



## FACTORS DETERMINING BRAND EQUITY – A STUDY WITH REFERENCE TO BRANDED READYMADE GARMENTS

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### **Abstract**

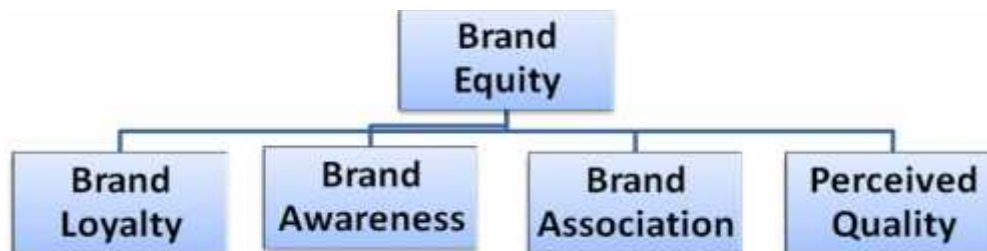
This paper attempts to identify the significant relation between socio-economic factors of the consumer and factors determining brand equity in respect of branded readymade garments it is observed that, the factors of brand equity have played a vital role in measuring the brand equity of the brand. In this study, Simple Random sampling method has been used to indentify 300 respondents, each 100 in Coimbatore, Trichy and Madurai respectively. Questionnaire, duly pre-tested has been used to collect data from the sample respondents. It is found that 'Brand Awareness' is an important factor determining brand equity in respect of branded readymade garments and this study reveals socio-economic factors and factors determining brand equity.

**Key Words:** Brand, Readymade Garments, Brand Equity, Brand Loyalty, Brand Awareness, Brand Association, Perceived Quality, Socio-Economic Factors.

In this study, a modest attempt has been made to analyse the factors determining brand equity in respect of branded readymade garments and the relationship between socio-economic factors and brand equity factors of branded readymade garments.

### **Brand Equity**

Brand equity is an instrument to measure the competitive strength of Brands (Farquhar ,1989). According Aaker (1991) the factors of Brand equity consist of five dimensions: 1) awareness, 2) perceived quality of the brand, 3) brand associations, 4), brand loyalty, and 5) other assets (such as copyright and patent). He reiterates that these dimensions serve as basis of measuring brand equity. The researcher has taken the following four factors for this research study, as suggested by Aaker.



### **Brand Loyalty**

Brand loyalty is defined as the attachment that a customer has to a particular brand. It is an important component of brand equity (Aaker, 1991) which represents a favorable attitude towards a brand for the consistent purchase over time. If a customer is satisfied, after using the brand, the customer prefers to buy it. The customer will definitely buy the same brand of product again and again. Though its price is higher than the other brands offering similar benefits.

### **Brand Awareness**

The Brand Awareness can be defined consumer's ability to identify or remember a brand in specific product category (Aaker, 1996). According to Keller view, brand awareness is a fundamental condition for creation of the brand image.

In recent times consumers choose their favorable and familiar brands due to the rise in their perception. Consequently the businesses in order to compete with others must create love for their brands in the minds of consumers. According to Macdonald and Sharp (2000) despite consumers are familiar and willing to buy the product, another factor that still influences the purchase decision is brand awareness.

### **Brand Association**

Brand association is anything which is deep seated in customer's mind about the brand. Brand should be associated with something positive so that the customers can relate the brand of being positive. Brand association is that attribute of brand which comes into consumers mind when there is a talk about the brand. It may include, e.g., product attributes, customer benefits, uses, life-styles, product classes, competitors and country of origin.



### Perceived Quality

Perceived quality is a set of characteristics and features of a product or service that provides satisfaction and fulfil the needs of consumer. According to Zeithaml(1996) perceived quality means customer perception from superior quality of goods or services to competitors that does not include technical dimension. Perceived quality of brand is defined as the consumer’s judgment about a brand’s overall excellence or superiority with respect to its intended purpose, relative to alternatives (Zeithaml, 1988; Aaker and Jacobson, 1994). Perceived quality is believed to be a type of association warranting elevation to the status of a separate dimension of a brand’s equity (Pappu and Quester, 2006).

### Objectives

The objective of the research is to analyze the relationship between socio economic factors and brand equity factors of branded readymade garments.

### Methodology

The is a description study of the factors determining the brand equity and customers in respect of branded readymade garments. The study is based on both primary and secondary data which are analyzed using appropriate statistical tools to draw conclusions. The research is mainly based on primary data, since most of the information necessary to achieve the objectives of the study was not available from secondary sources. The secondary data necessary for the study were compiled from published and unpublished sources. The primary data were collected by conducting a field survey from 300 male respondents in Madurai, Trichy and Coimbatore Districts. Questionnaire was used to collect primary data and Likert’s five point Scale was used to record opinion of respondents.

### Brand Equity Opinion Score

The researcher has identified four variable (Brand Loyalty, Brand Awareness, Brand Association and Perceived Quality) determining brand equity. The following table reveals opinion score computed based on the responses given by respondents for the four variables.

**Table 1.1: Brand Equity Opinion Score**

City	Brand Loyalty	Brand Awareness	Brand Association	Perceived Quality	Average Score
(Opinion Score in %)					
Coimbatore	74.4	74.4	71.4	70.8	72.75
Madurai	72.0	75.0	75.8	72.0	73.70
Trichy	72.8	72.0	72.6	72.6	72.50
<b>Total</b>	219.2	221.4	219.8	215.4	
<b>Average</b>	73.07	73.80	73.27	71.80	

It is found that Brand Loyalty (74.4%) stands first in determining brand equity in Coimbatore city, Brand Awareness(75%) and Brand Association(75.8%) stands first in determining brand equity in Madurai City and Perceived Quality (72.6%) stands first in determining brand equity in Trichy city. The average score reveals that the extent of brand equity for readymade garments in Madurai city is higher than the other two cities. Further it is found that the average score reveals that Brand Awareness influences more (73.80 %) in determining brand equity in respect of branded readymade garments followed by Brand Association (73.27%), Brand Loyalty (73.07%) and Perceived Quality (71.80%)

### Socio Economic Factor and Factors of Brand Equity

To find the relationship between the socio economic factors of the respondents, and the factors of brand equity, the researcher has formulated null hypothesis. To find the significant the opinion about the factors of the brand equity has been recorded in Likert five point scale.

#### Hypothesis 1: “There is no significant relationship between age and factors of brand equity”

Table 1.2 shows that there is no significant relationship between the age of the respondents and factors of brand equity in Coimbatore and Trichy whereas in Madurai city there is a significant. It is found that the factor determining brand equity do not depend on the age of the respondents in Coimbatore and Trichy cities whereas in Madurai city, brand equity depends upon age of the respondents.

#### Hypothesis 2: “There is no significant relationship between Occupation and factors of brand equity”

Table 1.3 shows that there is no significant relationship between the Occupation of the respondents and factors of brand equity in Coimbatore whereas in Madurai and Trichy there is a significant. It is found that the factors determining brand



equity do not depend on the occupation of the respondents in Coimbatore whereas in Madurai and Trichy brand equity depends upon occupation of respondents.

**Hypothesis 3: “There is no significant relationship between Monthly Income and factors of brand equity”**

Table 1.4 shows that there is no significant relationship between the Monthly Income of the respondents and factors of brand equity in Coimbatore and Madurai whereas in Trichy city there is a significant. It is found that the factors determining brand equity do not depend on the Monthly Income whereas in Trichy brand equity depends upon monthly income of respondents.

**Hypothesis 4: “There is no significant relationship between Marital status and factors of brand equity”**

Table 1.5 shows that there is no significant relationship between the Marital status of the respondents and factors of brand equity Coimbatore , Madurai and Trichy Cities. It is found that the factors determining brand equity do not depend on the marital status of the respondents in Coimbatore, Madurai and Trichy cities.

**Hypothesis 5: “There is no significant relationship between Family Type and factors of brand equity”**

Table 1.6 shows that there is no significant relationship between the Family Type of the respondents and factors of brand equity in Coimbatore and Trichy whereas in Madurai city there is a significant. It is found that the factors determining brand equity do not depend on the family type of the respondents in Coimbatore and Trichy cities, whereas in Madurai city brand equity depends upon family type of respondents.

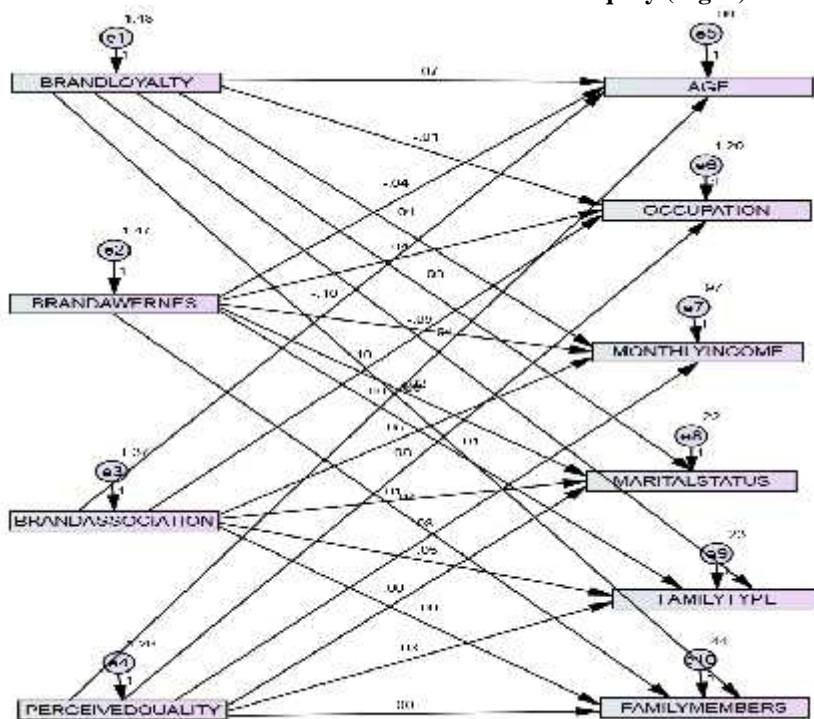
**Hypothesis 6: “There is no significant relationship between Family Members and factors of brand equity”**

Table 1.7 shows that there is no significant relationship between the Family members of the respondents and factors of brand equity in all cities. It is found that the factors determining brand equity do not depend on the family members of the respondents in Coimbatore, Madurai and Trichy cities.

**Structural Equation Modelling (SEM)**

This research seeks to introduce a variety of fit indices which can be used as a guideline for prospective structural equation model to assess fit. The Chi-Square value is the traditional measure for evaluating overall model fit and, ‘assesses the magnitude of discrepancy between the sample and fitted covariances matrices’ (Hu and Bentler, 1999: 2). A good model fit would provide an insignificant result at a 0.05 threshold (Barrett, 2007). The acceptable ratio for this statistic range for high as 5.0 (Wheaton et al, 1977) and for low as 2.0 (Tabachnick and Fidell, 2007).

**Socio Economic Factor and Factors of Brand Equity (Fig. 1)**





### To be Concluded

- In Madurai city, brand equity depends upon age of the respondents.
- In Madurai and Trichy city, brand equity depends upon occupation of respondents.
- In Trichy brand equity depends upon monthly income of respondents.
- Brand equity does not depend on the marital status of the respondents in Coimbatore, Madurai and Trichy cities.
- In Madurai city brand equity depends upon family type of respondents.
- Brand equity does not depend upon the family members of the respondents.
- The extent of brand equity for readymade garments in Madurai city is higher than the other two cities.
- Brand Awareness influences more (73.80 %) in determining brand equity in respect of branded readymade garments

### Further Scope for Research

- The study can be extended to other parts of the country to substantiate the findings and generalise the garment purchasing behaviour of consumers.
- Focused studies can also be done for female consumers to explore in-depth study in purchase of branded readymade garments.
- Other consumer items such as footwear, bags and other accessories, perfumes, FMCG products, durable goods etc., could be considered and the shopping styles could be analysed.

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**Table 1.2: Age and Factors of Brand Equity**

City	Factors of Brand Equity	Value of X <sup>2</sup>	Degrees of Freedom	Asymptotic Significant (2-Sided)	Significant / Not Significant
Covai	Brand Loyalty	16.418	12	.173	Not Significant
Madurai		12.872	12	.378	Not Significant
Trichy		18.359	12	.105	Not Significant
Covai	Brand Awareness	11.230	12	.509	Not Significant
Madurai		13.804	12	.313	Not Significant
Trichy		19.994	12	.067	Not Significant
Covai	Brand Association	13.312	12	.347	Not Significant
Madurai		7.400	12	.830	Not Significant
Trichy		12.714	12	.390	Not Significant



Covai	Perceived Quality	6.443	12	.892	Not Significant
Madurai		26.172	12	.010	Significant
Trichy		13.024	12	.367	Not Significant

**Table 1.3: Occupation and Factors of Brand Equity**

City	Factors of Brand Equity and Occupation	Value of X <sup>2</sup>	Degrees of Freedom	Asymptotic Significant (2-Sided)	Significant / Not Significant
Covai	Brand Loyalty	16.650	12	.163	Not Significant
Madurai		20.890	12	.052	Not Significant
Trichy		9.930	12	.622	Not Significant
Covai	Brand Awareness	7.779	12	.802	Not Significant
Madurai		19.447	12	.078	Not Significant
Trichy		10.628	12	.561	Not Significant
Covai	Brand Association	12.001	12	.446	Not Significant
Madurai		16.124	12	.186	Not Significant
Trichy		27.215	12	.007	Significant
Covai	Perceived Quality	7.481	12	.824	Not Significant
Madurai		27.845	12	.006	Significant
Trichy		26.549	12	.009	Significant

**Table 1.4: Monthly Income and Factors of Brand Equity**

City	Factors of Brand Equity and Monthly Income	Value of X <sup>2</sup>	Degrees of Freedom	Asymptotic Significant (2-Sided)	Significant / Not Significant
Covai	Brand Loyalty	12.017	12	.444	Not Significant
Madurai		14.671	12	.260	Not Significant
Trichy		12.698	12	.391	Not Significant
Covai	Brand Awareness	19.926	12	.068	Not Significant
Madurai		15.624	12	.209	Not Significant
Trichy		23.700	12	.022	Significant
Covai	Brand Association	11.498	12	.487	Not Significant
Madurai		9.591	12	.652	Not Significant
Trichy		9.176	12	.688	Not Significant
Covai	Perceived Quality	7.277	12	.839	Not Significant
Madurai		18.579	12	.099	Not Significant
Trichy		16.027	12	.190	Not Significant

**Table 1.5: Marital Status and Factors of Brand Equity**

City	Factors of Brand Equity and Marital Status	Value of X <sup>2</sup>	Degrees of Freedom	Asymptotic Significant (2-Sided)	Significant / Not Significant
Covai	Brand Loyalty	5.457	4	.244	Not Significant
Madurai		1.134	4	.889	Not Significant
Trichy		1.527	4	.822	Not Significant
Covai	Brand Awareness	1.961	4	.743	Not Significant
Madurai		3.871	4	.424	Not Significant
Trichy		4.387	4	.356	Not Significant



Covai	Brand Association	6.688	4	.153	Not Significant
Madurai		1.718	4	.787	Not Significant
Trichy		5.206	4	.267	Not Significant
Covai	Perceived Quality	3.899	4	.420	Not Significant
Madurai		.777	4	.941	Not Significant
Trichy		5.203	4	.267	Not Significant

**Table 1.6: Family Type and Factors of Brand Equity**

City	Factors of Brand Equity and Family Type	Value of X <sup>2</sup>	Degrees of Freedom	Asymptotic Significant (2-Sided)	Significant / Not Significant
Covai	Brand Loyalty	5.666	4	.225	Not Significant
Madurai		14.840	4	.005	Significant
Trichy		2.550	4	.636	Not Significant
Covai	Brand Awareness	2.251	4	.690	Not Significant
Madurai		5.431	4	.246	Not Significant
Trichy		1.638	4	.802	Not Significant
Covai	Brand Association	3.003	4	.557	Not Significant
Madurai		1.597	4	.809	Not Significant
Trichy		1.926	4	.749	Not Significant
Covai	Perceived Quality	2.067	4	.723	Not Significant
Madurai		11.788	4	.019	Significant
Trichy		2.946	4	.567	Not Significant

**Table 1.7: Family Type and Factors of Brand Equity**

City	Factors of Brand Equity and Family Members	Value of X <sup>2</sup>	Degrees of Freedom	Asymptotic Significant (2-Sided)	Significant / Not Significant
Covai	Brand Loyalty	10.889	8	.208	Not Significant
Madurai		12.493	8	.131	Not Significant
Trichy		8.904	8	.350	Not Significant
Covai	Brand Awareness	11.298	8	.185	Not Significant
Madurai		11.793	8	.161	Not Significant
Trichy		7.923	8	.441	Not Significant
Covai	Brand Association	1.655	8	.990	Not Significant
Madurai		11.684	8	.166	Not Significant
Trichy		5.481	8	.705	Not Significant
Covai	Perceived Quality	7.937	8	.440	Not Significant
Madurai		9.915	8	.271	Not Significant
Trichy		5.847	8	.664	Not Significant