity

3. Discussion and Results

3.1. Demographics

In this study the sex of 50 Baraka chocolate users that were selected in Shahrvand stores includes 29 men and 21 women. Also 19 people are below the diploma degree and 12 people have graduate and 14 people have Bachelor of Art (BA) degree requirements. (Table 2) (Fig. 2).

Table 2. Study

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below Diploma	19	38.0	38.0	38.0
	Diploma	12	24.0	24.0	62.0
	BA	14	28.0	28.0	90.0
	MA and higher	5	10.0	10.0	100.0
	Total	50	100.0	100.0	

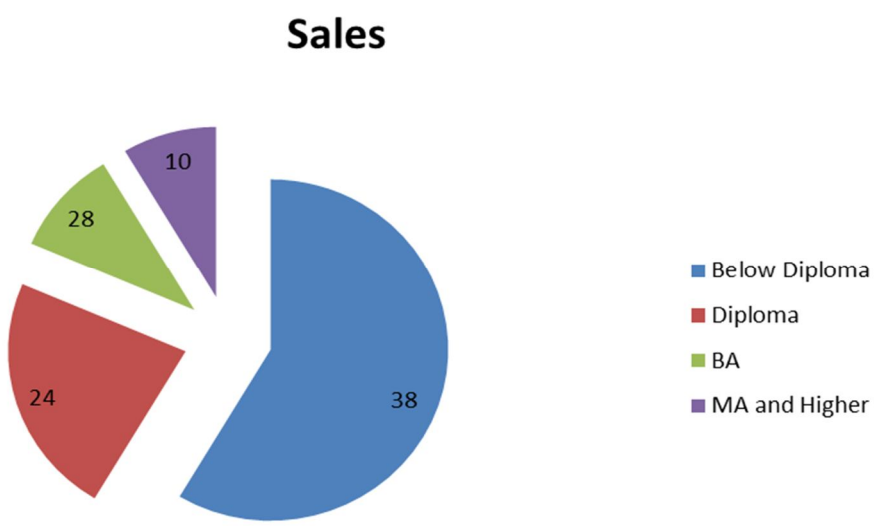

Figure 2. Pie Chart of Respondents Education Percentage

Among the 50 respondents, 10 were under 20 years old and 9 were over 50 years old. The number of different age groups is shown in the table 3. (Fig. 3)

Table 3. Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Under 20 Years Old	10	20.0	20.0	20.0
	21-30	10	20.0	20.0	40.0
	31-40	10	20.0	20.0	60.0
	41-50	11	22.0	22.0	82.0
	Over 51 Years Old	9	18.0	18.0	100.0
	Total	50	100.0	100.0	

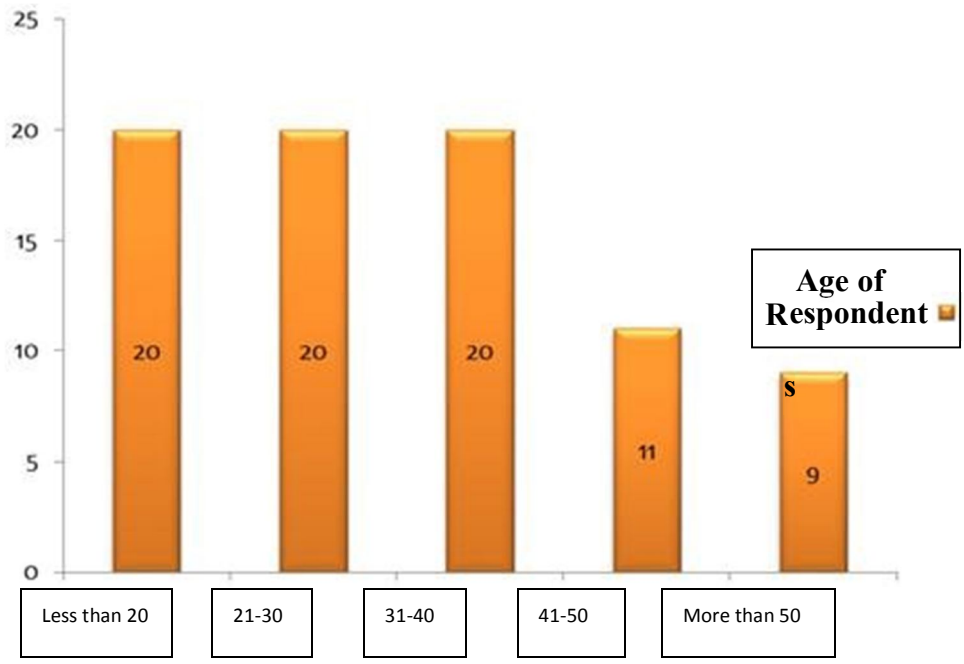

Fig 3. Bar Graph of Respondents Age Percentage

3.2. Study on Data Normality

There are several steps in checking the normality of data:

The first step:

First we test the skewness and elongation of data. The skewness is equal to the third normalized torque. In fact, the skewness in a criterion for the presence or absence of distribution function symmetry. For a distribution which is symmetric perfectly the skewness is zero and for an asymmetric distribution with elongation towards higher values, the skewness is positive stretching and for asymmetric distribution with elongation towards smaller values, the skewness is negative. You can see the positive and negative skewness in the following figure.

The elongation or Kortezis represents peak favorite of a distribution. They have estimated the amount of elongation by fourth normal torque, in other words, the criterion elongation occurs as the result of the curve sharpness in maximum point and the amount of elongation is equal to 3for the normal distribution. The positive elongation means the peak of slightly distribution is upper than the normal distribution and the negative elongation represents the lower place of peak toward the normal distribution.

In the general case, usually if the skewness and elongation were not in the interval (2, -2), the data are very far away from normal distribution and they should be reformed before any tests that for doing them the assumption of data normality must be set (Of course, it is possible that some statistics consider this interval smaller or larger.).

The second step:

After examining the normality of elongation or the skewness of your data distribution, we go to Shapiro Wilk test to become sure of data normality. Usually, if the significance level in Shapiro-Wilk test which is shown in this table as sig. be more than 0.05, we can assume the data with high normal confidence. Otherwise, it cannot be said that the distribution of data is normal.

The third step:
If you reach this conclusion in the second step that your variables which have ordinary skewness and elongation in the first step were not normal, you can find the data distribution method in detail through diagrams and see the reason of the lack of data normality with reason:
The foliage chart has a bell-like shape for a normal distribution. In QQ chart, a normal distribution data is usually placed on line and data are not on spiral or S-like line.
The box of a box chart is usually placed in the center of the diagram for normal distribution. Seeing outliers (that show them with the star or the point) can well describe the deviation of a distribution from the normal distribution.
Here we use Shapiro-Wilk test to check the normality of the data which is very crucial. (Table 4).

Table 4. Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
awareness	.127		.044	.955	50	.053
quality	.092		.200*	.965	50	.144
loyalty	.131	50 50 50 50 50	.033	.913	50	.001
association	.111		.172	.968	50	.195
equity	.168		.001	.926	50	.004

As you can see, loyalty and equity components do not have normal distribution, because the significant level of these two components is less than 0/05. Consequently, nonparametric tests should be used for testing hypotheses.

3.3. Inferential statistics

First hypothesis: The perceived quality has a significant relationship with brand equity.
Hypothesis H_0: There is no significant relationship between perceived quality and brand equity.
Hypothesis H_1: There is significant relationship between perceived quality and brand equity.
Since our data possess non-normal distribution, we use nonparametric tests and considering that we have used the Likert spectrum in the interval scale in the present study and we want to assess the existence of a significant relationship between two components, we use Spearman correlation test. According to obtained amount of sig in this test that is 0/05 in the significant level and confidence degree of %95, 0/002 its amount is less than 0/05 and there is a strong relationship between perceived quality and brand equity. Thus our hypothesis H_0 indicative the lack of significant relationship is rejected and hypothesis H_1 based on the existence of the significant relationship is confirmed. Therefore, there is the strong significant relationship between perceived quality and brand equity. (Table 5).

Table 5. Hypothesis 1

			Equity
Spearman's rho	quality	Correlation Coefficient	.435**
		Sig. (2-tailed)	.002
		N	50

Second hypothesis: Loyalty to the brand has a significant relationship with brand equity.
Hypothesis H_0: There is no significant relationship between loyalty to the brand and brand equity.
Hypothesis H_1: There is a significant relationship between loyalty to the brand and brand equity.
According to obtained amount of sig in this test that is 0/05 in the significant level and confidence degree of %95, 0/045 its amount is less than 0/05 and there is a direct relationship between loyalty to the brand and brand equity. Thus our hypothesis H_0 indicative the lack of significant relationship is rejected and hypothesis H_1 based on the existence of the significant relationship is confirmed. Therefore, there is the direct significant relationship between loyalty to the brand and brand equity. (Table 6).

Table 6. Hypothesis 2

			Equity
Spearman's rho	vafadari	Correlation Coefficient	.285**
		Sig. (2-tailed)	.045
		N	50

Third hypothesis: Awareness of the brand has a significant relationship with brand equity.
Hypothesis H_0: There is no significant relationship between awareness of the brand and brand equity.
Hypothesis H_1: There is a significant relationship between awareness of the brand and brand equity.
According to obtained amount of sig in this test that is 0/05 in the significant level and confidence degree of %95, 0/000 its amount is less than 0/05 and there is a strong relationship between awareness of the brand and brand equity. Thus our hypothesis H_0 indicative the lack of significant relationship is rejected and hypothesis H_1 based on the existence of the significant relationship is confirmed. Therefore, there is the strong significant relationship between awareness of the brand and brand equity. (Table 7).

Table 7. Hypothesis 3

			Equity
Spearman's rho	agahi	Correlation Coefficient	.574**
		Sig. (2-tailed)	.000
		N	50

Fourth hypothesis: Awareness of the brand has a significant relationship with brand equity.
Hypothesis H_0: There is no significant relationship between brand association and brand equity.
Hypothesis H_1: There is a significant relationship between brand association and brand equity.
According to obtained amount of sig in this test that is 0/05 in the significant level and confidence degree of %95, 0/000 its amount is less than 0/05 and there is a very strong relationship between brand association and brand equity. Thus our hypothesis H_0 indicative the lack of significant relationship is rejected and hypothesis H_1 based on the existence of the significant relationship is confirmed. Therefore, there is a very strong significant relationship between brand association and brand equity. (Table 8)

Table 8. Hypothesis 4

			Equity
Spearman's rho	agahi	Correlation Coefficient	.574**
		Sig. (2-tailed)	.000
		N	50

Comparing the Mean Scores of the Research Studied Variables among Men and Women
As you can see, there is no significant difference between men and women in any of the components (Due to the significance level of less than 0/05). (Table 9)

Table 9. Test Statistics [a]

	awareness	quality	loyalty	association	equity
Mann-Whitney U	258.000	303.000	279.000	285.500	216.500
Wilcoxon W	489.000	738.000	714.000	516.500	447.500
Z	-.919	-.030	-.508	-.376	-1.745
Asymp. Sig. (2-tailed)	.358	.976	.611	.707	.081

a. Grouping Variable: jens

Comparing the Mean Scores of the Research Studied Variables among Different Age Groups

It can be seen that there is significant difference between different age groups only in the component of loyalty to the brand in Iran chocolate industry (Due to the significance level of less than 0/05). (Table 10)

Table 10. Test Statistics [a,b]

	awareness	quality	loyalty	association	equity
Chi-square	3.512	2.271	13.992	4.617	.315
df	4	4	4	4	4
Asymp. Sig.	.476	.686	.007	.329	.989

a. Kruskal Wallis Test
b. Grouping Variable: sen1

Comparing the Mean Scores of the Research Studied Variables among Different Education Groups

As you can see, there is no significant difference between different education groups only in the brand association component in Iran chocolate industry and there is significant difference between different education groups in the components of awareness, perceived quality, loyalty to the brand and brand added value (Due to the significance level of less than 0/05). (Table 11)

Table 11. Test Statistics [a,b]

	awareness	quality	loyalty	association	equity
Chi-square	16.276	7.900	11.874	5.937	8.302
df	3	3	3	3	3
Asymp. Sig.	.001	.048	.008	.115	.040

a. Kruskal Wallis Test
b. Grouping Variable: tahsil

4. Conclusion

The results of this study indicate that among the 50 users of Baraka chocolate in Shahrvand stores, there is a strong relationship between perceived quality and brand equity. Furthermore, there is the direct relationship between loyalty to the brand and brand equity. There is a strong relationship between awareness of the brand and brand equity. There is very strong significant relationship between brand association and brand equity. It is suggested that the chocolate industry, according to the four components and their improvement and providing appropriate strategies can add to its brand equity. According to demographic surveys, the results showed that there is no significant difference between men and women in none of the components. Furthermore, there is significant difference between different age groups only in the component of loyalty to the brand in Iran chocolate industry and there is significant difference between different age groups in the components of awareness, perceived quality, loyalty to the brand and brand added value. Also the results of this study are consistent with the research of Karbasi Far & Yardel (2011) in the related assumptions by existence of a direct and significant relationship between loyalty to the brand and brand association, with brand equity and in two other hypotheses, the differences in results can be justified because of the lack of similarity of intended products brands in chocolate industry. Furthermore, the results obtained in this study are consistent with research of Seyedin (2010).

4.1. Suggestions

It is proposed in order to investigate more and accurately, other models instead of Aaker model are used and the results are compared with this study. Furthermore, analyzing Aaker model in the field of biscuit and other food industries can be the topics for future research.

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