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Brand performance on customer based brand equity in television market

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Abstract

Evaluating brand performance in global markets has been turned into a complicated subject: However, successful strategies are needed to create strong global brands, understand brand performance in different markets. Present study tries to analyze the brand performance on customer based brand equity in television market. Research method is descriptive type in contents. Research sample is television branded customers in cuddalore district, Tamilnadu. In present study the structured questionnaire was designed and distributed in 550. 5017 inquiries were collected and considered using SPSS software. Research results showed that brand performance has the positive value in customer based brand equity. The customers are given importance to the designing aspects of television brand and they like superior sound system from the television branded it is suggested that the brand manager should concentrate on product features to build customer based brand equity through brand performance.

Keywords: Brand performance, Brand equity, Product features, television.

Introduction

Since, the necessity of measuring the performance in macro level has been prevalent in order to evaluate the performance of an organization, an important point of view was established based on the performance of the products of an organization and that was applied in micro levels of the performance which is called the brand performance. The failure to measure the brand performance is a main weakness that has been widely discussed because brand is the first possession of a company. In fact, brand can play the primary role on the success of an organization by creating the competitive advantage via the performance of non-product related means. Understanding the differences of the products via their branding has given so much benefit to the companies including consistent volume and revenue over the years, resisting the attacks, getting higher fair share and specifically the cash flow and more earnings. The brand performance can be taken in to account as a factor that corresponds to the evaluation of brand success in the markets and it can help the brands achieve their goals in the market place. (Cass Aron 200).

Concept of Brand Performance

Performance is often used as a dependent variable in marketing literature (Tran Quan Ha Minh, 2006) ^[1]. The performance of brand points out that how successful a brand is in the market and aims to evaluate the strategic successes of a brand (Ho, Merrilees, 2008) ^[5]. Some researchers considered the performance of brand in two parts including the brand market performance and brand profitability performance. They declare that the brand profitability performance is an index of the financial share of a brand in relation with the retailing profits and is evaluated using the profit and the margin of profit while the brand market performance considers the market demands and evaluates the indices such as sale levels and market share (Baldauf Artur, Cravens Karen S., and Binder Gudrun, 2003) ^[3]. In order to evaluate the brand performance Aaker (1996) proposed some indices related to the evaluation of market behavior. He considered the market share, price and distribution coverage as the indices of brand performance measurement and he also pointed out that the brand performance measurement using the market share often provides a widespread and sensible reflection of the condition of a brand or its customers. When a brand has a relative advantage in

Consumer's mind, its market share should increase or at least not decrease. He also points out that the market share or the sale related information is widely affected by distribution coverage. If a brand has a main market or loses that or it is developing in a region, the sale will be largely affected. Keller and Lehman (2003) [8] consider the price elasticity, price premium, market share, cost structure, profitability and the success in category extension as the main indices of brand performance measurement. According to their research, the brand premium is in fact the added price that a customer pays for the brand of a product and the price elasticity is the increase or decrease of brand demand as a result of rise or decline in prices. Market share is an index that measures the success of marketing programs in brand unit sales. Cost structure or the ability to reduce the expenditures of marketing programs of a brand is as a result of the prevailing customer mindset. In other words, because customers already have favorable opinions and knowledge about a brand, any aspect of the marketing program is likely to be more effective for the same expenditure level. In addition, according to Keller and Lehman, the profitability and the development of opportunities are other factors of performance measurement and demonstrate the brand success in supporting line and category extensions and new product launches to the related categories. It indicates the potential ability of a brand for development and increase of income flow. Chaudhuri and Holbrook (2001) [4] concentrated on relative price and market share as the outcomes of the performance. They defined the relative price as the ratio of a brand price to that of the leading competitors. Meanwhile, they introduced the brand market share as the percentage of a brand sale to total sales of all brands of a product.

Role of Customer Based Brand Equity in Brand Performance

So far, different definitions of brand equity have been proposed by the scientists and researchers since its emergence. These definitions are generally classified in to two main approaches. First approach incorporates the definitions having the financial concepts and the second one consists of the definitions having the customer-based approaches. Financial approach concentrates on the estimation of the value of a brand. In this approach, brand is defined as an asset in the balance sheet and is estimated for the accounting purposes or for merger, acquisition or divestiture purposes (Keller 1993) [8]. While the researches related to the brand equity from the viewpoint of customers usually incorporates the collected data of the customer's mind, feelings and attitudes about a brand (Kartono Benjamin, Rao Vithala R. 2005) [6]. Aaker (1996) [1] believed that the brand equity is a set of assets, liabilities of a brand, its name and its 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. These assets are divided in to five groups including brand awareness, brand loyalty, perceived quality, brand association and other proprietary of brand assets. Keller (1993) [8] defined the brand equity from the viewpoint of customers as the differential effect of brand knowledge on customer's response to marketing of a brand. According to his studies, there are three main parts in this definition including differential effect, brand knowledge and the customer's response. Differential effect is defined as the customer's response to the marketing of a brand in comparison with the response to the marketing of an

unknown or fictitiously named product or service.

The brand knowledge is also defined based on the brand awareness and brand image and is conceptualized by the personality and the brand association links. In addition, customer's response to the marketing is defined based on the customer's perception, preferences and the behaviors due to marketing mix activities (Keller 1993) [8]. The brand performance is often taken in to account as the outcome of the brand equity model and is defined as the economic results that the producers with strong brands wishes to achieve (Tran Quan Ha Minh, 2006) [11]. The main advantage of the brand equity is its positive effect on demand. It is expected that the brand awareness, brand quality and the brand loyalty causes the increase of brand market performance. This aspect of brand equity helps the organizations attract the customers and keep them. Baldauf *et al.* (2003) [3] also believe that the studies related to the brand equity have more established conceptual logic with the brand performance in comparison with other areas that makes it a viable segment for considering performance.

Need and Importance of the Study

From the various reviews it is evident that enormous numbers of studies are available in the area of brand and brand equity but limited researches regarding customer based brand equity and most of them focus on the relationship between brand equity and firm performance using brand awareness and image as moderating effect. Also we noticed that most researches Aaker (1991), Keller (1993) [8], Lasser *et al* (1995), [9] Yoo *et al* (2000), Yoo and Donthun (2001) [12] etc that surveyed these four dimensions of customer based brand equity (brand awareness, perceived quality, brand loyalty and brand image). But, we have chosen an innovative way to carry out a research to analyze the importance of another four dimensions of brand equity (brand awareness, brand association, brand trust and satisfaction) in television industry. Also it compared with 24 product attributes and brand performance.

Objectives of the Study

- To analyze the brand performance on customer based brand in television market.

Research Methodology

The main aim of this paper is analyze the brand performance on customer based brand in television market Also it compared with 24 product attributes and brand performance. To identify the various factors that affect brand equity, previous research studies have been gone through by researcher and identified the suitable variables that contribute to the study are Brand awareness, Brand association, Brand trust and Customer satisfaction. The important aspect of research design is the measurement of variables in the theoretical framework related to adoption of innovation. Measures used in this study are standard measures used by previous researchers and have been meticulously assessed for its validity and reliability. Some measures are developed by the researcher as per need of the survey to meet the investigation carried out.

A sample frame is the list of elements from which the sample may be drawn. The top three television brands in India (2013) are Sony, Samsung and LG (www.currentweek.com). In our research all the three brands of television are considered. For to collect the data the researcher choosing

cuddalore district as a sampling area, the main reason for taking behind this particular district is it is one of the backward district in tamilnadu Hence most of the customers they are not aware of the concept about the product as well as the brand. So the researcher can explain the concept and gathered an in depth and truthful information. Organization can also get benefit regarding these aspects.

The target population for this study consisted of the customers those who are having television in cuddalore district and experienced of using particular brand for more than a year is considered as a respondent.

The sample of population would include 517. But we are distributed 550 questionnaires to respondents and we are unable to get back few questionnaires and few respondents are not properly answered (unfilled questionnaire) and very few of them are wrong answered. So neglecting these questionnaire and finally 517 questionnaires are considered as a sample size for our main study. The collected data have been coded and entered in to the software package SPSS 20. After entering the data it was thoroughly checked before conducting the analysis part. Based on nature of the frame work, questionnaire and with the statistics expert opinion the frequency and factor analysis were made.

Result and Discussion

Table 1: Respondents Opinion about Performance of the Television Brand

Performance	Mean (X)	SD (σ)
Provides better basic functions	3.54	1.116
Satisfy the basic needs	3.57	1.061
Special features	3.79	1.068
Reliable	3.86	1.022
Durable	3.77	1.027
Easily serviceable	3.60	1.050
Effective service	3.31	1.093
Services in terms of speed and responsiveness	3.29	1.023
Services are courteous and helpful	3.41	1.056
Brand is stylish	3.88	1.189
Like design aspects	4.01	1.118
Price is generally higher	3.11	1.346
Prices change more frequently	2.84	1.115

Source: Primary data computed.

A valuable property of any brand is its background and customer’s evaluation. Background and credibility of any brand depend on the performance of the product that brand and how the market perceives this performance. A product distributed under a successful brand is often sold at higher prices, attracts higher levels of customer loyalty, and makes it easier for consumers to select a product. Table-1 shows that respondents opinion towards the performance of branded television such as provides better basic functions, satisfy the basic needs , special features, reliable, durable, easily serviceable, effective service, services in terms of speed and responsiveness, services are courteous and helpful, brand is stylish, like design aspects ,price is generally higher and prices change more frequently. Mean and standard deviation values are calculated for each statement of brand performance.

The calculated mean values are ranged between 4.01 and 2.84. The standard deviation values are lies between 1.346 and 1.022. Like design aspects having highest mean value of 4.01 followed by brand is stylish (3.88), reliable (3.86),

special features (3.79), durable (3.77), easily serviceable (3.60), satisfying basic needs (3.57), better basics functions (3.54), services are courteous and helpful (3.41), effective service (3.31), speed and responsiveness (3.29), price is generally higher (3.11), prices change frequently (2.84). In corresponding standard deviation values it is noted that there is no much deviation within the group of respondents.

From this table-1 explains that various brand performance statements. Among these statements like designing aspects obtained highest mean value than other statement of brand performance. It is found that the majority of the customers are given importance to the designing aspects of branded television.

Table 2: Respondents Opinion towards the Product Attributes Of Television Brand

Product attributes	Mean (X)	SD (σ)
Picture Quality	4.27	1.077
Picture clarity	4.19	1.158
Screen size	4.03	1.102
Screen design	4.01	1.113
Technology	4.01	1.139
Additional Features	3.43	1.386
Brand popularity	3.77	0.923
Discount/gift /price scheme provided	3.35	1.060
Appealing look	3.79	0.992
Superior finish	3.97	1.047
Remote system	4.21	1.052
Superior sound system	4.28	1.034
Guarantee / warrantee period	3.50	1.015
Door delivery	3.06	1.199
Free installation	3.36	1.154
Guide lines	3.44	1.127
Assured after sales service	3.62	1.080
Readily availability	3.92	1.053
Compactness	3.84	0.935
Mobility	3.61	0.995
Availability of components	3.87	0.928
Price of the product	3.60	0.983
Price of the components	3.47	0.949
Resale value	3.47	1.055

Source: Primary data computed.

A product attribute is the tangible and intangible characteristics of particular product and it will affect a consumer's purchase decision. Consumers compare their desires against the attributes of products available and select the product that best matches the needs and wants of consumers.

Table-2 reveals that respondent’s opinion towards the product attributes of branded television such as picture quality, picture clarity, screen size, screen design, technology, additional features (USB, HD, HDD, WIFI, Recording, App, Game, etc..), brand popularity, discount/gift /price scheme provided, appealing look, superior finish, remote system, superior sound system, guarantee and warrantee period, door delivery, free installation, guide lines, assured after sales service, ready availability, compactness, mobility, availability of components, price of the product and price of the components. Mean and standard deviation values are calculated for each product attributes.

From the mean value it is inferred that superior sound system(4.28) having highest mean value than other product attributes followed by, picture quality (4.27), remote system (4.21), picture clarity (4.19), screen size availability (4.03), screen design (4.01) and also technology (4.01), superior finish (3.97), readily availability (3.92), availability of

component (3.87), compactness (3.84), appealing look (3.79), brand popularity (3.77), assured after sales service (3.62), mobility (3.61), price of the product (3.60), guarantee and warrantee period (3.50), price of the components (3.47) as well as resale value (3.47), guidelines (3.44), additional features (3.43), free installation (3.36), discount gift price scheme provided (3.35), and door delivery (3.06). Corresponding standard deviation value is noted that there is no deviation within the group of respondents.

The product attributes superior sound system obtained highest mean value than other product attributes. Most of the customers given importance to superior sound system in branded television.

Table 3: Level of Importance of Product Features on Purchase Decision

Factors	Product features	Product benefits	Product availability	Product value
Technology	0.780			
Superior finish	0.761			
Screen design	0.710			
Picture clarity	0.616			
Remote system	0.607			
Additional Features	0.605			
Picture Quality	0.578			
Superior sound system	0.566			
Appealing look	0.561			
Free installation		0.884		
Guide lines		0.860		
Door delivery		0.802		
Guarantee / warrantee		0.729		
Discount/gift /price scheme		0.659		
Brand popularity		0.466		
Ready availability			0.807	
Compactness			0.760	
Mobility			0.610	
Assured after sales service			0.597	
Screen size			0.589	
Availability of components			0.478	
Price of the product				0.894
Price of the components				0.886
Resale value				0.465
Eigen values	5.168	4.331	4.211	3.181
% of Variance	21.532	18.046	17.544	13.254
Cumulative %	21.532	39.579	57.123	70.377

Source: Primary data computed.

The process a customer goes through when buying a product is termed as buying decision. It is very much important to gone through the various features while purchasing a branded television. This is very important role in customer based brand equity it leads to repurchase and also brand extension. Level of importance of product features on

purchase decision of television is displayed in table-3. The researcher has identified 24 important product attributes relating to branded television. The respondents asked to give their importance level towards these factors on a 5 point scale from very good to very poor.

For the purpose of analysis relating to respondent level of importance of product attributes based on their using experience of selected brands of television. Factor analysis is used to reduce the number of factors into major factors. Each factor comprises into suitable under the factors. The factor analysis by principal component, varimax with kaizer rotation is carried out over 24 product attributes. The percentage variance of various factors is arrived at and four factors having Eigen value greater than 1.0 is extracted. These four factors have registered 70.377 percent of total variance for the factors considered for the study. Then the varimax factor loading has been worked out. The 24 factors are found to be formed into four important groups.

The attributes with high factor loadings are the dominating product attributes while using a television brand. The first factor is identified with the support of attributes viz., Technology (0.780), superior finish (0.761), screen design (0.710), picture clarity (0.616), remote system (0.607), additional features like USB, HD, Wi-Fi, Recording, Gaming, etc. (0.605), picture Quality (0.578), Superior sound system (0.566) and appealing look (0.561). These factors may be grouped and named as product features.

The second factor is supported by attributes namely free installation (0.884), guide lines (0.860), door delivery (0.802), Guarantee / warrantee (0.729), discount /gift / price scheme provided (0.659) and brand popularity (0.466). These factors may be grouped and named as Product benefits.

The third factor is supported by attributes namely ready availability (0.807). Compactness (0.760), mobility (0.610), assured after sales service (0.597), screen size availability (0.589) and availability of components (0.478). These factors may be grouped and named as product availability.

The fourth factor is supported by attributes namely price of the product (0.894), price of the components (0.886), resale value (0.465). These factors may be grouped and named as product value.

Conclusion and Managerial Implication

From the analysis brand performance has the positive value on customer based brand equity. Customers are given importance to designing aspects of branded television and they are like very much in superior sound system provided by television brands. Product features mainly influenced the brand performance. So it is suggested that the brand manager should concentrate on product features to build customer based brand equity through brand performance.

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