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Brand Name: The Impact Factor

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ABSTRACT

This study attempts to abridge the gap in extant literature about the importance of brand name and its impact on all other brand constructs-CBBE, brand awareness, brand association, brand personality, brand image, brand communication, perceived brand quality and brand loyalty. This study has been conducted using two samples-students (256) and professionals (256), drawn from the same population. The data collected was checked for its reliability and validity. The proposed model was checked for goodness of fit and the hypothesis was tested. The impact of the exogenous construct on the endogenous constructs was verified using structural equation modeling. The findings from the research showed all the hypotheses supported by the analysis. The difference in the impact of brand name on other constructs was notified in both the cases. Brand Name (BN) was seen to have a strong impact on Customer Based Brand Equity (CBBE), Brand Association (BAS) and Perceived Brand Quality (PBQ) in case of students whereas for professionals brand name had a stronger impact on Brand Awareness (BA). The analysis led to some important managerial implications. The importance and the differential impact of brand name on other brand elements would aid managers in formulation of better and appropriate marketing strategies for a brand. The comparison between the students and professionals can be further utilised for targeting and positioning a brand. This study links brand name with other important brand elements. The differential impact of brand name on other constructs in case of students and professionals was tested using the original proposed model. This study can be a base for other researchers and brand managers to conduct further research using different samples, brands and countries.

Key words: Brand name, CBBE, brand communication, brand awareness, SEM, profession

INTRODUCTION

Name has been the first sign of identity for all of us. Apart from providing an identity to an individual, product, service, idea, concept, etc., the name also speaks about it. Brand name is the name given to a product which distinguishes a product from the competitors' products (Kayaman and Arasli, 2007). As we are recognized and known to others by our names, similarly brand name provides recognition and the essence of the product to its customers and marketers. Choosing a proper brand name is the centerpiece of marketing programs and strategy formulations. A good brand name can do wonders for the company by enhancing the value of the brand, whereas, a poor brand name can demolish the brand and its company.

This research discusses the impact of brand name on other brand elements-brand awareness, brand personality, brand association, brand communication, brand image, perceived brand quality, brand loyalty and brand equity which are necessary for building a strong brand.

Extant literature has mined out the following views and findings. Brand name is defined as the value that a name provides to the brand (Pappu and Quester, 2008). Brand name is the base of brand awareness and brand communication (Chan and Huang, 1997; Keller *et al.*, 1998). It can enhance brand awareness and/or help create a favorable brand image for a newly introduced product. Recognizing the important and complex role of brand names as part of marketing strategy, several different possible criteria have been proposed for choosing brand names to build brand equity (Keller *et al.*, 1998). The inherent meaning of a brand name enhances the formation of strong, favorable and unique brand associations. The different associations that arise from the likability and appeal of brand names also can play a critical role in the equity of a brand, especially when few other brand associations exist in memory. A meaningful and memorable brand name can enhance brand awareness and brand association (Keller *et al.*, 1998). Brand personality is built by the manipulation of brand name, signs, symbols, logos, imagery, music, type of endorsers, layout or use of humour and provocation (Wee, 2004). Brand image is defined as the consumer's perceptions toward a particular brand name (Aaker, 1991, 1996). Brand name signifies the perceived quality of the brand (Zeithaml, 1988). Dawar and Parker (1994) and Hilgenkamp and Shanteau, (2010) have claimed that brand name is the largest determinant of perceived brand quality. They have further concluded that the brand name associated with a product led people to evaluate quality of that product as either higher or lower depending on the strength of the brand name. The reason brand name is used by consumers to infer quality of an unfamiliar product is because that brand name has built, based on its association with other quality products carrying that name, a value or utility; that is, beliefs about quality (i.e., performance) have gone into that brand name's value or equity (Lassar *et al.*, 1995). It develops a confidence in the minds of the customers towards the brand, which leads to consideration of the brand for purchase and develops brand loyalty (Yoon and Kim, 2000). Brand equity is the incremental value of a product due to the brand name (Srivastava and Shocker, 1991; Chen and Tseng, 2010). Brand equity starts with a good brand name (Dong and Helms, 2001). Brand name is the core indicator of brand equity (Myers, 2003). Brand equity, the intangible brand property, is the hidden value inherent in a well-known brand name (Yasin *et al.*, 2007; Chen, 2010). Brand equity refers to the brand name's ability to facilitate the marketing of a product as a result of more favorable customer perceptions: a well-recognized and highly regarded brand name can not only reduce marketing costs and increase a potential customer's purchase likelihood but also expand the size and loyalty of a firm's customer base (Kartono and Rao, 2009). Brand equity has been described as a constellation of associations with brand names (Priluck and Till, 2010). The customer as well as the company perspective of brand equity has been defined by brand name. From the customer perspective, customer based brand equity is the difference in a customer's response to a branded product compared with his/her response to a similar product not identified by a brand name, whereas from company perspective, brand equity is viewed as the value of the marketing mix given by an attached brand name versus the value of a similar marketing mix of a non branded product (Bristow *et al.*, 2002). The above literature review has led to the formulation of a proposed conceptual model and hypotheses as shown in Fig. 1.

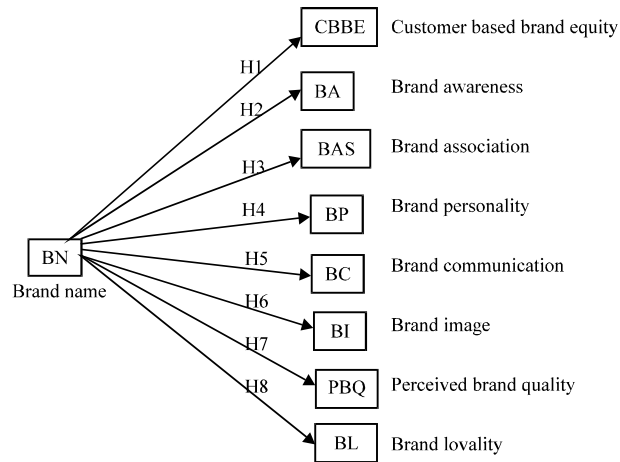


Fig. 1: Conceptual model

MATERIALS AND METHODS

The study was exploratory as well as causal in approach. Prior to the pilot survey a survey of 15 experts was conducted for the questionnaire and model which were approved. A pilot survey was conducted taking 200 students. Brand name is taken as the independent or exogenous factor and brand awareness, association, communication, personality, image, perceived quality, loyalty and equity as dependent or endogenous factors. A total of 40 variables were taken for the study. Likert scale was used for the survey (5 = strongly agree, 4 = agree, 3 = neither agree nor disagree, 2 = disagree, 1 = strongly disagree). After conducting the reliability and validity tests the variables were reduced to 35 and further survey was conducted with a total of 512 respondents under two groups- students, i.e., respondents who were not in any profession (n1 = 256) and professionals (n2 = 256). Same number of respondents was taken in both the cases to have an uniformity in the findings and avoid biasness. Quota sampling was chosen for the survey. The brand name chosen for the survey was Nokia for mobile phones after gaining 86 responses from 200 students as shown in Table 1.

RESULTS AND DISCUSSION

The data collection and analysis has led to the following results. The demographics of the sample chosen for the survey is shown in Table 2. In gender male (S = 154, P = 161) population out numbers the female (S = 102, P = 95) population in both the cases. The age category of students were maximum within the range of 18-25 (S = 247) where as in case of professionals most of the respondents were youngsters within the age of 26-35 (87) followed by the age group of 36-45 (79). Respondents of all types of profession were tried to be included in the survey. The majority were academicians (72) followed by executives and managers (59).

The pilot data was tested for its reliability and validity. The data was then checked for its normality and multicollinearity. Further the model and the hypotheses were tested using Structural Equation Modeling (SEM) using AMOS.

Reliability analysis was performed using SPSS. The cronbach's value obtained was 0.848 which indicated optimum reliability of the data (George and Mallery, 2007). The alpha value of all the constructs were above 0.7 except CBBE ($\alpha = 0.667$) and PBQ ($\alpha = 0.543$). In spite of less significant alpha value the constructs were included for further analysis due to their importance.

Table 1: Choosing the brand name

Brand name	Responses
Nokia	86
Sony	45
Samsung	36
Motorola	24
Others	9

Table 2: Demographics of the sample surveyed

Demographics	Students (S)	Professionals (P)
Gender		
Female	102	95
Male	154	161
Age		
18-25	247	23
26-35	9	87
36-45	-	79
46-55	-	47
>55	-	20
Profession	BBA - 20	Academicians-72
	Btech-66	Doctors-25
	Barch-26	Engineers-34
	MBA- 90	Lawyers-27
	MCA-55	Executives and Managers-59
	March-5	Clerks and peons-19
		Others-20

Validity analysis was performed to measure the accuracy of what was intended to measure. Convergent validity was tested using factor analysis. As per thumb rule (Hair *et al.*, 2007) variables loading more than or equal to 0.5 were used for further analysis and those loading less than 0.5 were retained from further analysis. The variables PBQ2 (-0.817), PBQ3 (-0.512), BAS6 (0.370), BAS9 (0.470) and BI1 (0.482) loaded less than 0.5 and were deleted from the questionnaire. The new questionnaire was used with 35 variables. The constructs were discriminant as the average variance extracted (AVE) from the constructs were greater than the squared correlations between constructs (Hair *et al.*, 2007). The correlation between constructs are positive which proves nomological validity of the constructs (Hair *et al.*, 2007). Outliers have been detected using Boxplot in SPSS and mahalanobis D^2 method in AMOS which have been suppressed from further analysis. Collinearity was measured by Tolerance and Variance Inflation Factor (VIF). The tolerance showed a high value near 1 indicating all variables were independent of each other (George and Mallery, 2007). The VIF values were less than 4 showing absence of multicollinearity (Schumacker, 2008). The model and data were put forward for confirmatory factor analysis using SEM. The model showed an ideal goodness of fit in both the cases with GFI = 0.831 for the sample who were not working and 0.829 for professionals. The RMSEA was between its limit at 0.070 and 0.072 respectively as shown in Table 3. Since, the fir measures are good and there was absence of significant differences between the fit measures in both the cases, the model showed good fit for both the samples.

Table 3: Global fit indexes measures in both cases

	Optimal	Students	Professionals
Global fit indexes			
Chi-square χ^2 (degrees of freedom)		1097.434 (370)	1172.373 (370)
p-value	<0.05	.000	.000
GFI	>0.8	0.831	0.829
RMSEA	0.05-0.08	0.070	0.072
ECVI	Minimum	3.076	3.123
NCP	Minimum	727.434	802.373
Incremental fit indexes			
NFI	>0.8	0.762	0.787
CFI	>0.8	0.827	0.842
IFI	>0.8	0.829	0.844
AGFI	>0.8	0.802	0.799
Parsimonious fit indexes			
PNFI	Maximum	0.695	0.717
AIC	Minimum	1227.434	1302.373

Table 4: Relationships between constructs

Causal relationship	Path coefficient (β)		t value		p-value	
	Students	Professionals	Students	Professionals	Students	Professionals
BN→CBBE	0.978	0.405	***	***	****	***
BN→BA	0.666	0.704	7.933	9.618	0.000	0.000
BN→BAS	0.936	0.804	10.570	10.963	0.000	0.000
BN→BP	0.770	0.729	***	***	***	***
BN→BC	0.762	0.778	9.993	10.045	0.000	0.000
BN→BI	0.543	0.581	8.301	9.417	0.000	0.000
BN→PBQ	0.646	0.473	***	***	***	***
BN →BL	0.793	0.802	10.548	11.833	0.000	0.000

The path coefficients between the constructs in Table 4 and their t and p values show their significance. The path coefficient between BN_CBBE is highly significant in case of nonprofessionals ($\beta = 0.978$) with $p < 0.05$ in comparison to professionals ($\beta = 0.405$, $p < 0.05$). This indicates that the brand name Nokia has high significance for students and matters a lot in their buying decisions. Similarly in case of BN_PBQ the higher path coefficient in case of students ($\beta = 0.646$), $p < 0.05$ indicates that their perception of the quality of Nokia is higher than that of the professionals ($\beta = 0.473$, $p < 0.05$). This is because the name Nokia appears quite stylish to them and students like to be associated with the brand leader in the mobile phone market as seen from BN_BAS for students ($\beta = 0.936$). The brand association of Nokia for professionals is less than that of students though it is also highly significant ($\beta = 0.804$). The path coefficients of all other relationships are almost similar in both cases with significant t-value and p-value, BN_BP ($\beta = 0.770$ and $\beta = 0.729$) showing the effect of brand name on brand personality to be similar for both students and professionals, BN_BC ($\beta = 0.762$, $t = 9.993$ and $\beta = 0.778$, $t = 10.045$) proving that brand name has a great effect on brand communication, BN_BI ($\beta = 0.543$, $t = 8.301$ and $\beta = 0.581$, $t = 9.414$) indicated the name Nokia gives a moderate image about the brand and BN_BL ($\beta = 0.793$, $t = 10.548$ and $\beta = 0.802$, $t = 11.833$) depicted significantly high brand loyalty among the customers of Nokia.

Table 5: Hypotheses tested

Hypotheses No.	Proposed hypotheses	Hypotheses supported
H1	Brand name has a positive impact on the CBBE of a brand.	Yes
H2	Brand name has a positive impact on the brand awareness.	Yes
H3	Brand name has a positive impact on the brand association.	Yes
H4	Brand name has a positive impact on the brand personality.	Yes
H5	Brand name has a positive impact on the brand communication.	Yes
H6	Brand name has a positive impact on the brand image.	Yes
H7	Brand name has a positive impact on the perceived brand quality.	Yes
H8	Brand name has a positive impact on the brand loyalty.	Yes

All the proposed hypotheses H1 to H8 were supported in both the cases from the research (Table 5). H1 indicates that the brand name Nokia enhances the customer based brand equity of the brand more significantly in case of students due to its catchiness which attracts the youth. In case of H2 brand name enhances the awareness of the brand Nokia significantly for both students and professionals. H3 proves that the brand association of the brand Nokia is positively influenced by its brand name as the respondents could associate the brand with its name. The brand name Nokia justified its brand personality as proved in H4. Brand communication which is one of the very important factor of a brand has been seen to be positively affected by the brand name of Nokia in H5. The brand name Nokia gives a vivid and clear image of the brand in the minds of the respondents as proved in H6. The perceived brand quality and brand loyalty have been positively influenced by the brand name Nokia as seen in H7 and H8, respectively.

CONCLUSION

This study portrays the importance of brand name for a brand by studying the impact of brand name on other brand elements - CBBE, brand awareness, brand association, brand personality, brand image, brand communication, perceived brand quality and brand loyalty. The developed conceptual model as shown in Fig. 1 has been cross validated with two samples of students and professionals drawn from the same population. This has been done to study the difference in the consumer behaviour with respect to qualifications and professions. A few differences have been noticed in the perception, behaviour and attitude of students and professionals. The brand name Nokia has a significantly high impact on the CBBE of the brand in case of students. This is because students nowadays are more brand conscious and prefer to have the market leader with them than professionals who are more focussed on the utility of the mobile phone. On the other hand, the awareness level of professionals was seen to be more than students as they undergo more rigorous decision making process because they spend their own money in buying a mobile phone which is a high involvement product. The effect of brand name Nokia on its perceived brand quality was higher in case of students due to the value and utility benefit that the name carries. The above findings can be used by the product and brand managers to formulate strategies while developing brands for students and professionals. It can be finally concluded that a short, crisp, easy to pronounce and remember brand name can add numerous benefit to the brand as well as the company.

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