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SOCIAL MEDIA AS A TOOL IN IMPROVING BRAND EQUITY IN TELECOM INDUSTRY IN THAILAND

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ABSTRACT:

The purpose of this research is to explore any relationship between brand personality and brand image in mobile telecom branded offerings. Furthermore, this paper explores brand image as an antecedent of both perceived quality and consumer behavior. A survey conducted using a “positivism” approach, in which 318 consumers participated through a face to face handing over. Sincerity, competence and sophistication proved to be dominant precursors of brand image. On the other hand, brand image suggests a basic aspect of perceived quality in intangible telecom branded offerings.

Moreover, customer satisfaction concerns a mediating factor impacting the relationship between perceived quality and brand attachment. Thus, perceived quality does not guarantee brand attachment and customer satisfaction is the key to achieve that. Hence, fair pricing, low service access costs and consistent IMC are necessary tactics to build brand attachment. The latter, along with customer inertia lead to favorable WoM and customer loyalty. The marketing situation with a specific region is quite different as compared to global markets. To gain higher market share and competitiveness firms has been learning the consumers need and values. Therefore, this study

induced the factors of consumer based brand equity that influence consumer-brand relationship in Thailand. For developing a strong base for consumer-brand relationship, marketing strategies must be composed of building brand awareness, perceived quality and brand image. Such relationship with brand could be developed by designing stronger brand loyal customers. This paper analyzed the variables of brand equity by considering Samsung Smartphone brand because it is the leading smart-phone firm in Thailand. The findings showed that brand awareness, perceived quality and brand image was significant statistically associated but only brand awareness was not influenced on brand loyalty. As each dimension of brand equity results can increase profitability and firm's performance of the company, so the model of brand loyalty in this study could guide marketing strategies of Smartphone industry to create a competitive advantage and expand its consumer base in Thailand market. Thus, investors and marketers should consider their dimensions for building a strong Smartphone brand.

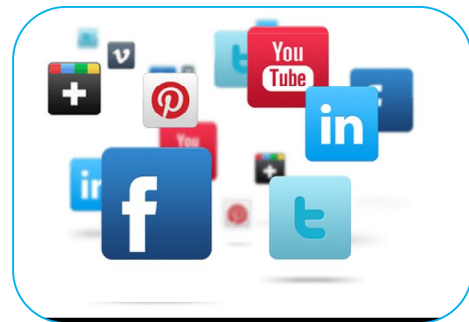
KEYWORDS: Brand Equity, Brand Awareness, Perceived Quality, Brand Image and Smartphone, social media and telecom industry.

INTRODUCTION

In Smartphone Industry, brand equity strategies are

one of the most important marketing tools to increase customer base because

manufacturers differentiate them based on brand equity. The competitiveness of Smartphone



market in Thailand is contending fiercely because the features and attributes of all Smartphones resemble in the consumer market. Therefore, it is very difficult for consumers to distinguish between products due to the variety and accessibility. To capture higher market share and consumer loyalty, the manufacturers should focus on branding strategies and marketing campaigns of the product to get success in their industries. Especially Smartphone manufacturers, those are introducing their products in Thailand market have to compete with international brand like iPhone, Samsung and national brand such as G-net, I-mobile. In such a situation, consumer loyalty played a vital role in generating revenues and increasing brand equity. In this study, we selected Samsung Smartphone brand because Samsung launched its Smartphone's with intensive and energetic marketing campaigns in Thailand market. The research was aimed to explore the distinctive aspects of brand equity, which compose on brand awareness, brand image, perceived quality and country of origin. It also analyzed the influence of these dimensions on brand loyalty of Samsung Smartphone. Simultaneously, from investment perspective in Thailand this study could guide investors and managers about the crucial aspects to generate revenues based on brand equity dimensions.

THEORETICAL BACKGROUND AND RESEARCH HYPOTHESIS

From consumer aspects, brand equity is the value of the business and expectations of consumers to the organization, products and services, including the experience of communication and awareness of the brand (Auken, 2002). Brand equity management can be measured by brand loyalty or willingness to pay higher prices (Blackston, 1995). Thus, manufacturers have to create brand loyalty in mind of the consumer by building a strong brand which consists of developing the product features and makes a difference until it protects the brand and attract consumers (Randall, 1997). Prior research on consumer perspective, such as Aaker (1991) concluded that brand equity could be measured by five dimensions which consist of brand awareness, brand association, perceived quality, brand assets and brand loyalty. On the contrary, Keller (1993) had presented the concept of (CBBE) customer base brand equity that measured value of the brand from consumer perceptions. It is a guideline for analyzing the behavior of consumers towards the brand and to create marketing programs that are associated with the brand. The brand knowledge is the important key to build customer base brand equity and can be divided into two

COMPONENTS:

brand awareness and brand image which exists in the customer memory. Meanwhile, brand awareness consists recall and recognition. Brand image can be divided based on three characteristics which are product related attributes, non-product related attributes and benefits (Chen, 2001). The product-related attribute represents the physical and functional attributes. On the contrary, non-product related attribute are mentioned as marketing mix which includes price information, packaging or product, user imagery and usage imagery (Keller, 1993). The benefit characteristic specifies the outcome of consumer after using or purchasing that product or service. Benefits are further divided into functional, experiential and symbolic benefits. The linking of the attitude describes the overall assessment of the consumer to the brand arising from a link on the features and benefits expected to be received from a brand. Based on psychological and reliability availability to consumer of different culture, brand equity is measured by means of four dimensions which are brand loyalty, perceived quality, brand awareness and brand associations. Yoo & Donthu, (2001) concluded that in different cultures, brand equity-related marketing strategies need to focus more on different dimensions of brand equity for the greater loyal customer base. Moreover, Kim, H. b., Kim, & WG (2005) concluded that brand loyalty, perceived quality and brand image is a key component of brand equity in the consumer mind which has a positive relationship with the firm's performance. In the restaurant industry, brand image and brand loyalty are a key factor in building brand equity and in the hotel industry, perceived quality, brand loyalty and brand image are a key factor for brand equity. Thus, each dimension has its own characteristics which affect the behavior of the consumers. In a manufacturing industry, Taylor, Celuch & Goodwin (2004) conducted a study on the importance of brand equity to

brand loyalty. The result suggested that brand equity, reliability and trust are the first important factors before the behavior and attitude of customer loyalty.

BRAND AWARENESS :

In general, the consumers began from an unknown brand until sales-representatives communicate to consumers about the product/service which result in knowing and when they often hear the brand name. Thus, consumer began to recognize and remember the first brand name. Aaker and Keller have mentioned brand awareness into two parts: brand recall and brand recognition. The brand awareness is a component of knowledge about the brand as well as the concept of Keller (Kohli & Leuthesser, 2001). On the other hand, (Baldauf, 2003 & Yoo & Donthu, 2001) described brand awareness concept of Aaker that is the buyer's ability to recognize and recall the brand of the product. The main goal of the brand management strategy is to develop and maintain brand awareness because it influences the decisions of consumers and affect the business value. Thus, by using this approach, consumers should be able to recognize the brand and the brand is considering the purchase. The selection of brand consists on the remembering and recognizing the brand name. Moreover, brand awareness is linked to the brand strength in the minds of consumers, which provide firm's with a brand value that can be used in future to attract and promote products or services (Kim & Kim, 2005). Based on previous research, we extract top of mind, unaided brand recall and brand recognition variables because they measure brand awareness from a consumer perspective. These measures predict the behavioral aspect of the consumer based on brand recall and brand recognition.

BRAND IMAGE:

Keller (1993) described brand image is a set of brand association. Brand association is the image of the brand come from the perception of consumers about the brand that links in the memory of consumers. The association has come from all forms and it affects the features of the product. Positive brand image is created by marketing programs that are associated with strength of brand association, favorability of brand association and uniqueness of brand association. According to Chen (2001) association with the brand can be divided into three aspects. Firstly, attributes association described the characteristics of the goods or services and these attributes can be divided into the product related and the non-product related. The product related represents the physical features and functions and features. The non-product related represents the price, packaging, user imagery and usage imagery. Secondly, benefits association described the consumer can get benefits from the using of goods. It can be divided to the functional benefits, experiential benefits and symbolic benefits. Thirdly, attitudes association described the overall assessment of the consumers towards the brand as a result of a link on the attributes and benefits that would expect from the brand. Thus, brand association means the many things that are associated with the memory of the brand which would have increased from frequency of brand awareness (Yoo&Donthu, 2001). So, linking the image of the brand is clearly reflected in the increased value priced over competitors (Debra Grace & Aron O'Cass, 2002). Based on previous research, consumer perception about brand image was predicted by product-related attributes, benefits and attitudes of consumers towards that product or service.

PERCEIVED QUALITY :

Lassar, Mittal, & Sharma (1995) defined perceived quality as the overall performance of the product. The perceived quality is the ability to perceive the features of the product which build consumer satisfaction and used as the criteria for decision making process to purchase products or services. The perceived quality comes from the decision of the consumer about the brand in terms of physical characteristics of the product such as no errors, have a permanent and no defects. Moreover, the brand name is created to reflect familiarity with the product quality and associated with the value, utility and confidence in the quality. According to Baldauf, Cravens, & Binder (2003) perceived quality is evaluated about the product for varied individual consumers that according to their satisfaction. The perceived quality is used as a key factor by many firms to create their competitive advantage in their

relative industry. So, Keller (1993) concluded some features on which perceived quality can be measured which consists of performances, conformance quality, reliability, durability, serviceability and style and design.

BRAND LOYALTY :

In general, brand loyalty means the repeat purchase of a product or service based on consumer satisfaction. Brand loyalty is a major factor in increasing the market share of a firm because when consumers are loyal to the brand they purchase and promote that specific brand which results in higher market growth and profitability. As Schiffman&Kanuk (2004) defined that brand loyalty represents a commitment of the consumer to the brand which makes it as an intangible asset that reflects the company's price of the product or service. With respect to brand equity, loyalty played an important role because higher loyalty increases consumer satisfaction, feeling towards the brand and repurchase. Meanwhile, Aaker (1991) explained that brand loyalty dimension is different from the other dimensions of brand equity because of brand loyalty is linked to the usage experience.

RESEARCH METHODOLOGY

Data collection

The convenience sampling method was used to collect data from 200 Samsung Smartphones users in Thailand. The questionnaire was distributed to the Samsung Smartphone store located in a shopping mall in Bangkok, the capital city of Thailand because it has population density, variable occupation and variable income. The data was collected between January-February 2014 and in order to reinforce the coverage of the questionnaire, the data were conducted during three different time periods: morning, afternoon and evening (Long-Yi Lin, 2010). The survey questionnaire consisted of two sections. The first section was designed to acquire the respondents' demographic information toward the Smartphones market in Thailand. The second section was designed to measure the relationship between brand awareness, brand image, perceived quality, country-of-origin and brand loyalty. A five-point Likert scale was used to measure the questionnaire (1= strongly disagree to 5=strongly agree) (Likert, 1932). Likert scale is a widely used rating scale that requires the respondents to indicate a degree of agreement or disagreement and it is easy to construct administer and understand. The questionnaire was adapted from the work of Keller (2008) and Yoo & Donthu (2001). We used statistical package for social science programs (SPSS) Ver.17 for data analysis. The bivariate correlation and regression analysis were analyzed to measure the outcome of brand loyalty in Thailand. The results could be implied for investigating the brand loyalty of Smartphones manufacturers in Thailand and determine the value of different brand equity dimensions while designing a marketing strategy based on country-of-origin of the brand.

Result :

A total of 200 valid responses was collected for this study. Among them, 51% of respondents were females while 49% of respondents are male with an age group of 25 years to 34 years and this age group accounted for 33%. This demographic result represents that majority of respondents are young and they have knowledge about leading Smartphone brand. Moreover, we explore the education attained by respondents which showed that 46% of respondents have earned their bachelor degree. The occupation of respondents indicated that 30% were company employees, which is followed by students with 28.50% and the monthly income of respondents were ranging 15,001 – 20,000 Thai Baht. The summary of respondents' demographics is shown in Table I. Table I. Description of demographics Variables Gender Percentage/Mean S.D

Male (115) 49.00 %

Female (85) 51.00 %

Age :

15-24 Years 26.50 %
 25-34 Years 33.00 %
 35-44 Years 28.50 %
 45-54 Years 10.50 %
 More than 55 Years 1.50 %

Education :

Lower than bachelor degree 25.25 %
 Bachelor degree 46.00 %
 Master degree 23.50 %
 Higher than master degree 5.00%

Occupation

Student 28.50 %
 Housewife 2.00 %
 Company employee 30 %
 Government officer 23.00 %
 Owner business 16.50 %

Income1 3.06 1.567

Notes: 1 Represents Respondents Family Income: 1 = 10,000 or less THB, 2 = 10,001 – 15,000

THB, 3 = 15,001 – 20,000 THB, 4 = 20,001 – 25,000 THB and 5 = 25,001 or more THB. The mean of variables explored that brand awareness has higher mean as compared to other variables with 3.5486 followed by brand image of 3.4372 and country of origin by 3.23. The result showed that respondents thought country of origin and brand awareness were major dimensions while evaluating the variables of a Smartphone brand in Thailand as shown in Table II

Table II: Descriptive statistics of variables Variables Mean Std.

Deviation :

Brand awareness 3.5486 .48934
 Brand Image 3.4372 .54715
 Brand loyalty 2.9850 .88828
 Perceived quality 3.3186 .52204
 Country of origin 3.2333 .98449

Pearson's correlation analysis was employed to test the hypothesis to find the correlation among brand equity dimensions. If one of the variables is changed, it is correlated with other variables as well. A relationship close to 1 or -1 means variable with high affinity, although it is correlated positively or negatively and when the relationship is 0 means there is no relationship between variables. From Table III, $r = 0.429$, $p = 0.000 \leq 0.05$ which has a statistical significance. It means brand awareness is positively related to brand loyalty that supported H1. $r = 0.831$, $p = 0.000 \leq 0.05$ which has a statistical significance. It means brand image is positively related to brand loyalty that supported H2. $r = 0.765$, $p = 0.000 \leq 0.05$ which has a statistical significance. This means perceived quality is positively related to brand loyalty that supported H3.

Table III: Correlation analysis

Brand :

Awareness
 Brand Image
 Brand

Loyalty
Perceived
Quality
Country of

origin

Brand Awareness 1.000
Brand Image 0.495** 1.000
Brand Loyalty 0.429** 0.831** 1.000
Perceived Quality 0.382** 0.798** 0.765** 1.000
Country of origin 0.212** 0.387** 0.406** 0.433** 1.000

**Correlation is significant at the 0.01 level (2-tailed).

DISCUSSION :

The results of Pearson's correlation analysis found the relationship of brand awareness, perceived quality and brand image (a set of brand association) has a positive related to brand loyalty with a statistical significance at $p < 0.05$. This outcome contributes compatible, finding as compared to Ahmed and Salah (2009) which studied customer-based brand equity with brand market performance; they found that knowledge equity (in term of awareness) and attitudinal equity (in term of perceived quality) positively affect behavioral loyalty, but opposing the result of Jungmi Oh and Susan S. Fiorito (2002) that concluded brand awareness had a negative relationship with the brand loyal customer group when purchasing jackets of Korean women's clothing. Moreover, the results are similar to the study of Arthur Cheng-Hsui Chen (2001) which found the perceived quality and brand associations influence user satisfaction, which result to brand loyalty too. The findings of this study also found the relative levels of three dimension brand equity has influenced on brand loyalty. It means that brand image (a set of brand association) was the highest correlation with brand loyalty, the second was perceived quality and the third was brand awareness. As a result of this study is consistent with the research of Xiao and Jana (2009) that studied the creation of brand equity in the Chinese clothing market found the relative level of three dimension brand equity were the first was brand association, the second was perceived quality and the third was brand awareness which has a significant positive effect on brand loyalty. Furthermore, this result accord with the research of Ravi Shekhar Kumar, (2013) that studied the nature and antecedents of brand equity and its dimensions which found the relationships between brand equity dimensions were brand association leading to perceived quality.

5. CONCLUSION

From this study, we developed a prototype to create brand loyalty in the Smartphone industry in Thailand. We concluded that brand image is the most important dimension for creating brand loyalty followed by perceived quality. The manufacturers and marketing managers should allocate marketing investments by focusing on brand image because it will strengthen brand perception. In addition, the perceived quality should also provide stronger consumer base if managers promote the country of origin through marketing campaigns. However, the manufacturers must produce their Smartphone's with better quality and make diverse strategies for creating brand image in the mind of the consumer. Thus, manufacturers and marketers should investigate brand equity dimensions in Smartphone brand and consider their dimensions for building a strong Smartphone brand in Thailand market. Further research should focus on other variables such as advertising, price and brand preference because they might have a significant impact on brand loyalty. In addition, a comparison between national and international Smartphone brands can be investigated for exploring consumer based brand equity in Thailand.

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