An Study On The Impact Of Brand Equity While Purchase Intention A Retail Outlet

Ansuman Samal

Abstract: Stores are due to the breeze of FDI that many Indian retail stores like Reliance, Raymond, Aditya Birla Fashion and retail Ltd., Avenue Supermart etc. the retail stores are the developmental pillars of the Indian Economy so government initiated towards bringing FDI to India which would increase employment, balance the economic structure of India. The study was conducted to study the impact of brand equity of a store on the purchase intention of a consumer. The data was collected from the retail shoppers who had purchased or accessed any apparel retail store for buying a branded garment. The data was collected on the basis of judgmental sampling (Fox & Hadar, 2006). The data was collected with the help of a well drafted questionnaire. All the respondents were asked the qualifying question of whether the respondent has ever bought any branded apparel online and all those respondents who were who gave a positive answer where emailed the Google forms. The study was done with an intention to study the impact of brand awareness, brand loyalty perceived quality and brand association on the purchase intention in a retail store. It was found from the research that brand awareness brand loyalty perceived quality has a significant impact on the purchase intention in a retail outlet whereas brand association is not significantly impacting the purchase intention.

Index Terms: Brand Awareness, Brand Loyalty, Perceived Quality, Brand Association

1 INTRODUCTION

Retail stores are those stores that sell a smaller quantity of the goods to the customers directly. The retailers purchase a larger quantity of goods from the wholesalers at volume discount and sell the consumers at MRP. All over India there are numerous retail stores plus there are hundreds of legalised multi-storey retail stores like D-Mart, Park Avenue, Big Bazaar, etc. (Novak, Reardon, Raudenbush, & Buka, 2006) These stores are due to the breeze of FDI that many Indian retail stores like Reliance, Raymond, Aditya Birla Fashion and retail Ltd., Avenue Supermart etc. the retail stores are the developmental pillars of the Indian Economy so government initiated towards bringing FDI to India which would increase employment, balance the economic structure of India and promote ‘MADE IN INDIA’ products (Novak et al., 2006). Retail outlets are famous for their ranges of products in clothing, daily eatables, frozen items, cosmetics, jewellery, emergency products, specialised products etc. there are 6 types of retail stores namely- departmental stores (variety of products in one store), big box stores (specialization in one particular type of product), discount stores (the store that provides the products on discount), warehouse stores (the store that allows the products to be purchased in bulk), mom and pop stores (smaller stores operated by small business men) and E-tailers (online sellers that sell goods through websites and delivers goods to door step) (Tassou, Ge, Hadawey, & Marriott, 2011). Retail stores in clothing are basically the legalised form of retail stores like Big Bazaar, lifestyle, Zara etc. these stores are specialized in clothing of all types. There are several types of apparel for men, women and children. These stores are multi-storey designed for floor wise clothing. Also, these stores are designed and presented in such a way that the customers can easily sort as per their favourite brands (van Donselaar, Gaur, van Woensel, Broekmeulen, & Fransoo, 2010). While designing store or inaugurating store for clothing sales the retailer keeps in mind some basics like visual merchandising (designing graphics, stores and layout of the store), marketing, staff management, inventory controlling and customer services (“Wal-Mart Stores, Inc.”, 2008). The study was conducted to study the impact of brand equity of a store on the purchase intention of a consumer.

2 LITERATURE REVIEW

Retail stores selling apparels like Cantabil, Zara, Raymond, Big Bazaar, Fab India, Biba, Lifestyle etc. these clothing retailers are those which design their outlets according to the brands, sizes and types (Lee & Lin, 2005).

BRAND AWARENESS

Brand awareness could be defined as the knowledge a consumer had about the brand. When a consumer steps outside with the intention to purchase apparels they must have the knowledge of which brand of products they have to pick. Consumers must have the knowledge of the brand they want (Martineau, 1958). Brand ‘W’ deals with women clothing for all design, types and sizes of women with different variety. So women must have the knowledge that if they are oversized or have different body shape they must visit the store once (Spiller & Lohse, 1997).

BRAND LOYALTY

Brand loyalty is the trust of the consumer towards the product and this is only possible when the brand satisfies its customers well. The satisfaction and willingness of the customers is dependent on that whether they would prefer the product of the same brand all over again or not (Chaudhuri & Holbrook, 2003). Brand loyalty builds up after the experience of the consumers. When the consumers try the products for the first time it is the testing stage. Then when their experience fulfils their needs they builds up brand loyalty with the brand and this gives initiation to mouth to mouth advertising of a brand (Brakus, Schmitt, & Zarantonello, 2009).

BRAND ASSOCIATION

Brand association is defined as something that is being set in the minds of the consumer about the particular brand and there is that first thing that comes in the minds of the consumer while buying it. When a customer is loyal towards
the brand they would be brand associated also. They would have better and good reviews for the brand (Severi & Ling, 2013). This develops brand goodwill and reputation and inspires the company to work harder. For example- the tune of the lux advertisement reminds of the lux brand. Similarly the jingle of Mc Donald’s signifies about the brand (Romaniuk & Nenycz-Thiel, 2013).

**PERCEIVED QUALITY**

Perceived quality could be defined as the perception of the customer towards the brand. The quality and the perfection in the product is decided by the perceived quality of the brand/product (Groonroos, 2001). While purchasing the apparels the consumer focuses on the perceived quality and the first thing that influences their choice is perceived quality. The choice of the consumers in the apparel choices is multifaceted instead of unidimensional. Consumers make a stronger choice when they are purchasing clothes. The perceived quality can be divided into 2 categories i.e. intrinsic (the inner quality of the cloth or the fibre could be intrinsic) and extrinsic (the looks and the design may be extrinsic)(Mcdougall & Levesque, 2000)(Sweeney & Soutar, 2001).

**PURCHASE INTENTION**

Purchase intention is the intension of the consumer towards buying the clothes. The buying behaviour of the consumer is decided by the intention of the consumer what they want to purchase. The view point of the consumer towards the brand will force the consumer to visit the outlet repeatedly (Hung et al., 2011). The repetition in the purchase of goods from the same outlet and of the same brand means that consumer is highly influenced by the products and is interested in purchasing the clothes (Use & Intention, 2015). The data was collected from the retail shoppers who had purchased or accessed any apparel retail store for buying a branded garment. The data was collected on the basis of judgmental sampling (Fox & Hadar, 2006). The data was collected with the help of a well drafted questionnaire. All the responded were asked the qualifying question of whether the respondent has ever bought any branded apparel online and all those respondents were who gave a positive answer where emailed the Google forms. The profile of the respondent is on the basis of gender was males 266 with a mean score of 3.13 and females were 106 with a mean score of 2.53, which clearly indicated that males shop online for branded apparels than females. From the age group it was found that above 55 age group(22) and 25-35 age group(115) has greater intention to purchase branded apparels online with mean score 3.18 and 3.01 respectively. The age group of 36-45 with maximum respondent of 159 has 2.96 mean score and 45-55 (31) had a mean score of 2.87 depicting their intention to buy a branded apparel online and finally less than 25 age group had the least intention buy mean score with 2.77 and n=45. Income group’s description is less than 5000 had the highest means score depicting the highest motives for purchase intention of branded apparels online. 3.2000and n=130. The next highest mean score was of 15001-20000 with 3.1346 and n=52. Finally 5001-10000 with n=124 and 10001-15000 with n = 66 has less motives to buy online with 2.8939 and 2.6855 respectively. Matriculate and graduates n= 45(2.5556) and 170 (2.8471) respectively had the less motive to buy online than of post graduates n=99 (3.03) and professional degree holder n=58 (3.51). This implies educational qualification has a greater impact on the purchase intention online for branded apparels.Service class n =191 is intent to buy online the branded apparels amongst all occupational groups (3.1414), followed by dependent and business class with n=42 and 94 respectively and their mean scores were 2.85 and 2.81 respectively and professionals spend the least n=45 and mean score is 2.62.

**3 DATA ANALYSIS**

Common method variance refers to “the observed variance or error that is being caused because of the measurement procedure rather than the variance that is shared among the constructs”(Eichhorn, 2014). The analytical procedures to estimate the common method variance using three different techniques: “Harman Single Factor”, “Common Latent Factor”, and “Common Marker Variable”(Chang, Witteloostuijn, & Lorrain, 2010; Eichhorn, 2014; Reio Jr., 2010; Sharma, Yetton, & Crawford, 2009). Initial confirmatory factor analysis with CR and AVE showed the model to be fit. The results indicated that the Chi-square was significant ($\chi^2/df = 2038.62/647 = 3.15$, $P = 0.00$), and the fit indices of the model were found to be within their threshold values as such GFI = 0.8, NFI = 0.88, TLI = 0.9, CFI = 0.92 and RMSEA = 0.07.

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All the inferences drawn were accepted but there was no significant impact of Brand association on purchase intention.

**4 DISCUSSIONS**

The study was done with an intention to study the impact of brand awareness, brand loyalty perceived quality and brand association on the purchase intention in a retail store. It was found from the research that brand awareness brand loyalty perceived quality has a significant impact on the purchase intention in a retail outlet whereas brand association is not significantly impacting the purchase intention(A. Alhaddad, 2014; A. A. Alhaddad, 2015; Hou & Wonglorsaichon, 2016; Pappu & Quester, 2015; Qasim Shabbir, Khan, & Khan, 2017;
Sasmita & Mohd Suki, 2015). Further, perceived quality of the retail outlet is one of the strongest predictor of purchase intention in retail outlet followed by brand loyalty and brand awareness (Faust & Surchi, 2015; Hogg, Shaw, Hassan, Shi, & Wilson, 2004; Lukovitz, 2009). Brand association in the study was not a significant predictor of purchase intention of clothes from a retail outlet (Dew & Kwon, 2010; Kwon & Dew, 2010; Li, Liu, & Li, 2010; Rhee & Johnson, 2012; Taskin, Emel, Karadamar, & Memiş, 2016; Yu, Cho, & Johnson, 2017).

REFERENCES


