
An Impact of Brand Equity towards Purchase computer devices laptop: A case study of southern province SLIATE students

¹D.N.P. Attanayake, ²V.G.S. Pradeepika, ³K.K.J. Chandima

^{1,2,3} Dept. of Information Technology, Sri Lanka Institute of Advanced Technological Education
Sri Lanka

ABSTRACT: To stay competitive in the market, businesses need to be aware of the driving forces and emerging trends. The article is a source of marketing information for producers and sellers regarding market demand of Laptops. It also facilitates expansion of knowledge on the consumer laptop market in Southern province in Sri Lanka and helps consumers to make informed decisions during purchase process. Furthermore, the research has enhanced manufacturers, laptop parts distributors and marketers' concentration their customer purchase intention in laptop equipment industry.

The study is based on a primary data collected from 132 students from Galle and Tangalle Advanced Technological Institutes. Data were gathered using structured questionnaires. The results gathered from the respondents were analyzed in order to get a meaningful conclusion. The hypotheses are developed based on the constructed conceptual framework which derived from the four dimensions proposed by Aaker (1991) in the brand equity literature.

The Cronbach alpha values, KMO values, Pearson correlation and regression analysis were used in this study. The research results showed that there is positive and significant relationship between factors of brand equity (brand awareness, brand loyalty, brand association and brand quality) and purchase intention.

KEYWORDS- brand equity, purchase intention.

1. INTRODUCTION

The computer equipment industry within the sector of information technology is made up of all computer hardware companies and plays the crucial role in the evolution of Information Technology society. The branding also plays a very imperative role in the computer industry "A brand is a name, term, sign, symbol or design or combination of them, intended to identify the goods and service of one seller or group of sellers and to differentiate them from, those of competition". Brand is a combination of name, symbol and design. Brands represent the customer's perceptions and opinion about performance of the product. The powerful brand is which resides in the mind of the consumer. Brands differ in the amount of power and worth they have in the market place. Some brands are usually unknown to the customers in the marketplace while on the other hand some brands show very high degree of awareness. The brands with high awareness have a high level of acceptability and customers do not refuse to buy such brands as they enjoy the brand performance.

Looking at the importance of brand equity to help companies acknowledge their position in the consumers' perceptions and win the tight competition in the industry, the writers would like to observe and analyses the impact of brand equity on purchase intention in the computer equipment industry, using a case study of laptop brands use in Sri Lanka. Moreover, the writer will also compare the most influence elements(s) of brand equity towards purchase intention in the computer equipment industry between the company and its closest competitor.

2. PROBLEM STATEMENT

In present time, the IT sector is one of the most important sectors for almost all the countries and is a key contributor to the education sector. In today's competitive environment, any IT equipment organization cannot survive successfully without delivering high quality products. Hence, it has become necessary to analyze the impact of brand equity dimensions of customer purchase intention, because if customers are satisfied with the product and brands then it can increase the purchase intention of the customers.

In the competitive market, the company and the customers faced many issues. Such as good brand awareness, perceive quality, have brand loyalty. If not satisfy these areas, customers have poor purchase level and they perceive these services less. Therefore, company should give a better Brand Equity for increase customer purchase intention, since the customers are not satisfied with the brand, the company should develop the brand equity more and more. Research study attempts to find the answer for the question that, "Is there a relationship between Brand equity and purchase intention?"

3. OBJECTIVES

- To evaluate Impact of Brand Equity towards Purchase Intention in computer equipment with special reference to different laptop brands users of SLIATE student in southern province.
- To study the relationship between brand loyalty and purchase intention.
- To evaluate the relationship between brand awareness and purchase intention.
- To evaluate the relationship between perceived quality and purchase intention.
- To identify the relationship between brand association and purchase intention.

4. LITERATURE REVIEW

Brand [1] is a name, term, design, symbol or any other feature that identifies one seller's good or service as distinct from those of other sellers. Legal name for a brand is trademark and, when it identifies or represents a firm, it is called a brand name.

Brand is a firm asset that contributes identity and character, guides consumers for product choices and forms the relations among consumers. Brand has several benefits for firms, consumers and society. In terms of consumers, brand is a quality indicator and creates awareness for products. In terms of firms, brand provides customer loyalty, consistent sales amount and a high profit margin. As a result of consumer and firm benefits, brand plays a key role on social development. In intense competence conditions, firms need to create strong brands in order to survive and gain a competitive advantage [2].

Brand equity can be defined as "the marketing and financial values linked with a brand's strength in the market, including actual proprietary brand assets, brand name awareness, brand loyalty, perceived brand quality, and brand associations" (Pride & Ferrell, 2003). Brand equity helps to keep customer's longer terms with the company. For firm, growing brand equity is a key objective achieved through gaining more favorable associations and feelings amongst target consumers (Falkenberg 1996). Aaker's (1991) definition of brand equity as "a set of 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 that firm's customers".

[3] Brand equity models have been designed and prepared by various researchers to study and understand consumer behavior. Brand equity models have proved to be a tool that helps in diagnosis and to predict the strength of a brand. There have been multiple approaches and studies happened to understand the concept of brand value.

Based on Kim and Kim (2004) brand awareness is the ability of a brand to appear in consumers' mind when they are thinking about a category of a product. Brondoni (2001) believed that brand awareness becomes a crucial point of difference between a certain brand and its competitors.

INTERNATIONAL JOURNAL OF MANAGEMENT AND SOCIAL SCIENCES RESEARCH (IJMSSR)

ISSN 2455-1422 (Online)

www.aarmssjournals.com

Volume: 10, Issue: 04 | 2024

According to Aaker (1991;2009), brand association is something in consumers' minds or memories that connect to the brand including product attributes, consumers' benefits, uses, life-styles, product classes, competitors and countries of origins. Brand associations can provide a point-of-different, purchase reasons, positive attitudes and feelings which may influence purchase behavior and satisfaction, reduce reasons to shift to other brands, and provide basis for brand loyalty (Aaker,1991; Tuominen, 1999). Brand associations can be categorized into three types which are attributes, benefits and attitudes.

Quality is set of characteristics and features of a product or service that provides satisfaction and needs of consumer. Zeithaml (1996) perceived quality know customer perception from superior quality of goods or services to competitors that does not include technical dimension (Abadi et al.,2012).

Brand loyalty is the inclination of customer to purchase the same brand every time (Collin et al, 1991). Gilbert (2003) wrote that when customer purchases the same brand of products on regular basis it is brand loyalty. It costs six times more to gain the new customer than to retain the old customers (Kotler, 2000). Brand loyalty will be supportive to increase the market share. The present customers can be effective communication to prospects for assurance of brand commitment. So brand loyalty can invite new customers. Because of brand loyalty customers will purchase the same brand, recommend it to others, and choose it over the competitors even if provided at lower price & better features/services. College students are loyal to higher priced brands (Lodes M., 2010). The post purchase services are extremely important as they are directly related to customer's brand loyalty; the companies should also invest in technology through R & D and create differentiation at utmost level. (Nasir V.A., Yoruker S., Giines F., & Ozdemir Y., 2006).

(Perera, K.A.W.S, Amarathunga, P.A.B.H ,2021) The researcher has identified the need for further investigation of brand equity as the best concept which gains more insight into this theory and the researcher has selected the laptop market in Sri Lanka and Government undergraduates as respondents. The manor implications of this research study indicate that there were positive impact brand equity variables on purchasing decisions of undergraduates. Among them, perceived quality was the highest impacted variable. Then brand awareness was the second impacted variable on the purchase decision. The second least variable was brand association and brand loyalty were the least impacted variable on laptop purchase decisions of university undergraduates. There were implications on brand equity theory. It provides new insights into the understanding of the impact of brand equity on government university undergraduates purchase decisions. [4].

One study [5] (Nisal Rchana Gunawardane, 2015) was found relating to the impact of Brand Equity towards Purchasing Decision: A situation on Mobile Telecommunication Service of Sri Lanka. Result of the data analysis suggested that brand awareness and perceived quality would have a bigger impact on purchase intention than brand loyalty and brand association would this implies that a mobile connection brand eager to increase its brand equity should focus on efforts to build customers awareness and perceived quality, generating higher levels of brand equity.

It is observed that there is no study found best of the knowledge relating to the Impact of Brand Equity towards Purchase Intention in computer equipment with special reference to different laptop brands in Sri Lanka so, it is important to address to the field especially in Sri Lankan context to fulfill the gap.

According to [6] the studies of Brand Analysis on laptop computers: Dahaka university students' perspective: Arifa Husain (2016), The findings prompt a number of practical recommendations for marketers of laptop computer brands. In determining consumers' preferred attributes and their ratings for choosing a laptop computer brand, it is found that medium standard/ featured and rationally priced laptop computers are preferred by university students. Because students' budgets are limited and as they are not professional they do not need high performing or highly featured expensive laptops. In examining the various communication avenues with regard to their effect on brand equity dimensions, it is found that certain types of communication avenues that is advertising, promotions and word-of-mouth are more effective in enhancing brand positive consumer response. Marketers of laptop computer should spend more on these three types of communication avenues to elicit positive consumer outcome.

Research article, [7] Impact of the Influential Factors on Laptop Buying Decision: A Study on the Students of Banglades: Farhana Afrin, Fatima Khan, Md. Rabiul Islam (2015) investigates the influential factors of customer buying decision for laptop among the students of Bangladesh. It considers the opinions regarding price, physical features, technical features, product quality and customer service, brand image, etc. It found that a competitive physical feature of well-known brands has the greatest influence over the customers. Price is another big consideration for the customers. Technical features, product quality and customer service are closely agreed features.

Article [8] Customer Satisfaction and Factors Influencing the Purchase Decisions of Notebook Computers in Punjab Kanwal Gurleen, Pooja Bhandari (2014) state that, this study highlighted the price Consciousness was considered to be the most significant factor. Memory and Processor was the second most significant factor, Aesthetics was the third most significant factor and Brand Image was found to be the fourth most significant factor.

5. METHODOLOGY

Based on the careful review of the literature, the hypotheses and the conceptual framework were developed to support the present study. Conceptual frameworks are generative frameworks that reflects the thinking of the entire research process. Brand equity is considered as multidimensional concept and a complex phenomenon (Tong and Hawley, 2009) as cited by (Severi and Ling, 2012)

Although empirical evidence indicated that brand equity can affect purchase intention in various contexts (Aashil and Sinha, 2004; Chang and Liu, 2009) as cited by Jalilvand, Samiei and Mahdavinia, 2011) the number of studies which apply Aker's brand equity model to measure the effect of its dimensions on purchase intention is limited. In the literature review section carefully analyze the Aaker's (1991) model and its attributes of brand equity.

Aaker (1996) considers brand equity as an aggregate of assets and liabilities. There are four different dimensions that can create the value of brand equity, namely; brand awareness, perceived quality, brand loyalty and brand association (Aaker, 1996)

These four elements are commonly used in all over the world to measure the brand equity. Therefore, this conceptual frame work has been developed by giving more priority to the Akers model (1991) model.

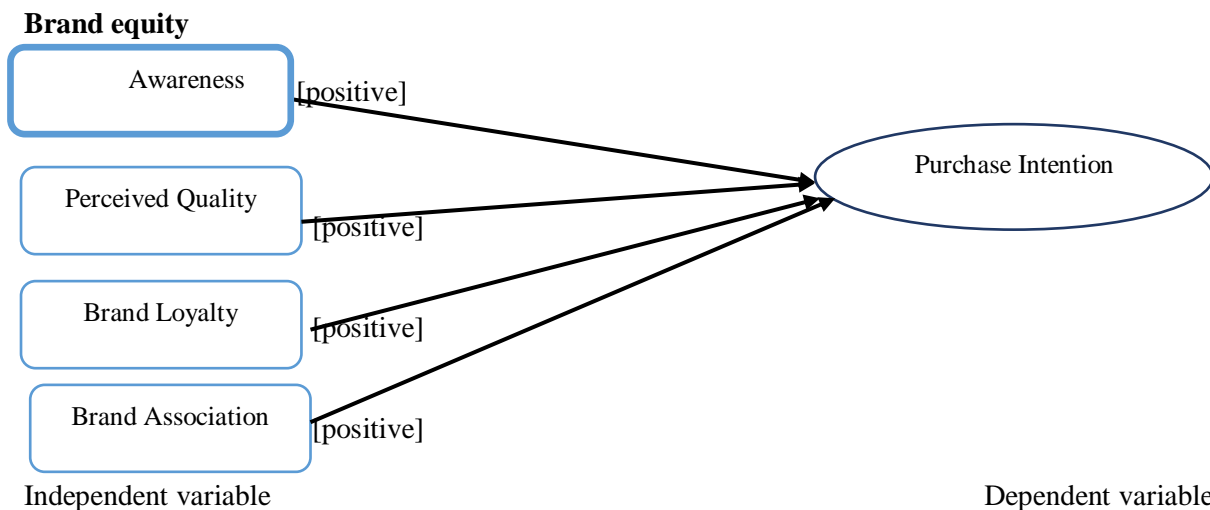


Figure 1: researcher propose conceptual framework

Within the research study, the unit of analysis refers to the level of combination of the data collected during the subsequent data analysis stage. In this particular study, unit of analysis is individual customers. A customer are students who is studying in Galle and Tangalle Advanced Technological Institutes. Age between 23 to 25 and data will be collected on individual basis. In this study, the researcher will be collected data from individual person's with regard to the considerable factors when using laptop computers.

Selection of sample from total population it is better to use random sampling technique but due to limited time and resource availability shifted to non-random sampling techniques to acquire more convenient process of data collection. Galle and Tangalle Advanced Technological Institutes are sampling unit of the study. Sixty students will be selected as sample size. A structured questionnaire will be developed to collect primary data from the sample of the respondents. The target population of the study is the individuals who are using the laptop computers in southern province. In this study, the researcher will be collected data from individual person's with regard to the considerable factors when using different brands of computers. A structured questionnaire was developed to collect primary data from the sample of the respondents. The researcher employed the self-administration method to collect first hand data. Data were collected from respondents in southern province ATIs. (Tangalle and Galle ATI student).

6. DATA PRESENTATION AND ANALYSIS

Exploratory factor analysis reduced the many individual items into a fewer number of dimensions and simplify dataset. Normality of the data was tested using Skewness and Kurtosis values. The recommended range of skewness values is -1 to +1 (Hair et al.,2010) and for Kurtosis the range is -2.0 to +2.0 (Coakes & Steed, 2003). But according to the SEM (Brown, 2006) acceptable values of skewness fall between -3 and +3, and Kurtosis is appropriate from a range of -10 to +10. The results of the database where within the accepted range which specify that the data were normally distributed.

The Kaiser-Myer-Olkin (KMO) is measure of sampling adequacy. KMO values are greater than or equal 0.5 (Hair et al., 2010; Malhotra,2007) and all the values of the Bartlett's test of Sphericity are less than 0.05 (Tabachnick & Fidell, 2007) according to the test result validity of the data is satisfied. Reliability refers to the extent to which measures are free from error, thus, being able to create consistency between measurements of a variable. To achieve a good reliability, the reliability coefficient or Cronbach's alpha should be .7 or higher (Hair et al., 2010, p. 125).

But some papers also offered indications of alpha having a threshold or cut-off as an acceptable, sufficient or satisfactory level. This was normally seen as ≥ 0.70 (five instances) or > 0.70 (three instances) although one article more vaguely referred to "the acceptable values of 0.7 or 0.6" (Griethuijzen et al., 2014) [14]. According to the Cronbach's Alpha test, the value reported in this study was 0.635 based on brand awareness. It was reasonable reliability for brand awareness and there was an internal consistency of questions which were used to create variables.

According to the Cronbach's Alpha test, the value reported in this study was 0.87 based on perceived quality, 0.867 based on brand loyalty, 0.822 based on brand association and 0.857 based on purchase intention. It was high reliability for those variables and there was an internal consistency of questions which were used to create variables.

According to the Cronbach's values for this study was reported more than 0.7. Those above four values were reported in this study more than 0.8. It was high reliability and the acceptable value according to the Hair et al (2003). And one value was reported more than 0.6. According to the Griethuijzen et al., (2014) mentioned that value was acceptable. This means that there were higher validity and reliability for all items used to measure the concepts.

6. CONCLUSION

The researcher tries to figure out an Impact of Brand Equity towards Purchase computer devices laptop: A case study of southern province SLIATE. Conceptual framework has been developed based on Akers model. Consider four different dimensions of the Brand Equity (brand awareness, perceived quality, brand loyalty) the Brand equity has selected as the Independent Variable and purchase intention considered as dependent variable. The primary data was collected via a questionnaire and the sample was selected within students who is studying in Southern Province Advanced Technological Institutes. 132 students were selected as sample size. The collected data was analyzed and interpret by using the SPSS software. According to the result got from analyzed data, it is found that brand equity and purchase intention have positive relationship. Results of the data analysis suggested that brand awareness and perceived quality would have a bigger impact on purchase intention than brand loyalty & brand association. Among the different brand Acer, Dell, Asus and HP brands are popular among the target group.

Therefore, this could conclude that brands with higher levels of brand equity would generate higher levels of customer purchase intention. This research result tends to confirm the presumed role of the consequences of brand equity. When it comes to the integrated framework of brand equity, the research hypotheses are completely supported by the analysis. The framework provides computer devices considering laptop computer industries with a better understanding of brand equity concepts from the customers' perspectives. To sum up, research objectives were reached.

REFERENCES

1. ""Brand | Common Language Marketing Dictionary," 24 09 2019. [Online]. Available: <http://www.businessdictionary.com>.
2. Bahtışen Kavak, Şerife Kazancı, Elif Tuğba Şahin, and Niray Tunçel, "A Literature Review on "Brand" in between 2010-2015," International Journal of Trade, Economics and Finance, vol. Vol. 6, p. 04, 2015.
3. "cloorack.com," 2020. [Online]. Available: https://cloorack.com/knowledge_base/what-is-brand-equity-model/. [Accessed 03 2020].
4. K. P. Perera, "Investigating the Impact of Brand Equity on Purchasing Decisions of Laptop Computers among Undergraduates of State Universities in Sri Lanka," ARSYM, vol. 2, no. I,2021, p. 23, 2021.
5. N. R. Gunawardane, "Impact of Brand Equity towards Purchasing Desition: A Situation on Mobile," Journal of Marketing Management, vol. 3, p. 18, June 2015.
6. A. Husain, "The studies of Brand Analysis on laptop computers:Dahaka university students perspective," 2016.
7. F. Afrin, F. Khan and M. R. Islam, "Impact of the Influential Factors on Laptop Buying Decision: A Study on the Students of Banglades," Asian Journal of Research in Social Sciences and Humanities, vol. 5, no. ISSN 2249-7315, p. 9, July 2015.
8. P. B. Kanwal Gurleen, "Customer Satisfaction and Factors Influencing the Purchase Decisions of Notebook Computers in Punjab," Journal of Research in Marketing, vol. 2, p. 7, 2014.
9. H. Meseret, "FACTORS AFFECTING LAPTOP COMPUTER BUYERS"," Addis Ababa University, Ethiopia, 2018.
10. D. Petzer, P. Mostert, L.-M. Kruger and S. Kuhn, "The dimensions of brand romance as predictors of brand loyalty among cell phone users," South African Journal of Economic and Management Sciences, vol. 17, no. Apr. 2014, p. 10, 2014.
11. R. B.Shah, "AN EMPIRICAL STUDY ON FACTORS INFLUENCING BRAND EQUITY TOWARDS LAPTOP BRANDS: SEM APPROACH," International Journal of Advanced Research in Management and Social Sciences , vol. 1, no. 2012/9, p. 17, 2012.
12. G. C. L. a. F. C. Y. Leh, "Dimensions of Customer-Based Brand Equity: A Study on Malaysian Brands," Journal of Marketing Research and Case Studies , no. 2011, p. 10, 2011.
13. P. R. a. H. Priest, "Reliability and validity in research," Nursing Standard, vol. vol 20, no. 44, 2006.
14. K. S. Taber, "The Use of Cronbach's Alpha When Developing," Res Sci Educ, p. 24, 2018.
15. M. J. Nupur, "E-Banking and Customers' Satisfaction in Bangladesh: An Analysis," International Review of

INTERNATIONAL JOURNAL OF MANAGEMENT AND SOCIAL SCIENCES RESEARCH (IJMSSR)

ISSN 2455-1422 (Online)

www.aarmssjournals.com

Volume: 10, Issue: 04 | 2024

- Business Research, vol. 6, no. 4, pp. 145,146, 2010.
16. S. Z. Mohamed, "Barriers affecting internet users from adopting internet," 2010. [Online]. Available: http://dagda.shef.ac.uk/dissertations/2009-10/External/MZarook_Zarook_090132658.pdf. [Accessed December 2017].
 17. P. Kotler, K. Keller, M. Brady and M. Goodman, Marketing Management, Harlow: Pearson Education, 2012.
 18. M. Tan and S. H. T. Thompson, "Factors Influencing the Adoption of," Association of Information Technology, vol. 1, no. 5, pp. 2,3,8,32, 2000.
 19. K. M. Vijay, "Factors effeting customer satisfaction on e-banking," MANAGEMENT RESEARCH AND PRACTICE, vol. 3, no. 4, pp. 1,2,12, 2016.