

Brand Personality Brand Equity and Brand Prestige on Influencing the Brand Repurchase and Customer Willingness

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Abstract: Studies in recent years have been under the influence of brand. The main objective of this study investigates how the impact of equity and prestige and personality of brand on willingness to purchase it and experimentally researches that how the combined mechanism of prestige and personality and equity of the brand is conducted in the group of mobile phone productions. The proposed model is influenced by three independent variables (brand equity, personality and prestige) on six mediator variables (quality, commitment, perceived quality, trust and perception of current risk) and a dependent variable (the willingness to purchase the brand). The research method has been applied objectively and methodologically has been survey-experimental. Used analysis method is used to investigate the relationships between the model components of the structural equation modeling method. The research consisted of 15 hypotheses; population has been the undergraduate and graduate students. The sample size has been 363 people and research is conducted in 2012. Six hypotheses are rejected, nine hypotheses is accepted of raised hypotheses. Impact of brand equity on the elements of the model has been either rejected or has inverse effect. But the personality and prestige of brand has had a positive impact. Among the mediator variables just perceived quality and perception of risk have had an impact on the willingness of customer to repurchase.

Key words: Marketing, brand, brand equity, brand personality, brand prestige

INTRODUCTION

Credibility and perceived value of brand are often considered two very important features that merchants need it to build effective brand. The credibility of a brand is the thinking in ability and willingness to continuous presentation of something that is promised to it (Erdem *et al.*, 2006) and provides a beneficial for the customer and the companies. In fact, purchase a credible brand for customer is quality. For companies, a credible brand means that marketing efforts in receiving and accepting message is cost-effective and can lead to more sales for the companies. Studies show that advertising alone has limitations in forming the equity of the credible and effective brand. But, it can promote its equity by increasing more expectations. So that when the customer purchases the brand and uses it, approves it.

For example, theories of satisfactory confirmation (Deighton, 1984) show a significant role in assessing the performance and brand equity clearly. Another important feature to build a credible brand is existing considerable value in the brand. But there is an awareness that pleasure and social value and the brand prestige that is defined as relatively strong standard of positioning to product with brand (Steenkamp *et al.*, 2003) brand equity shows a more tangible and more desirable part of value.

But another competitive investigation different from the perceived value of the brand (e.g., prestige of brand) as well as brand equity will show a balanced and greater picture of the customer decision-making process. On the surface, purchasers in the market show that more spend for luxury brands and credible. For example, in the automotive market, Lexus Company has reported an increase of 5.2% in sale of the first eight months of 2007 compared with the sale at the same period in 2006. In addition, the increase in sales of BMW and AUD companies has been, respectively, 8.7 and 10.8% since 2006. It is therefore not surprising that the market is experienced a significant increase in the amount of purchasing and selling the luxury brand. (Keller, 2009; Wiedmann *et al.*, 2009)

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Despite the recognition to the increase of brand equity and brand prestige importance as the main features but very few studies have investigated how impact of brand equity and the brand prestige on the behavior of customer choice. Understanding, the combined mechanism of equity and prestige of brand will be very important in the forming of willingness to purchase of the brand for advertisers and merchants, because it provides the necessary guidance in the development, brand positioning, proper advertising and strategies of making brand. Moreover, little information about whether the current conditions in the combined mechanism of equity and prestige of brand and brand personality in customer decision making for category of different products, is more effective or not? According to the above cases, the question is: Do brand personality, brand prestige and brand equity have the simultaneous impact on the willingness to purchase a brand?

Theoretical foundation and research background

Brand prestige: As previously stated, the brand prestige indicates the manufactured product position and its relation with brand (Truong *et al.*, 2009; Steenkamp *et al.*, 2003). The evaluating standard of a famous brand is

particular traits (Dubois *et al.*, 2000). Often higher price (Truong *et al.*, 2009; Wiedmann *et al.*, 2009; Lichtenstein *et al.*, 1993) the effect of major sources on the application of prestige or luxury brands (Bearden and Etzel, 1982) are part of the brand prestige. However, in general, it does not have the same value.

Consumers tend to perceive the use of credible brands as a sign of social status, wealth or power, so credible brands purchased as non-recurrent and deeply “connected with an understanding of the individual and the his social image. However, brand prestige does not affect everyone the same on the other hand, use of credible brands may vary based on capabilities (Vigneron and Johnson, 1999).

Perhaps, it can be said that conscious and social individuals pay attention to other people’s opinions about themselves and possibly following to purchase credible brand. In contrast, those who are dissociable and much focus on their inner thoughts and feelings so not pay attention to purchase the credible brands. According to O’Cass and Frost (2002) credible brands are different with invalid brands as it is likely to affect consumers’ purchasing motivation and improve their social personality. Compared to invalid brands, not only credible brands have many benefits for consumers but also by creating specific social status, creating value for the consumer, in this regard, to some, the cause of priority of global brands value is perhaps because of comparing them with regional and internal brands (Nelson, 1974; Steenkamp *et al.*, 2003).

In the study of Zhou and Wang in 2005, it is stated that brand prestige has greater impact on purchasing. Because increases the social value. It seems that brand prestige directly related to product quality. For example Astinkamp and colleagues stated that consumer valuation about a famous brand, it is positively associated with equity and quality. Moreover, the obtained results show that the brand prestige has great effect on purchasing. Vigneron and Johnson (1999) analyzed the subject and concluded that the brand prestige for consumers has five advantages; supposed value from consumer (which represents wealth, social status of individual), the uniqueness of it (based on its rarity), satisfaction and obtained quality, through that among these cases, the first of the three values is related to social effect and interpersonal and the latter two cases will be returned to certain effects. According to the above stated framework can be said that consumers are looking for quality. Then they choose credible brands. Brand prestige reduces the cost of information because the message of a credible brand indicates a fact that the cost of information reduces to purchase. Because consumers often think that if many people in the community are demanding this brand, then

it must have a good quality. In addition to this, credible brands for consumers are in such a way that the risk to purchase, the risk of psychological and social risk reduces, as brand of Rolex darya Deler which should have efficiency 1220 meters underwater, indicate its top quality of it that as a result reduces the risk to purchase or psychological. In addition to its high social value, reduces the social risk for consumers who are seeking this brand (Vigneron and Johnson (1999).

Brand personality: From the cultural dimension, brand personality dimensions, the friendly, charming, creative and complex co-exist in cultures of Japan and the United States. However, peace dimension in brand personality is only related to Japan culture and the dimension of personality seriousness is the exclusive brand to American culture (Bibby, 2011). Trust is one of the factors that distinguish relationships from transactions. Any personal relationship that forms between people and between the individual and the brand is based on the trust. Trust acts as a bridge between satisfaction and interpersonal relationships that leads orientation of positive transaction to close relations, sustainable and responsible of individuals with brand (Hess and Story, 2005).

Chaudhuri and Holbrook (2001) believe that the role of trust to the brand among the protesters to brand equity has not been studied clearly therefore, the related importance is stipulated theoretically in the scientific sources to regulate the brand and in the common ways of brand management. Based on these considerations and relating the approach based on the company sources and scientific sources relating to marketing, the objective of this research will be to fill this gap by investigating the importance of trust to brand in the special development of the brand.

Brand equity: Erdem and Swait (1998b) that for the first time raised the brand equity discussion, they by considering the theory of signaling, were able to investigate the brand value from the customer's perspective. Brand equity can affect 2 components: trust and commitment. Trust in fact is the willingness of companies to implement the promised cases and commitment is actual performance of companies in estimating the promises. Because trust and commitment in a brand are based on the impact of all past marketing strategies, it is not surprising that brand equity indicates the marketing stability when using different strategies. This issue is done through investment such as advertising about a brand. Components such as stability, investment on the brand, transparency of issue are prior to brand equity. Stability indicates the degree and the

level of harmony and balance among the variety of marketing and stability of variety of marketing strategies over time (Erdem *et al.*, 2006).

Intent to repurchase: Brand prestige and brand equity influence on the consumer purchase intention, in this study the effects of equity and prestige of brand on repurchase intention will be investigated that will effect on continuity or discontinuity of product sale. Since the well-known products (e.g., clothing, cosmetics and perfumes) have symbolic effects. In contrast, it can be argued that other products such as film, tablets or toothpaste have practical benefits and are used in terms of consumer understanding (Aaker, 1997). On this basis the main purpose of using products with high self-expression (famous) and that will probably consider the prestige of the brand (Erdem and Swait, 1998). Research suggests that consumer behavior that follows the brand equity is influenced by motives of self-expression in the community. As well as, conspicuous consumption is due to the introduction of the name of person in society (Vigneron and Johnson, 1999). For example, studies have shown that the brand prestige has a greater impact on purchase intention (Steenkamp *et al.*, 2003). Especially "when the consumer wants to self-express in the community with the use of special brand. Brand prestige problem is associated with values of showing off and satisfaction (Vigneron and Johnson, 1999) as, perhaps brand prestige in renowned products is such evident that has a greater effect on consumer of those special goods. According to the prestige of the brand may sometimes be expressed through people of character. According to the theory, brand prestige sometimes expresses through the personality of people (Bhat and Reddy 2001). Since brand equity is a cognitive component (Kim *et al.*, 2008) (Fig. 1).

So in the not-so-famous products is probably more important. Therefore, it is expected that brand prestige is effective on purchase intention and this issue about the known goods is better than considering the equity of brand:

Hypotheses or research questions:

- H₁: Brand equity has effect on trust
- H₂: Brand equity has effect on commitment
- H₃: Brand equity has effect on perceived quality
- H₄: Brand equity has effect on the information leading to cost saving
- H₅: Brand equity has effect on the perception of risk
- H₆: Brand personality has effect on trust
- H₇: Brand personality has effect on commitment
- H₈: Brand prestige has effect on product quality

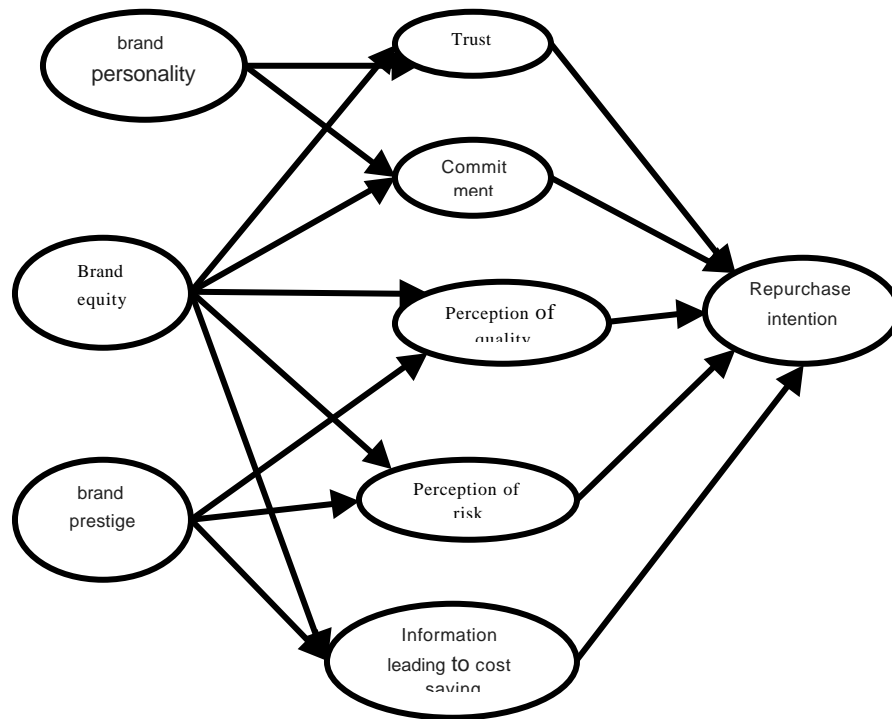


Fig. 1: Research conceptual model

- H_9 : Brand prestige has effect on information leading to cost saving
- H_{10} : Brand prestige has effect on perception of risk
- H_{11} : Trust has effect on repurchase intention
- H_{12} : Commitment has effect on repurchase intention
- H_{13} : The perceived quality has effect on repurchase intention
- H_{14} : Information leading to cost saving has effect on repurchase intention
- H_{15} : The perception of risk has effect on repurchase intention

MATERIALS AND METHODS

This research is applied objectively and in terms of method and nature is experimental and survey. The population includes undergraduate and graduate students of two Azad University, Chaloos branch. The sample size with respect to the model and according to LISREL Software that will do the data analysis will be 350 people. For every relationship in the model must be collected 15 samples. The total sample size according to the number of questions in the questionnaire and the number of current relationship in model are estimated 350 people (Hooman, 2005) However, given the possible loss of respondents or failure to respond, 400 questionnaires were distributed and, of which 363 questionnaires were

collected perfect. The sampling method of available is used. The questionnaire was distributed among the people who have experience of using mobile phone and purchase it. Therefore, the researcher must ask all the people the questions, have you ever purchased a mobile phone and how many time have you selected the mobile phone?

To collect data, a questionnaire consisting of 45 questions was used. Because in this study, the standard questionnaire by Sweeney and Sueitder (2008) and Aker (1999) is used, so used measuring tool in this study has a proper validity and, indeed, its validity is achieved through the content. By the initial distribution of 30 questionnaires, reliability coefficient for the questionnaire was calculated equal to 0.927 that indicates a very good reliability (Table 1).

Data: According to Table 2, it can be concluded that the model has a good fit and represents a reasonable approximation in the community.

In the methodology of structural equations using the coefficients of gamma, beta and static t, research hypotheses are tested and in the relationship are decided with the acceptance or rejection. Table 3 and Fig. 2 shows the results of hypotheses. The amount of coefficient of determination leading to the dependent variables, according to the model is as:

Table 1: Fitness indicators of research model

Fitness indicators	The standard value of index	The indicator value in the considered model
Degrees of freedom	-	985
Chi-square	-	4501.45
2/dfx	$2/df < 5 < x^2$	4.57
RMR	< 0.08	0.06
GFI	> 0.9	0.88
GFI	> 0.9	0.89
IFI	> 0.9	0.86
RMSEA	< 0.1	0.12
NFI	> 0.9	0.85

Table 2: Hypotheses results

Hypotheses	Coefficient of direction	t-statistics	Table statistics	Results
Brand personality has effect	0.930	12.240	1.96	Accept
Brand personality has effect on commitment	0.780	9.220	1.96	Accept
Brand equity has effect on trust	-0.046	-0.700	1.96	Reject
Brand equity has effect on commitment	0.044	0.600	1.96	Reject
Brand equity has effect on perceived quality	-0.051	-0.920	1.96	Reject
Brand equity has effect on the information leading to cost saving	-0.120	-1.980	1.96	Accept but inverse effect
Brand equity has effect on the perception of risk	-0.110	-1.990	1.96	Accept but inverse effect
Brand prestige has effect on	0.500	8.390	1.96	Accept
Brand prestige has effect on information	0.420	6.530	1.96	Accept
Brand prestige has effect on perception	0.450	6.310	1.96	Accept
Trust on customer willingness has effect on brand purchase	0.120	1.340	1.96	Reject
Commitment has effect on repurchase intention	-0.028	-0.330	1.96	Reject
The perceived quality has effect on repurchase intention	0.170	3.000	1.96	Accept
Information leading to cost saving has effect on repurchase intention	0.460	6.730	1.96	Accept
The perception of risk has effect on repurchase intention	0.710	0.039	1.96	Reject

Table 3: Hypotheses results

Predictor variable	Predicted variable	Coefficient of determination
Brand equity-brand personality	Trust	0.80
Brand equity-brand personality	Commitment	0.66
Brand equity-brand personality	perceived quality	0.24
Brand equity-brand prestige	Information of cost saving	0.18
Brand equity-brand prestige	perception of risk	0.20
Trust-commitment-perceived quality-saving information-perception of risk	Customer willingness to purchase of brand	0.29

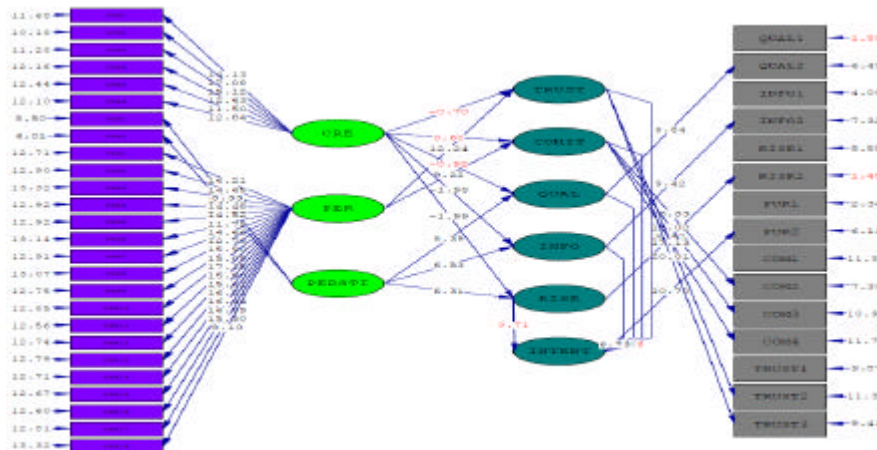


Fig. 2: The amount of coefficient of determination leading to the dependent variables

RESULTS AND DISCUSSION

Moving of consumer is an important issue in goods and services sector. Many companies and organizations

annually spend large sums for advertising, product quality and delicate aspects and through this support the product name. This support is due to encourage purchasers to purchase again. There are large models in

the field of associated factors with the purchase intention and repurchase. In those models, business for profitability depends on long-term relationships with customers. In this study, it is investigated the effect of equity, personality and brand prestige on trust, commitment, perception of quality, perception of risk and information lead to cost saving and the effect of recent variables on tend to repurchase. To hypotheses testing, population of mobile users and with the sample of 384 people of undergraduate and graduate students is surveyed, of which 363 questionnaires are analyzed. Measuring tool has been a questionnaire with 41 questions. The questionnaires were tested using structural equation modeling and the results are as follows: Brand equity not affected trust and commitment and perception of quality and its effect on information leading to cost saving and the perception of risk has been reversed. Brand personality has a direct effect on both variables trust and commitment also prestige has a direct effect on the quality, information lead to cost saving and the perception of risk. But among the components of trust, commitment, perception of the quality on trend to repurchase is rejected and information resulting in cost saving and the perception of risk has a direct effect on repurchase intention.

CONCLUSION

In this research, the aim has been to integrate the brand personality with prestige and equity and influence of the three independent variables by assuming influence on five mediator variables on the dependent variable of repurchase intention. The study was conducted on mobile phones that its using extension is evident in society. It is suggested that the research should be studied on goods that are widespread in the population. Studies on the brand and its related dimensions pass the early stages in Iran. It is recommended that other communities should be studied and compared the results of current research. This research is conducted by material and moral support of Islamic Azad University Firouzkouh branch.

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