Impact of brand attributes on consumers purchase intention

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ABSTRACT

This study investigates the impact of brand attributes on consumer. The objective of the study were to determine whether brand loyalty, perceived quality and brand awareness will jointly and independently predict purchase intention. The study employed survey research. Primary data was used for the study and questionnaire as research instrument. The sample surveys were 550 students of Ajayi Crowther University, Oyo. The 5 hypotheses formulated for the study were tested with Pearson's regression, multiple regression and analysis of variance (ANOVA) with the aid of Statistical Package for Social Sciences (SPSS). The findings from the study showed that independent variables i.e. Brand loyalty, perceived quality and brand awareness are significant and will jointly and independently predict purchase intention. The findings indicated significant relationship between brand loyalty and purchase intention. The study also reveals that there is main and interactive effect of brand loyalty and perceived quality on purchase intention.

Introduction

Needs and wants of customers differ depending largely on the nature & needs for the product. There could be several brands of a product, but the choice of customer among these brands of the same product depend on the product quality, brand name, cost of the product, individual preferences, and age of the buyer of the product. Another factor that makes consumer prefer the consumption at the expense of other product is the satisfaction derived from the preferred product. For instance, among several brands of cola drinks, if I prefer coca cola, due to the degree of satisfaction, then in subsequent consumptions, I would always opt for coca cola. The implication of this is that my consumption of coca cola will create positive image for coca cola. Purchase intention of consumer is an individual intention to buy a specific brand after critical evaluation of influencing variables like quantity, price, and manufacturer of the product. It could be regarded as "impulse buying behaviour of a buyer or consumer". To Keller (2003), individual attitudes and unpredictable situations influence the purchase intention of a person.

Consumers normally prefer to buy reigning products or products with high brand names. This means that consumers go with "high' market for a particular product or service e.g. in the technology industry, people opt for high-tech telephone such as iPhone, iPad, etc. In fact, at the recent launching of iPhone in the USA, over 5million units were sold at the retail market. This is due to the brand equity, brand awareness and perceived quality of the product. According to Aaker (1997), brand equity is regarded as "brand value". Brand value is the value and strength of the brand that decides worth of a product. Brand equity can be determined by: measuring return to the shareholders; evaluating the brand image for various parameters that are considered significant; evaluating the brands earning potentials in the long-run; and the price premium charged by the brand over non-branded products. The several factors contributing to brand equity are perceived quality, brand awareness, brand loyalty, other proprietary brand assets and brand associations.

Inferring from above, this study aims at highlighting the factors that enhance brand loyalty and brand awareness for company's product/service, examining the relationship between brand equity and customer equity. It also examines reasons for customers' preference for a company's products.

Statement of the problem

The research work examines the impact of brand attributes on consumer purchase intention. The problems relating to consumer purchase intention are changing prices of products advancement in technology, reduction in product quality, take over and poor management strategy. When price of product goes up, there is the tendency of consumers switching to other brands of the same quality.

Thus, if an increase in the price of the old brand remains unchanged, and consumers have shifted to consumption of similar products of same quality, brand loyalty is affected negatively. In the technological industry, there is need for constant upgrading of software programmes. People desire the iPhone product in the US market because it meets the networking needs of consumers. But here in Nigeria, Omatek computers is having low consumer patronage due to low level of technology differentiation and innovativeness compared to Compaq, Dell etc. The demand for a particular product is a function of the marketing strategy in place.

Another problem is in the area product quality. Demand for a product will go down, if there is reduction in perceived product quality.

Objectives & Hypotheses

The objectives are as imbued in the hypotheses
● Brand Loyalty, perceived quality, and brand awareness will jointly and independently predict purchase

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- There will be main and interactive effect of brand awareness and perceived quality on purchase intention
- That there will be significant relationship between brand loyalty and purchase intention
- That there will be relationship between awareness and purchase intention
- That there will be significant relationship between perceived quality and purchase intention

Significance of the Study

The study shall be of significance to consumers, managers and students. Consumers consume or patronize companies, so there is need for them to understand how to develop brand loyalty for products, while looking for key quality about a product before purchase. For managers who deal with different customers from different background, most importantly in the area of marketing, the study will assist them to develop strategies for retaining consumer loyalty and improve consumer awareness to be able to induce/boost products purchase. It will help marketing managers to understand customers and penetrate them.

The study will assist students to understand reasons for brand equity, causes of consumer preferences and consumer brand switch and finally, will assist them to have insight into models of consumer behaviour.

Literature review & conceptual frame work

For a company to be successful in the market, it must enjoy brand recognition. Brand is an associated name or goodwill relating to a company. It is an attribute that distinguishes a company or its products from others. Brand establishes name, positions company/product for customer patronage, creates caliber of customers for continuous patronage. Brand plays pivotal role in distinguishing goods and services from the competitors (Murphy, 1998). Brand serves as name in every consumer's mind. Brand is composed of product, packaging, promotion, advertising, as well as its overall presentation. Brand guarantees reliability and quality of consumer products, it helps company to define the market for its product, aids effective awareness for products/services and creates a competitive edge for a product/services if it is of high quality.

Purchase intention on the other hand is an individual intention to buy a specific brand which they have chosen for themselves after certain evaluation has been made (Larches and Zholi, 1996). It is (Grannel, 2009) the desire of a person to get a present a product or brand as a result of perceived quality, brand loyalty and brand awareness. It is the extent (Keller, 2003) to which consumer can easily memorize the brand when he is buying the product. It is a reflection of consumer's capability to recall the satisfaction or marginal utility derived from a product/service. There are various products of a particular size, quality, and taste in the market. Knowledge of the attributes of a product is brand awareness. Brand equity according to Keller (2003), is the "differential effect of the brand levels such as recognition, recall, top of the mind, brand dominance and brand knowledge on consumer purchase intention of a product". Very relevant in brand equity is perceived quality (Aaker 1991) which is a customer's perception of the overall quality or superiority of a product/service.

According to Delong et. al (2004), several factors enhance brand awareness and these include perceived product quality, marketing strategy adopted by marketing managers in selling the product, price of the product, customer satisfaction, consumer perception of the product, durability of product, while service quality is judged by competence of the company providing the service, responsiveness of provider, level of professionalism of providing company and customer service department flexibility to consumers varying needs.

The concept of Brand Equity: This describes the value of having a well-known brand name, based on the premise that well known brand name can generate more money than products with a less-known name. It is one of the factors that increase the financial value of a brand. Brand equity is the positive differential effect that knowing the brand name has on customer response to the product/service (Kotler and Armstrong, 2004). It usually arise when consumers are willing to pay more to acquire the same level of quality just because of the name attached to the product (Keller, 2003).

Brand equity is also facilitated by past purchases experiences and familiarity with brand. For instance , the merger of Adidas and Reeboks in 2005 not only increased the market share so as to compete favourably with Nike, in the US Sports apparel market, but also attracted investors in the new bigger company.

Brand equity (Aaker, 1991) enhances premium pricing and reduces reliance on promotional activities.

Determinants of brand equity

Brand awareness is one of the major determinants of brand equity. It is the ability of a potential consumer to recall and recognize the brand, linking the brand with its corresponding product class (Aaker, 1991).Brand awareness can be affected by geographical location of the company, politics, increasing brand name and customer preference for the product or service, repeat exposure to brand (Keller 2003) through advertising and celebrity endorsement.

Another determinant of brand equity is perceived quality of product or service (Aaker 1991). Perceived quality of brand can help generate value by creating pivotal reason –to-buy a product, helping to differentiate a product from others, assisting to charge premium price, motivating channel members and building brand loyalty for company's product. Also influencing brand equity is brand loyalty. Brand loyalty is that in which consumer continually buy a product repeatedly overtime. Kotler (1991) says there are Hard-core loyals, split loyals, shifting loyals and switchers loyals.

To ensure brand loyalty there is need for brand association. This is the linkage between the memory and the product or service (Aaker, 1991). It can be categorized to - Attribute, Benefit and Attitude. Brand association is useful as it helps differentiate products, triggers customers to recall, encourages consumer to purchase the brand, and engenders positive feelings for a product where satisfaction derived from it is high. Brand association ensures the process of relationship which has positive emotions and cognitive benefits that can generate bond between the consumer and the brand. So we come to know that if brand fulfils the consumer's need and provide benefit to customer, then there is a strong bond between consumer and brand. This relationship gives room for product purchase intention.

Purchase intention is the willingness of customer to acquire a product. It is an anticipation to acquire a brand. It is a decision to buy a product brand after evaluating variables like quality, price, manufacturers etc. Purchase intention is influenced by brand knowledge, brand relationship, behavioural intention, country of origin and past experiences.

In summary, to improve the sales of a product and enhance the purchase intention for the product or service, there is need for brand association and brand personality. Brand association is the specific purchase between memory and the product/service, while brand personality is the human trait attached to a product.

Branding is useful in enhancing the purchase intention of customers.

Methodology

The study adopted survey design which measured two variables; independent and dependent variables. The independent variable is brand attributes which was measured by three sub-variables (brand loyalty, perceived quality and brand awareness) and the dependent variable is purchase intention.

Population and sample

The population constituted five thousand students of Ajayi Crowther University, Oyo with Faculties of Humanities, Social and Management Sciences and Natural Sciences. A sample size of five hundred and fifty was drawn for the purpose of this research work. The data was specifically primary data generated with the use of questionnaires to enable the researcher obtain accurate and adequate information. The sample was purposively selected across different faculties and departments as named above and 562 useable questionnaires were retrieved for analysis. The subjects constituted of 268 males and 294 females with age range between 15 and 34 years.

Data Analyses

The demographic information was analyzed using frequency counts and simple percentage. Hypothesis 1 was analyzed using multiple regression, while hypothesis 2, 3 and 4 were analyzed using Pearson's correlation while hypothesis 5 was tested using Analysis of Variance (ANOVA)

Instruments

The study made use of questionnaire, which was divided, into three sections. Section A measured demographic characteristics, Section B – E contained questions that were rated on a seven point Likert scale. The scale on brand attributes was an eight (8) item questionnaire adopted from scale developed by Yo and Donthu (2001). The scale comprised brand loyalty, perceived quality, and brand awareness. A seven point Likert type scale was used as response format with assigned values ranging from (1) being "Strongly disagree" to (7) being "Strongly agree". The scale had a reliability co-efficient of 0.85.The scale for purchase intention (measuring outcome belief, normative beliefs, control beliefs, difficult beliefs, and moral beliefs) was adapted based on prior work by Fishben & Ajzen (1975), being a seventeen (17) item questionnaire with Likert scoring format ranging from Strongly agree (7) to Strongly disagree (1). The scale had a reliability Cronobach alpha value of 0.85.

Data presentation and analysis

Analysis of Demographic Information

Below table shows the response of respondents based on their gender. Result reveals that out of 562 respondents, 268 (47.7%)of the respondents are male 294 (52.3%) of them are female. Based on the result, there were more female than male who responded to the questionnaire. It also shows the distribution of the respondents by age. 195 (34.7%) of the respondents fall between 15 – 19 years, 305 (54.3%) are age range of 20 – 24 years, 56 (10.0%) fall within the ages of 25 – 29 years, 6 (1.1%) are age range of 30 – 34. Based on the result, majority of the respondents' age range are between 20 – 24 years. It also shows the distribution of respondents according to their marital status. 494 (87.9%) of the respondents are single, 68 (12.1%) are married. Based on the result majority of the respondents are single. It also shows the faculty of the respondents. Results reveals that 317 (56.4%) of the respondents are in SMS faculty, 191 (34.0%) of the respondents are in FNS while 48 (8.5%) of the respondents are in Humanities Faculty. Based on the response of the respondents, majority of the respondents are in SMS faculty.

Table 1 – Descriptive Statistic of Demographics

SEX	FREQUENCY	PERCENTAGE (%)
Male	268	47.4
Female	294	52.3
Total	**562**	**100.0**
AGE	**FREQUENCY**	**PERCENTAGE (%)**
15 – 19	195	34.7
20 – 24	305	54.3
25 – 29	56	10.0
30 – 34	6	1.1
Total	**562**	**100.0**
MARITAL STATUS	**FREQUENCY**	**PERCENTAGE (%)**
Single	494	87.9
Married	68	12.1
Total	**562**	**100.0**
FACULTY	**FREQUENCY**	**PERCENTAGE (%)**
SMS	341	60.7
FNS	157	27.9
HUM	64	11.4
Total	**562**	**100**
DEPARTMENT	**FREQUENCY**	**PERCENTAGE (%)**
Business Administration	38	6.8
Banking & Finance	68	12.1
Economics	10	1.8
Mass Communication	127	22.6
Accounting	98	17.4
English	40	7.1
History	24	4.3
Computer Science	16	2.8
Bio Chemistry	5	0.9
Industrial Chemistry	48	8.5
Physics & Electronics	70	12.5
Micro Biology	6	1.1
Geology	12	2.1
Total	**562**	**100.0**

It also shows the distribution of respondents based on their department. 38 (6.8%) are from Business Administration, 68 (12.1%) from Banking and Finance, 10 (1.8%) from Economics department, 127 (22.6%) from Mass communication, 98 (17.4%) are from Accounting department 40 (7.1%) from English department, 24 (4.3%) from History, 16 (2.8%) from Computer science, 5 (0.9%) from Biochemistry, 48 (8.5%) from Industrial Chemistry, 70 (12.5%) from Physics and Electronics, while 6 (1.1%) is from Biology and lastly 12 (2.1%) from Geology. Based on the result, majority of the respondents are in Economics department.

Hypothesis Testing

In order to examine the impact of brand attributes on consumer's purchase intention, 5 hypotheses were formulated and tested.

Hypotheses 1

H_1: Brand loyalty, perceived quality, brand awareness will jointly and independently predict purchase intention.

To test the hypothesis, a multiple regression was carried out with the result shown below:

Table 2: Summary of regression showing brand loyalty, perceived quality and brand awareness on purchase intention

Variables	F-Ratio	Sig. of P	R	R^2	Adj R^2	β	T	P
Brand Loyalty	45.734	.000	.627	.393	.314	.131	3.066	.016
Perceived Quality						.161	4.471	.000
Brand Awareness						.055	2.570	.044

Source: Field Survey, 2013

Table 2 above shows the linear combination of impact of brand loyalty, perceived quality and brand awareness jointly and

independently predicting purchase intention. F = 45.734; R= .627, R^2 = .393, Adj R^2= .314; PL .05. The independent/predictor variable jointly accounted for a variation of about 39.3% in purchase intention. The following show the various industrial contributions and level of significance of independent variable: Brand loyalty (β = .131, PL. 05), Perceived quality (β = .162, PL .05 and Brand awareness (β = .055, PL .05) respectively. It can be deduced that all independent variables (brand loyalty, perceived quality and brand awareness) jointly and independently predict purchase intention.

Hypotheses 2

H_2: That there is a significant relationship between brand loyalty and purchase intention.

Table 3: Summary of Pearson's correlation showing significant relationship between Brand loyalty and Purchase intention

Variables	Mean	Std. Dev	N	R	P	Remarks
Purchase intention	3.92639	.878821	562	.301	.074	Not sig.
Brand loyalty	5.486	1.5140				

Source: Field Survey, 2013.

It is shown in the table 3 above that there is no significant relationship between brand loyalty and purchase intention (r = .301, N = 562, PL .05). Hence it can be deduced that brand loyalty did not influence purchase intention according to the study.

Hypotheses 3

H3: That there is a significant relationship between perceived quality and purchase intention.

Table 4: Showing the significant relationship between perceived quality and purchase intention.

Variables	Mean	Std. Dev	N	R	P	Remarks
Purchase intention	3.92639	.878821	562	.301	.074	Sig.
Perceived quality	5.5160	1.33902				

** Sig at .01 Level

Above table shows that there is no significant relationship between perceived quality and purchase intention (r = .240**, N = 562, PL .05). Hence, it could be deduced that perceived quality influences purchase intention according to the study.

Hypothesis 4

H4: That there is a significant relationship between brand awareness and purchase intention.

Table 5: Showing the significant relationship between Brand awareness and Purchase intention.

Variable	Mean	Std. Dev	N	R	P	Remark
Purchase intention	3.92639	.878821	562	.208**	.040	Sig.
Brand awareness	5.5169	1.33951				

** Sig at .01 Level

Above table shows that there is no significant relationship between Brand awareness and Purchase intention (r = .208**, N = 562, PL .05). Hence, it could be deduced that Brand awareness influences Purchase intention according to the study.

Hypothesis 5

H5: That there is a main and interactive effect of brand loyalty and perceived quality on purchase intention.

Table 6: Summary of Analysis of Variance showing main and interactive Effect of Brand Loyalty on Purchase intention

Variables	F-Ratio	Sig. of P	R	R^2	Adj R^2	β	T	P
Brand Loyalty Perceived Quality	15.490	.000	.579	.335	.331	.363 .564	4.996 4.371	.001 .000

Above table shows the result of the analysis of the main and interactive effect of brand loyalty and perceived quality on purchase intention. The analysis reveal that both loyalty and Perceived quality have a positive effect on purchase intention. Brand loyalty (β = .363, t = 4.996, PL 0.05), Perceived quality (β = 0.564, t= 4.371, PL 0.05). With these, it can be concluded that there will be main and interactive effect of brand loyalty and perceived quality on purchase intention.

Conclusion

Having examined the implications of brand attributes on consumer purchase intention, management of companies should build close relationship with customers; ensure that there is high perceived product quality for its products.

The importance of brand image, awareness and brand loyalty cannot be over emphasized; companies should boost their brand attributes to boost consumer purchase intention. We can arrive at safe conclusion that branding of goods has great influence on consumer purchase intention as it assist consumers to identify specific product which in turn facilitate the purchase of product to satisfy their individual needs.

Recommendations

Based on the findings; the following are recommended:-
- Management should set good standard for product quality to boost customer taste.
- Standard brand quality should be built into product of firms.
- Branding should be so designed in such a way that it distinguishes company's product from competing products.
- Companies should often carry out such promotional activities like samples and discount to enhance customer loyalty.
- There should be brand awareness.
- There is need for effective marketing strategy to enhance customer purchase intention.

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