

## THE IMPACT OF BRAND EQUITY ON CONSUMER PURCHASE DECISION OF CELL PHONES

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**ABSTRACT:** *This research paper investigates the impact of brand equity on consumer purchase decision of cell phones. The research has highlighted the gaps found in many marketing efforts of cellular companies while presenting their market offerings to the target market. The research paper starts off by explaining what brand equity is, how it is built and then how it slowly and gradually ends up producing loyal and in-synched consumers, who will not switch to any other brand no matter what, simply because for them the brand has become their companion, which not only satisfies their needs but also helps them complete themselves. Therefore, it will assist the marketers to know such consumer insights and opinions of their target market, what they want and need and from a mobile brand, all these gaps have been identified in this study and it helps in setting out a strategic plan which will be very valuable for marketing professionals who want to increase the market share of their brand, because like Kevin Keller said that no matter what kind of the brand it is at any point of time it can become susceptible and vulnerable to poor brand management. In this study, Brand Equity is further divided into four elements, namely; Brand Association, Brand Awareness, Brand Quality and Brand Loyalty and thus how the combined role of all 4 elements influences and molds the purchase decision of consumers. A scientific review of literature has been done and questionnaires were distributed for data collection and Likert scale was designed to ask respondents about their insights and opinions and they were asked to rate them on a five point scale between strongly agree and strongly disagree. A sample size of 300 respondents has been chosen. The method of sampling selected is Simple Random Sampling, to test the data Correlation and Regression analysis has been done with the help of SPSS. The research paper takes into account 5 major players of cell phone brands in our country; Samsung, iPhone, HTC, Nokia and Q mobile. Brand savvy consumers have been surveyed only belonging to middle – middle, upper middle and upper class, covering limited area of Karachi and Lahore. The results found were that all the four variables strongly have an impact on consumer purchase decision of cell phones, the most significant being brand loyalty and brand association just by a slight difference. We can thus conclude that when consumers are attached and loyal towards a brand they are likely to do repeat purchases and this only happens when the relationship between the brand and the user is very in depth and has an emotional connection with the mobile brand. For this reason it has become very crucial for marketers that not only should they highlight the features and functional capabilities of the mobile while presenting their brands to their target market but also define what meaning the brands stands for and how it affects the relationship with the consumers. In short, a step by step process should be taken from defining who the brand is (brand awareness), to highlighting its points of differentiation and user profile (brand performance and brand association) by taking both the functional route (brand quality) and emotional route (brand feelings) so that the consumers can evaluate it positively and form a bond that will result in everlasting and unbreakable bond (brand loyalty) that moulds and influences their purchase decision.*

**KEYWORDS:** Impact, Brand Equity, Consumer Purchase, Decision, Cell Phones

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## INTRODUCTION

### Research Background

“In present developing and modern world, consumerism has become significant and has dominated every aspect of life. Everyone in the society follows a capitalist culture and human values have changed drastically. It’s been said. You are known by what you have, not by what you are.” (Nilson, 2008)

This notion naturally fits everyone in the society because we all want to have a unique place here, by possessing things which will help us to stand out and speak volumes of our personality, by telling who we are or who we want to be?

Keeping this view in mind, “In today’s materialistic world, brands play a pivotal role in our lives. They are not just mere symbols of the company or the product anymore; they now define a person’s personality, his lifestyle, his social and economic background and what does that person value the most? Because of these questions, consumers have a deeper connection with brands they buy and use.” (Hasan, 2008)

It’s not just functionality and usage anymore, it’s more than that; it’s a deep, everlasting and unbreakable bond and relationship, that is created between the brand and customer.

Brands like mentioned before helps define a customer, its social status and way of living. When a person is purchasing or making a decision which brand to buy and which not a lot of factors come into play.

This can be seen when a consumer is purchasing a cell phone as well. When a consumer is buying a cell phone, he or she has many alternatives present. All offering almost same features and benefits but there are many underlying reasons present which makes the consumer, purchase one brand over the other and in many cases even pay a premium for it if necessary. (Terence Shimp, 2013)

Human mind is very complex and “the purchase behavior is a process, where consumer tries to fulfill a desire by buying and choosing a brand,” (Reighley, 2010) which will help him or her quench and satisfy his or her need.

In recent decades, mobile phone has developed its market from nothing, zero to be specific, towards ever increasing market share. A lot of cell phone companies are trying to get greater market share along with intense and longer lasting customer loyalty. (Thunman, 2012)

For this reason, one of the main goals of the cell phone companies these days is to create an unbreakable, indestructible and strong favored bond with their consumers, which result into many fruitful outcomes such as less vulnerability to competitions, larger margins and most importantly opportunity to extend themselves as well. To outwit these problems and pressures from their competitors and everchanging dynamics of the environment, marketer these days are extensively focusing on the impact of brand equity.

Kevin Lane Keller's stated that no matter what kind of the brand it is at any point of time it can become susceptible and vulnerable to poor brand management. (Keller, Strategic Brand Management, 2009)

Gone are the days, when cell phones were bought only to make a call, nowadays, cell phones have taken a very important and unique place in the hearts of the consumers; especially observed in generation Y. The type of cell phone used represents the idea and believes of its end users. It gives others the style statement of the person using it.

As Professor Rob Mackenzie also claims; "Smartphone has revolutionized the way we do thing, the role Smartphone play in today's society is phenomenal. Today's Smartphone is taking the role of computer, making it possible to do a lot with this small hand-held device. It has a broad use such as sharing information, paying for products, browsing, and shopping. Virtually every activity today has a Smartphone application for it". (Mackenzie, 2008)

Nowadays consumers have become very digital, their house is virtual and they are very much prone to changes taking place in technology and their surroundings.

"Digitization and internet have made consumers very smart and tech savvy. They just don't buy products, they buy brands, which highlights not only the need of presence of high quality and other advanced functional attributes in products like cell phones but also the hedonic needs are met, derived from the famous concept of hedonism that preaches consumers who dwell and search for pleasure." (Shenga, 2012)

It won't be wrong to say if a consumer is spotted buying a cell phone that proves to pleasure him or her, either getting the desired attention from others around him or her, or simply by satisfying one own self to someone he or she idolizes or inspires and wants to become.

As mentioned in the above paragraphs, cell phones are now also a symbol of social status. Consumers buy such brands that will deflect their social class, their income class in which they belong, their personal lifestyles, interests and hobbies etc. Interesting to know, all these hidden messages reflected by a hand held pocket device.

It also won't be wrong to say that consumers now a days have become smarter, they want their needs and demands to be heard and met.

The fast and rapid emergence and acceptance of cell phones and inventions like tablets have drastically changed the way people live their lives and how they choose and select among different brands to make a purchase decision. (L.E.K, 2012)

Not only that, technology and digitalization has given them the power to be heard, to be vocal, to put an impression and as newer technologies are coming, consumers have become very *mobile* , with inventions like tablets, ipods and most importantly mobile phones, which itself incorporates almost all the features and attributes of tablets, notes and ipods combined. To them everything is just a click away; they have become more connected to people all over the world.

Fairwinds Partners states in its edition Mobile Web that mobiles have far more functional features that once pioneered it, with the increasing demand from the consumers, mobile phone brands are

now working hard to make new way and methods that can fulfill and satisfy their customers and present them something that lets them connected and speak volumes about themselves and their lives by now just speaking explicitly but through other implicit means too. (Garcia, 2013)

Meaning, a mobile does almost everything for them, from waking up in the morning, to reminding the consumer of some meeting or anniversary, to buying food, shopping for gifts from mobile phones to paying bills from it, from capturing memory to staying connected on social forums, so much so it acts as a diary for them as well, where consumers write their deepest desires and secrets. Everything is just a few clicks away in this simple pocket size invention. Without mobile phones they simply cannot function and not any mobile phone, here comes the phenomenon of brand equity, which explains the deep- rooted relationship. Some consumers buy out of necessity or maybe it's the only brand that is present in the product category, some buy specifically out of love, loyalty, active engagement, social approval, perceived quality and what not.

Mobile phones have become their companion, their buddy which not only understands them but meets their needs as well. For this reason, companies have long dropped the idea of hammering only the functional attributes of mobiles phones in advertisements and other marketing campaigns but they balance it up with emotional appeal too, so consumers could feel a connection and form an association with the brand.

For example, Samsung Galaxy SIII, *designed for humans*, the advertisement beautifully showcased the relationship of a father and a son and how he teaches his son the new features of the mobile.

Mobile phones have become the device of choice, everyone wants it for its convenience and personal advantages, "it has also cannibalized the usage of landlines and personal computers because now consumers can easily do everything on one single device and that is a cell phone". (Shenga, 2012)

Because of this reason there is a growing need for smart phones and androids. And looking at the potential of such a market, a lot of players have also entered in to the market, offering look alike, cheap phones that give the same features as compared to those branded cell phones but they are still struggling because they lack loyalty and the emotional bond that has been built by other major players in the market.

Which is why this research is done, to study what are the underlying reasons that hidden, are implicit and not explicitly stated that results in such a strong influence and impact on the consumers that they willfully buy a certain brand over others, even where there is a little differentiation in the functional attributes.

## Research Question

What is the influence of brand equity on consumer purchase decision of cell phones?

## The Problem Statement

To find out what is the impact of brand equity on consumer buying decision, when it comes to buying cell phones.

## **Objectives of the Study**

To figure out the impact of brand equity on consumer purchase decision of cell phones, following objectives were set:

- To understand that whether mobile brands help define a person or not.
- To find out till what extent brand awareness and knowledge regarding brands, influence the buying decision.
- To what extent quality of brands plays a role in buying a brand.
- To see how much in synched and loyal consumers are with their mobile brands.

## **Significance of the Study**

To investigate the impact and influence of brand equity on consumer purchase decision while buying cell phones. The result and findings of this research will be very valuable for marketing professionals who want to increase the market share of their brand, especially talking about the cell phone companies, as it will underlie and highlight the consumer insights and perceptions that are molded by the influence played by brand equity in their purchase decision of cell phones. Marketing professionals will be then able to understand and cater their offerings for their target audience accordingly that will result in fruitful outcomes.

## **Justification of the Study**

This study highlights and tries to fill the gaps found in marketing efforts of marketing professionals while presenting their offerings to their target market. It displays the hindrance that is caused by not stressing importance of brand equity and how it works and influences the perception of the consumers in such an extent that they become loyal, in- synched, engaged and brand ambassadors of the brand they like and love and spread desirable word of mouth related to the brand.

In today's tough and fierce competition every company wants to stand out from the crowd for that having a competitive advantage is crucial but it is also clearly evident that companies easily acquire and copy the same features of other companies, making it really hard to sustain and maintain that competitive advantage, which is why companies need loyal consumers who are deeply engaged and in love with the brand which will help them become indifferent to other offerings, offered by the rivalry companies.

This can be only achieved if marketers understand the concept of brand equity, how it is built and then how slowly and gradually it ends in loyal and in-synched consumers, who will not switch to any other brand no matter what, simply because for them the brand has become their companion, which helps them, complete themselves.

Marketers need to know the insights and opinions of their target market, what they want and need and to them certain brand holds what image their minds, all these gaps have been identified in this study and it helps in setting out a strategic plan which will result in those marketing efforts that are desired by consumers and that will change their behaviors.

## Scope of the Study

- Samsung Galaxy, iPhone, HTC, Nokia and Q mobile have been selected only.
- Consumer behavior is a vast subject, but in this study only consumer purchase decision has been studied.
- When talk about the impact of brand equity, only following concepts were covered :
  - Brand Associations
  - Brand Awareness
  - Brand Quality
  - Brand Loyalty

## Limitation of the Study

- Limited areas of Karachi and Lahore were covered mainly.
- Middle – middle, upper middle and upperclass consumers were studied.

## Basic Assumptions of the Study

- Consumers buy those brands of cell phones which helps them set their ideal image in front of other people.
- Consumers buy those brands of cell phones related to which they have knowledge about.
- Consumers willingly buy that brand if its performance is very good.
- Consumers are loyal to brands and buy only that brand of cell phone that they love.

## Key Terms

- BRAND EQUITY
- CONSUMER PURCHASE DECISION
- CELL PHONES

## REVIEW OF RELATED LITRATURE

### Introduction

#### Brand

*“A brand is a name, term, sign, symbol or design or combination of them, intended to identify the goods and service of one seller or group of sellers and to differentiate them from those of competition”*

(Keller, Strategic Brand Management, 2009)



From the above definition we can establish this that a brand helps a company to distinguish its offering from others. Which in today's aggressive and competitive market has become very crucial; to be able to stand out from the crowd. It identifies not only the company but also the customers as well.

It can also be defined as "brand as a name that influences buyers". (Kapferer, 2004) which then makes it easy to see how certain brand names have such a huge impact on the consumers that they are able to influence and mold consumer purchase decision.

On the other hand, it has been said that a brand also incorporates the emotional side, meaning all the experiences that a customer faces while using the company's and its product or service. (Hammond, 2008)

Therefore, a Brand is not only a combination of name, logo, symbol and design; it's also an experience and a promise to the customers.

Brand represents customers' opinions and perceptions and a strong brand always remains on the tip of the customers mind. Some brands have high degree of awareness and customers easily purchase them on the basis of their perceived quality and credibility and some have little to none awareness, which is also cited in Consumer behavior book as well. (Wayne D. Hoyer, 2011)

Another way of looking at how brands work is that once they establish customer based brand equity they can also charge a premium price for their offerings.

(Terence Shimp, 2013)

Which tells us that many customers are brand loyal, they purchase and choose one brand over other brands simply out of loyalty.

Looking at the history of brand, it was used by the owners of livestock to identify their cattle or any animals and they derived it from the word brandr which simply means to burn. (Wiley, 1992)

So in a nutshell we can sum it up, brand is different from a product. Basically a product is made by the company and a brand is made by the consumers, through their expectations, perception and experiences with it. A brand is a product of small gestures.

Through effective branding a brand touches a consumer on a deeper level, it connects with them emotionally. Because of getting involved with the consumer on higher level, products can be replaced but whereas brands are unique.

Another difference between a product and a brand is that products become obsolete, but brands are timeless. For instance cassettes got obsolete but the brand, Elvis Presley didn't, and people still listen to it but not through the mode of cassettes but through different mediums.

Also, products become meaningful at instant, when consumers use it and benefit themselves through its functional advantages, but on the other hand in the case of brands, it becomes meaningful over time, with experience consumers get to learn that a certain brand is preferable over other, because of many underlying benefits which make up a brand.

As mentioned before brand doesn't just involve logos, taglines and the like it includes the whole experience, a complete package given by the company and perceived by the consumers.

Each and every brand has a different value in the minds of the customers. Some are very dear to the consumers because they all hold a very unique place in their hearts and they become very loyal to such brands and can't replace them with any other, sometimes it even becomes impossible to function without them. Consumers evaluate a brand on how much they know about it, how much credible they think the brand is and what others have to say about the brand as well. Another way consumers evaluate a brand is based on the perceived quality regarding the brand and what association are formed regarding a brand, what the brand speaks about itself and the user.

Such factors can be better understood by understanding brand equity and how it has an influence on the consumers.

### **Brand Equity**

When a person chooses one brand over other, even in cases where the alternative present has more features then this is simply because of the impact of brand equity. Brand equity helps us explain this phenomenon. Through brand equity you can measure how in-synced, involved and deep a consumer is with a brand. So much so that he or she is reluctant to even consider other offerings present in the same category. Brand equity explains us why a person is even willing to pay a premium for the brand he or she wants to acquire. For such consumers even waiting in lines, just to get the brand they want, will be worth it. Because of high attachment and engagement with the brand as a result of the positive impact of brand equity a deeper, stronger connection is formed between the consumer and the brand and which becomes very difficult to break.

*"Customer based brand equity can be defined as the differential effect that brand knowledge has on consumer response to the marketing of that brand."*

(Keller, Strategic Brand Management, 2009)

If we look at the above definition, the three key ingredients are "differential effect" which means the differences in the response of the customers towards a brand or its name and if no difference is recorded then it's only because the consumer perceives that brand is a commodity or a generic product. Thus for the desired impact of brand equity, consumers should have some sort of a differential effect regarding a brand whenever they hear or see it. The response towards that brand should be unique and only meant for it. Otherwise the competition will be based on tangible attribute which is price.

Second key ingredient is "brand knowledge" which means what the consumers know, think or feel about a brand through the experience they have acquired by using it. As mentioned before brands are made in the minds of the consumers and it is established as a result of their experience with the brand over time. Therefore it is very essential and crucial that the right experience is provided to the target audience as they are ultimately the ones who will decide how well a brand is or not.

The third most important key ingredient is the "consumer response to the marketing". As described above consumers' differential responses plays a vital role in defining what brand equity is and the



response of the consumers resulted from the marketing campaigns, sales promotions and advertisements reveals their perceptions, thinking styles, tastes, preferences and the like.

These entire three ingredients make up the customer based brand equity and having strong brand equity brings in various benefits for the company, which is claimed **by** (Keller, Strategic Brand Management, 2009) and are listed as follows:

- Better and more favored perception of a brand.
- Increased loyalty and attachment.
- Consumers become less elastic to price increases.
- Consumers are less likely to switch to other brands.
- Corporate can have large profit margins.
- Due to positive brand equity, a company has an opportunity to extend itself as the consumers will come for the name of the brand and will easily try something new offered by the brand they prefer and admire.
- It also serve as a bridge, providing marketers a strategic direction from their past to their future, as they will be able to properly design and implement campaigns aimed at building right consumer responses so the resultant beliefs and attitudes formed regarding the brand could brighten and expand the future opportunities for it.

But for all these advantages to occur a strong brand has to be built. The power of a strong brand is how much aware a consumer is about a certain brand and its offerings and what associations or feelings are formed whenever he or she thinks about it.

Sources of brand equity are therefore very crucial and it is divided into two components; brand awareness and brand image.

As (Keller, Strategic Brand Management, 2009) states that for customer based equity to occur there has to be high degree of brand awareness and familiarity so that consumers can create strong and favorable connections and associations in their minds regarding the brand.

Before explaining brand awareness and brand image, another concept needs to be understood first which is that of “the associative network memory model”.

*The associative network memory model views memory as consisting of a network of nodes and connecting links, in which nodes represent stored information or concepts, and links represent the strength of association between the information or concepts.*

(Keller, Strategic Brand Management, 2009)

This model helps us in understanding how consumers store and retrieve information regarding any brand in their memories.

According to (Aaker D. , 1996) brand equity has 4 main elements; which are

- Brand Awareness
- Brand Association
- Brand Quality
- Brand Loyalty

And this study will help explain the above main elements in detail as follows:

### **Brand awareness**

Brand awareness is determined by examining the strength of the brand node in the mind of a consumer, meaning how easily a consumer can recall and identify the brand in different situations and circumstances. (Keller, Strategic Brand Management, 2009)

Similarly, according to (Aaker D. , 1996) brand awareness is the capability of the customer to be able to point out and note a brand in its product category.

(Sharp, 2000) Also puts forth that brand awareness influences and impacts consumer purchase decision and helps the brand to become part of the consideration set and it high brand awareness also helps the brand to be used as a heuristic and help mould the perceived brand quality.

To understand the phenomenon of brand awareness it has been divided into two parts through which it becomes easy to evaluate how much a person is aware of the brand. That is; “brand awareness depends on consumer’s ability to **recall** and **recognize** a brand”. (Keller, Strategic Brand Management, 2009)

### **Brand recall**

Brand recall refers to the ability of the consumers to think of the brand whenever its product category is brought about or while purchasing in the given product category he or she chooses that brand.

An important implication that brand recall helps us observe that if consumers are able to make decision regarding buying a brand that too away from the point of purchase then this phenomenon is due to high degree of brand recall and thus becomes very important. (Bettman, 1979)

For example, if asked by consumer which mobile phone to purchase, he or she might come up with Samsung or Apple or any brand which remained in his or her mind and was in the top of the consideration set.

### **Brand recognition**

Brand recognition can be explained as the capacity of the consumer to verify and confirm a brand when he or she was exposed to its cue earlier. (Keller, Strategic Brand Management, 2009)

In other words the consumer's ability to identify or confirm a brand attributes and be able to recognize the brand through its logos, slogan or even colors.

For example, consumers identify Mc Donalds by its Golden Arch.

### **Advantages**

They are many benefits of creating brand awareness, some of which are mentioned below:

- The brand stays on top of the minds of the consumers. This is the first step in building customer based brand equity to get fruitful results.
- It will become part of the consideration set; the brands that make up the part of the consideration set are considered for purchase decision. (William Baker, 1986)
- It affects choices among the brands, the more a consumer is aware and informed about a product, the more at ease and comfortable he or she feels in buying that brand. (Adaval, 2003)

It has been observed that consumers have a decision rule in buying those brands which are well established and with whom they are familiar. (Roselius, 1977)

### **Establishing Brand Awareness**

Brand awareness can be created by repeated exposure to enhance familiarity. The more the consumer sees a brand, hears about it, comes across it and thinks about it through experience, its surroundings or through word of mouth the more likely he or she is able to retrieve the information regarding the brand in its memory when needed. (Keller, Strategic Brand Management, 2009)

Logos, slogans, packaging, jingles, advertisements or any marketing campaign aimed to communicate the meaning of the brand enhances the ability of the consumer to recall as well as recognize the brand by repeated exposure and adding it up with favorable and desired associations of that brand relative to its product category. (Alba, 1987)

The end result should be such that the consumers think of that brand while thinking of product category it belongs to.

### **Brand Image**

According to (Keller, Strategic Brand Management, 2009), Brand image is all about what consumer perceives about a brand, which is derived from brand associations created in the customer's memory.

Brand associations are also sometimes related to what consumer prefers among different brands.

(Aaker D. , 1996)

For example, a survey about what associations consumers formed about apple was done and some of the associations were:

(Keller, Strategic Brand Management, 2009)

- User friendly
- High tech
- Creative
- Innovative
- Apple log
- Educational
- Fun
- Ipod
- Cool

While talking about brand image of a brand, (Keller, Strategic Brand Management, 2009) suggests that the associations formed should be positive, unique, favorable and strong.

And also the above example can also help us explain that brand is composed of functional as well as symbolic beliefs and based on this notion the consumers at the end of a purchase is not only buying a just a product but the image or reputation that is connected and is derived from that specific brand which also helps to form an association, connection and identification with other users of the same brand. (Evans, 2006)

### **Strength of Brand Associations**

Strength of brand associations refers to how much a consumer thinks about a brand, relates it to the present knowledge that he or she has stored in his or her memory which then results into stronger brand associations and while talking about strength of the brand association, two factors come into play, which are **personal relevance** and **consistency**. (Keller, Strategic Brand Management, 2009)

The consumers consider the **brand attributes** and **brand benefits** relevant to their personal needs and the message communicated and delivered by the marketing campaigns about these attributes and benefits should be consistent and uniform in order to generate strong brand associations which will be hard to mould and change. (Cacioppo, 1986)

Brand benefits are the descriptive features of a brand that characterizes a brand to a product category and tells the consumers what is for and how he or she will benefit from it, if he or she uses the product. On the other hand, brand attributes are those personal meanings that consumers themselves assign to brand through their experience with the brand. (Keller, Strategic Brand Management, 2009)

Therefore we can conclude that through direct experiences, making the brand personally relevant and conveying it to the consumers consistently results in strong brand associations which are one of the sources of brand equity.

### **Favorability of Brand Associations**

Marketers also need to communicate to the consumers in such a way that the brand attributes and benefits become favorable to them and they see relevance with their lifestyles.

Such a positioning should be maintained in accordance with the competition that the consumers feel that this is the only brand which serves my needs and wants. (Trout, 1979)

But positioning goes to waste if consumers don't find it **desirable** or they don't think the company can **deliver** it.

**Desirability** depends on three factors; **relevant**, **distinctive** and **believability**. (Keller, Strategic Brand Management, 2009)

As mentioned before the consumers should perceive the brand associations relevant to their needs.

Should consider the associations different than other competitors' offerings and at the same time consumers should believe on those associations that can the company actually can deliver as it tries to communicate about its offerings.

Deliverability again depends upon three factors as proposed by (Keller, Strategic Brand Management, 2009) which are the **actual ability** of the product to perform as mentioned by its maker, how well the marketers are **communicating** to its consumers about the **performance** criteria and how **sustained** and **constant** that performance remains over a period of time.

### **Uniqueness of Brand Associations**

When talking about uniqueness of brand associations, it means **positioning** of the brand should be done in such a way that consumers find it unique and believe that there is no other product in the category that can satisfy their needs.

**Positioning** is done by the company and it refers to a different image or location in the minds of the consumers about a certain brand. Positioning refers to a **distinct competitive advantage** and it means that the company's offerings have a different and valuable place in the heart and mind of the consumers.

Positioning should be done in such a way that no other brand can easily copy or deliver it. It is basically the **unique selling proposition** that gives a consumer a valid and compelling reason to buy it. (Aaker D. A., 1982)

It should be made after careful analysis of the competitors and studying the target audience about their needs and wants and then coming up with an offering which is different from others but very much desired and relevant to the consumers.

So putting it in a nutshell, sources of brand equity are brand awareness and brand image. The more a consumer is familiar, well aware and has pleasing, positive and relevant associations in his or her memory about the brand, the stronger the brand equity is.

For low involvement products, brand awareness might be enough to form favorable and positive consumer response where their decision is solely based on familiarity but however in high involvement and personal care products which help consumers to establish and modify their personalities as well, forming unique, relevant and positive associations become crucial. (Keller, Strategic Brand Management, 2009)

These associations make every brand different from others and help them to stand out from the intense competition. As mentioned before consumers need to feel that a brand is different from others otherwise they will consider as a generic product; an unbranded one.

Therefore, to build strong customer based brand equity, brand awareness and brand image work together and both work parallel, alongside in the same direction.

To be able to better understand consumer based brand equity an outline of consumer based brand equity model is given below:

### **Consumer Based Brand Equity: The Four Steps of Brand Equity**

The customers based brand equity model involves four steps, this model is devised by (Keller, Strategic Brand Management, 2009) and he argues that each step is dependent on the other; it can be only be successful if each step successfully fulfills its objectives.

The steps are listed as follows:

1. The first step requires identification of the brand among the consumers and desired and relevant associations to be formed regarding the brand in the minds of the consumers with a specific product class or customer need. As mentioned before these are two key sources of equity.
2. The next step is to strategically and tactfully create a valuable brand meaning in the minds of the consumers either by linking tangible brand associations or intangible brand associations. Best way would be to link a host of both tangible and intangible brand associations to result in stronger brand equity.
3. Through proper communications and marketing campaigns elicit the desired customers responses and reactions that they have developed from brand identification and the meanings they have formed because of brand associations.
4. Last step is to transfer this response into an intense, involved and in-synched relation between the customers and the brand.

The above mentioned steps if presented in a question form will make it even more clear about what the customer based brand equity model is about, for this reason they are as follows:

1. When talking about brand identity. The question would be “who are you?”
2. Next question relating to the brand meaning would be “what are you?”



3. Third step revolves around the responses and reactions of the consumers so the questioned asked during this step would be, “what about the consumer?” And “what does the consumer feel about the brand”?
4. Last step involves both the brand and the consumer; basically the positive relationship that has been born. “What about you and me?” and questions like “what kind of affiliations and how much of a connections would I like to have with you?”

As mentioned before all these steps are like a “branding ladder” from brand identification to meaning to responses elicit from the consumers to relationships formed.

Thus it can be concluded that unless consumers are not aware of the brand no such meaning can be formed. With that proper and desired meanings should be formed if one wants to have favorable responses to have a strong loyal relationship.

The above steps and questions can be presented in a pyramid form as well, involving six brand building blocks.



(Vizual Net, 2012)

The left side of the customer based equity model pyramid represents a “rational route”, whereas on the other hand the building blocks on the right hand side of the pyramid represent an “emotional route”. The strongest brands and those who are successful in having strong customer based equity results from incorporating both the routes. (Keller, Strategic Brand Management, 2009)

We can take an example of Samsung SIII, in its ad it just doesn't show the tangible features and benefits of having it but it also incorporates an emotional side when a father shows his son about what the mobile can do for them. Its tagline is “designed for humans”, which makes a purely technological related product into something more than just a cell phone, it relates to its target

audience and tries to touch their emotions while introducing new features as well. It hits where it hurts.

The six blocks and their sub dimensions are explained in more detailed below:

## **Brand Salience**

Establishing the right identity is very crucial. In the first block of the pyramid the entire focus is on identification. Like mentioned above the question, “who are you?” arises in this first step, stage or block. Brand salience measures awareness of the brand (Keller, Strategic Brand Management, 2009) for instance when the brand was evoked? What was the situation or the circumstance in which the brand was recalled? What brand elements were needed to act as cues so it could become recognizable?

It is very important for a strong brand to be part of the consideration set. Brand salience measures till what extent the brand remains on top of the mind of the consumers and how influential and compelling the brand awareness is?

As the pyramid diagram says, deep and broad awareness is very much needed in this stage, because without brand awareness the next step cannot take place.

As explained before brand awareness refers to the customer’s ability to recall and recognize the brand in different circumstance and usage situations and how they link the brand name, logo, packaging and other branding elements created in the memory.

Brand salience also helps us to check that how much a consumer knows about a brand’s offerings, what it stands for, how is it different from other products competing in the same product category and the consumers find that this is the only brand that fulfill their needs by describing the basic functions of the brand.

## **Breadth and Depth of Brand Awareness**

The depth of brand awareness measures how easily a consumer links the brand with one of its elements in any situation or while thinking of that brand in its product category. Meaning a brand with greater recall ability better translates the awareness of the brand, whereas on the other hand, recognize ability of a brand only comes into play when we see the brand or its elements. While the breadth of a brand tells us in what usage situation or purchase situation the brand came in the minds of the consumers and it largely depends upon consumers’ knowledge regarding that product’s functions in their memory. (Mitchell, 2003)

So we can sum it up by saying depth comes into play when talking about category membership and breadth comes into play when consumers are encountered with a purchase decision.

## **Product Category Structure**

Consumers store information and knowledge related to any brand in a hierarchical manner, known as the **product category structure**.

Where product class information at the highest level, product category information at the second highest level, following it the product type information and at the lowest level comes the brand information. Whenever they make a decision whether to buy a product, product category structure is initiated and they make decision mostly from top to down manner. (Dekleva, 1987)

The depth of the brand awareness measures how much a brand resides in the minds of the consumers, whereas on the other hand the breadth of the brand tells in how many different situations the consumers thought of the brand. (Keller, Strategic Brand Management, 2009)

## Strategic Implications

There are many brand even leading brands who have strong depth of awareness , like they think of the brand while talking about the product category in which it belongs , but it doesn't have breadth of the awareness which is crucial that consumers think of the brand in the right times and places. (Keller, Strategic Brand Management, 2009)

So it's not enough just to measure how easily a consumer can recall a brand but it's important that to find out where and when they think of the brand.

But for some consumers only knowing what a brand is offering is not enough to drive purchase behavior or result in an unbreakable bond with the product. They need to know what the brand stands for, what is its image and meaning.

Which is why the next concept is of brand meaning, which results from forming desired, relevant and unique associations. It is made up of two things; brand performance and brand imagery. These associations can be created directly by experience when a consumer purchases the brand and uses it or through the help of advertisement and other marketing campaigns that communicate the message of what is the meaning of the brand. It is crucial that these promotional campaigns and marketing efforts to be consistent and uniform.

The second step in the customer based equity model is where marketers establish points of parity and points of differentiation, which is visible in the pyramid diagram, either by tangible aspects which is brand performance or by intangible aspects which is brand imagery.

Following two blocks of the pyramid are explained in detailed that come after brand salience.

## Brand Performance

In the end it all comes down to the product, because consumers want to fulfill a need or satisfy their desires. If that product fails to do so, it won't create favorable response from the consumer's side. Having a pleasant and delightful experience is very important to establish brand resonance where a customer gets in-synched and involved with the brand and creates an unbreakable bond with it. And for a loyal relationship to be establish marketers need to see that the product at least meets the requirements and expectations of the consumer if it can't go beyond it.

This is where brand performance comes into action. Brand performance measures till what extent the brand fulfills customers' needs or meets their requirements and expectations. It addresses consumers' **functional needs**. (Kotler P. , 2000)

Consumers rate the brand on its quality, utilitarian, aesthetic and economic needs and wants in the product category in which it competes. (Keller, Marketing Management, 2000)

One of the ways to develop a strong brand positioning is to rely heavily on the brands performance that no other competitor can deliver on the same level. (Garvin, 2000)

While talking about brand performance, five attributes and benefits are included as part of it as recommended by (Garvin, 2000) and which are mentioned and explained below:

1. Core product features and complimentary characteristics
2. Product consistency and reliability
3. Responsiveness of service and empathetic behavior
4. Aesthetic appeal
5. Price charged for the brand

**Primary ingredients** are core and basic functions of a product and customers have somewhat established a level on which they judge the primary ingredients that how well will the brand rate on these ingredients and this depends on the extent of knowledge they have about the brand. Accompanying the primary ingredients are the supplementary features which sometimes refer to customization and are more versatile but this largely depends and varies upon product category and class.

**Product Reliability** means how consistent and uniform the brand has been over time to time and purchase to purchase. The brand should be reliable and steady in delivering its offerings.

**Durability** is the expected economic life that how durable it will be over time and whether it will continue to work as it is supposed to over a certain period of time.

**Serviceability** refers to how prompt, helpful and courteous the customer relation service staff is. Consumers should feel at ease in talking to the customer relation staff related to any product performance queries. The speed and accuracy of installation process and the repair service are also the major factors of evaluating brand performance.

**Service Effectiveness** measures how well a brand is when dealing customer related queries and whether is satisfies customer's service requirements.

**Service Efficiency** measures how quick the customer service staff responds to consumers queries.

**Service Empathy** measures till what extent the service provides are caring, friendly, and polite and have customers' interest in minds.

For consumers who need to satisfy their hedonic needs, want a product to not only provide them with functional benefits but also have such look, feel and **Design** aspects that would attract them towards it. They take into account the aesthetic considerations such as size, color, texture, shape and what materials were used in making that brand.

Therefore when measuring brand performance one also needs to measure how good a brand does on the sensory aspects. Many consumers care how a product looks, feels and even at times how it smells as well.

Last denominator of brand performance is the **Price** of the brand. The price alone creates associations in the minds of the consumers, whether it is a brand for the elite or whether the brand is for mass market and consumers often associate and store information relating to a brand in terms of price in their memories. (Wisniewski, 1989)

## **Brand Imagery**

Other way a consumer interprets the meaning of a brand is through brand imagery. Brand imagery refers to the external properties of a brand and also how it meets customers' psychological and social needs. (Keller, Strategic Brand Management, 2009)

This block appears on the right side of the pyramid which takes on the emotional route in creating meaning of the brand. It focuses on abstract meanings and thinking styles of the consumers. It doesn't incorporate the tangible attributes but only the intangible aspects of the brand.

As explained by (Keller, Marketing Management, 2000) consumers form such associations directly from their own experiences, advertisements or word of mouth.

The four main intangible attributes that the consumer associates with a brand are:

1. Profiles of the end users
2. Situations where purchase occurs
3. Personality traits, important morals and norms
4. History, traditions, rituals and experiences

## **User Profiles**

Many consumers buy a product by associating it with the type of the person uses the brand. Consumers want to idealize themselves to specific personalities or characters and they use certain brands that help them achieve it.

Consumers associations in their mental image may base on the end user's descriptive demographic factors or his or her psychographic factors. (Keller, Strategic Brand Management, 2009)

Descriptive demographic factors may include:

- Gender
- Age
- Income
- Race

Psychographic factors mainly mean the lifestyle, attitudes towards life, opinion about politics or any social issue arising in the society, social status, career and possessions.

## **Purchase and Usage Situation**

Associations or image of the brand developed from the Purchase and usage situation tells consumers where and when they can buy a brand. And what time of the day, week or even year they can purchase it. It also refers to the location of the stores and outlets where the brand is made available. And what channel or different other mediums does the company uses to deliver the brand. Is the brand available on online sites or only at retail outlets tells the consumers how easy it is to purchase it. (Keller, Strategic Brand Management, 2009)

## **Personality and Values**

Brands also take on personalities like a human being. They represent a set of values as well. Like humans consumers may perceive the brand to be down to earth, cheerful, daring, spirited, reliable, intelligent, sophisticated or rugged and outdoorsy. These personality traits are formed through advertisements and/ or by endorsing celebrities that have a certain personality which might be admirable to the consumers. (Plummer, 1995) Many consumers purchase brands that they think is consistent with their own personalities and they can see similarities and resemblance with the brand and themselves. (Sirgy, 1982)

And they are consumers too who are very sensitive to what others think about them and are high self monitors of their surroundings purchase those brands which will result in desired consequences. (Aaker J. L., 1999)

## **History, Heritage and Experience**

The last intangible attribute by which consumers form an image of a brand is through past experiences or any notable and significant event that took place in the brand's history. They might evoke feeling of nostalgia and bring back pleasant memories spent with families and friends and the like. (Holt, 2004)

To sum it up, **Brand Performance** and **Brand Imagery** is formed by the above mentioned intangible aspects of a brand but in order to result in strong customer based brand equity these associations should be unique, favorable and strong.

Because if a marketer fails in creating strong, unique and favorable associations he won't be able to elicit the desired responses from the consumers which is essential to create a longer lasting relationship between the consumers and the brand.

## **Brand Judgments**

As proposed by (Keller, Strategic Brand Management, 2009) brand judgment takes on the rational route of the pyramid and it involves consumers' personal opinions and evaluations of the brand and its associations resulting from both **Brand Performance** and **Brand Imagery**. Brand judgments are derived from consumers' attitudes towards a brand. These attitudes depend upon the brands benefits and specific attributes of it.

Brand judgments are formed on 4 dimensions which are described as follows:



1. Brand quality
2. Brand credibility
3. Brand consideration
4. Brand superiority

## **Brand Quality**

How much a consumer perceives about a brand's quality, makes up the brand attitude and that results into brand judgments. (Wilkie, 1994)

So it is very necessary that companies keep the quality of the brand at par at least if not beyond it and effectively deliver to the consumers on how well its product quality is.

## **Brand Credibility**

Brand credibility means that till what extent the customers think that the company is good at what is doing, has the end users interest in minds and of course whether the offerings of the brand is desirable or not. (Keller, Strategic Brand Management, 2009)

Narrowing it down, (Keller, Marketing Management, 2000) states that brand credibility involves three dimensions, which are:

- Perceived expertise
- Trustworthiness
- Likeable

The consumers will form opinions resulting from the above mentioned dimensions that whether they perceive the brand to competent , reliable and fun or not.

## **Brand Consideration**

Although brand credibility is important but it's of no use if it doesn't compel the consumers to actually purchase the brand. (Keller, Strategic Brand Management, 2009) Therefore the brand consideration is an important denominator in evaluating judgments regarding a brand. It measures whether the brand becomes part of consumer's consideration set or not. That will only take place when the consumer will find the brand personally relevant to its needs and wants.

Brand consideration therefore highly relies on the previous stage where consumers form associations either through performance or imagery or through both.

## **Brand Superiority**

Brand superiority measures till what extent the consumer considers the brand as different and superior to others. This takes into the account of the concept of perceived quality and (Zeithamil, 1988).

Thus consumers should believe that the brand is better than the others in the same category and that it is the only brand which can satisfy his or her needs in order to create intense and involved relationships. Brand Feelings

Brand feelings occupy the right hand side of the pyramid and therefore uses an emotional route to build customer based brand equity.

They are emotional responses to the brand and its associations. (Keller, Strategic Brand Management, 2009)

No consumer is like the other consumer, everyone is different therefore different emotional reactions are evoked to the same brand associations. But mainly they're six brand – building feelings that are listed next (Lynn R. Kahle, 1988):

1. Warmth.

“Warmth is that kind of feeling which evokes soothing, peaceful, serene effects. Brands which evoke such type of feeling make consumers feel sentimental, warmhearted and affectionate towards a brand.

2. Fun.

Such type of brands elicits upbeat, joyful, playful and cheerful feelings or not.

3. Excitement.

Brands that make consumers feel excited, special and energized. They make the consumers feel that they are alive, catch touch the sky, climb the mountain and the like. They also give the feeling of being cool, trendy and sexy.

4. Security.

The brand gives consumers the feeling of being secured and protected. Consumers purchase such brand and as a result they experience safety, comfort and don't experience any uncertainty or insecurity that they might have felt if they didn't purchase that brand.

5. Social approval

Those consumers who are high self monitors of themselves and their surroundings and for whom what others say or think matters a lot, consume such brands that will result in social approve and could result in belongingness towards a group they aspire to become part of.

6. Self – respect

When consumers reach to the point where to them self actualization, admiration, accomplishment and sense of achievement matters the most, they start buying those brands which will speak volumes of all those accomplishments and achievements. Brands that basically give consumers sense of pride and self importance.”

As a result it can be concluded that it doesn't matter from where the responses evoke, let it be from head or heart, what matters the most is and in fact what marketers want to achieve is positive responses and reactions to the associations and images that derived from the previous blocks of the pyramid, in order to create a fruitful outcome.

Having positive thoughts or associations are very critical to develop a strong loyal, unbreakable bond between a consumer and the brand.

## **Brand Resonance**

The final step in building strong customer based brand equity and the final block at the pyramid which is at the top, is brand resonance. Brand resonance measures how positively a person or a consumer is in-synched with a brand. (Keller, Strategic Brand Management, 2009)

How deeply the relationship is between them, that is ever lasting and unbreakable if company plays its part well in fulfilling their brand promise.

As recommended by (Keller, Strategic Brand Management, 2009) Brand resonance can be divided into four determinants, which are explained in detail as follows:

1. Behavioral loyalty

When talking about loyalty, it is described in terms of repeat purchases and bulk of purchases. Meaning the number of times a person buys a brand and how much that consumer buys that brand in the same category in which the brand competes. Therefore two factors should be kept in mind while measuring loyalty, the frequency and volume of purchases.

2. Attitudinal attachment

For brand resonance to take place, loyalty is not sufficient, consumers should have a personal connection with the brand as well (Holbrook, 2001) and this is where attitudinal attachment comes into play. Consumers should be so much attached with the brand that for them it should mean something special, not just a mere product. They should love the brand, it should be something they can't even think or imagine to live or function without it.

3. Sense of community

Sense of community over here simply means that a brand becomes more valuable to the customers and takes a very broad meaning to what it means to them, they form communities and societies surrounding those individuals or groups of people who have the same brand and thus also reflect the same brand values. (James H. McAlexander, 2002)

The consumer should feel pride in affiliating and associating his or herself with not only with the brand, but with other users who use the same brand, the employees of that company and the like. A sense of bond and kinship should be present, specifically talking

in terms of social and community phenomenon. Powerful and strong brands not only have community offline; on the websites or social forms as well. (McWilliam, 2005)

Where consumers are able to associate with others and develop a stronger bond with the brand as a symbol of affiliation.

#### 4. Active engagement

This is by far the most strongest affirmation to brand resonance, when a consumer becomes actively engaged in a brand, he or she becomes the brand ambassadors and starts spreading to others about its advantages and benefits. The consumer at this stage follows the brand, gives extra time to news updates regarding the brand they love and devote time and energy in learning and knowing more about the brand's new offerings. (Keller, Strategic Brand Management, 2009)

In a nutshell, we can thus conclude that brand resonance is the ultimate step and as a matter of fact the ultimate fruitful outcome of all the previous steps taken to establish customer based brand equity.

It has two dimensions basically; intensity and activity. Intensity of the relationship is measured through attachment and community and activity is measured through loyalty and engagement.

### **Consumer Purchase Decision**

Purchase decision is a part of consumer buying process, before explaining purchase decision, an understanding of the consumer buying process is crucial.

### **Consumer Buying Process**

Whenever a consumer buys something or makes a decision of buying a product, he or she goes through a process, which is called the consumer buying process. (Peter, 2009)

According to (Peter, 2009) consumer buying process is divided into six stages, which also includes the focus of our study that is the purchase decision, but it has a few prior stages as well which are described below in detail:

#### **Problem Recognition**

Problem recognition also sometimes called awareness of need is the first stage of consumer buying process.

In this stage, the consumer realizes or feels that he or she has a gap to fill that is between their desired state and actual state. (Hawkins, Mothersbaugh, & Best, 2012)

They feel the need to get to their desired condition and want to satisfy their need from acquiring something that will help them to make it possible.

## **Information Search**

In this stage the consumers start looking for solutions and answers to fulfill their needs. They start to search for ways and methods that will help them satisfy and quench their desires. They either do an internal search that is recall whatever is stored in their memory (Hawkins, Mothersbaugh, & Best, 2012) or do an external search that is ask friends, family or search on the internet and see what will suit them the most.

## **Alternative Evaluation**

In alternative evaluation after completing the second stage that is information search, consumers now have a set of alternatives or different brands present in front of them from which they will decide on which alternative or brand best solves their problem. (McCall, 2002)

## **Purchase Decision**

Purchase decision also referred as buying value, in this stage consumers decide on from whom to buy, where to buy the brand or product from or simple whether not to buy the product or brand in the first place. (Reighley, 2010)

This stage often depends on return policy, past experience, time pressure, terms of sale, or affected by situational factors such as loyalty to the brand, personality association, motivation and the like. (Kotler, 2005)

## **Post Purchase Behavior**

In this stage, consumer evaluates whether he or she made the right decision or not. Are they satisfied with the brand or dissatisfied? At this stage cognitive dissonance occurs, which makes the consumers ask whether they made the right decision or not? And they try to minimize it by justifying their acts through different ways and methods. (Reighley, 2010)

## **Research Gap Filled By This Study**

To investigate the impact and influence of brand equity on consumer purchase decision while buying cell phones. The result and findings of this research will be very valuable for marketing professionals who want to increase the market share of their brand, especially talking about the cell phone companies, as it will underlie and highlight the consumer insights and perceptions that are molded by the influence played by brand equity in their purchase decision of cell phones. Marketing professionals will be then able to understand and cater their offerings for their target audience accordingly that will result in fruitful outcomes.

This study highlights and tries to fill the gaps found in marketing efforts of marketing professionals while presenting their offerings to their target market. It displays the hindrance that is caused by not stressing importance of brand equity and how it works and influences the perception of the consumers in such an extent that they become loyal, in- synched, engaged and brand ambassadors of the brand they like and love and spread desirable word of mouth related to the brand.

In today's tough and fierce competition every company wants to stand out from the crowd for that having a competitive advantage is crucial but it is also clearly evident that companies easily acquire and copy the same features of other companies, making it really hard to sustain and maintain that competitive advantage, which is why companies need loyal consumers who are deeply engaged and in love with the brand which will help them become indifferent to other offerings, offered by the rivalry companies.

This can be only achieved if marketers understand the concept of brand equity, how it is built and then how slowly and gradually it ends in loyal and in-synced consumers, who will not switch to any other brand no matter what, simply because for them the brand has become their companion, which helps them, complete themselves.

Marketers need to know the insights and opinions of their target market, what they want and need and to them certain brand holds what image their minds, all these gaps have been identified in this study and it helps in setting out a strategic plan which will result in those marketing efforts that are desired by consumers and that will change their behaviors.

### **Area for further research**

The research would be conducted in a limited period of time which is why a large sample of population will not be able to achieved, also the research restricts to a few dimensions of brand equity and other stages of consumer purchase behavior is not studied, the influence of problem recognition, information search, evaluation of alternatives should also be brought into consideration.

## **RESEARCH METHODOLOGY**

### **Research Design**

#### **Research Philosophy**

The research philosophy is positivism. And according to a positivist perspective the study has been undertaken with a belief that science proceeds through a process of hypothetico- deductive, in which hypothesis are formulated which are then deduced through observation and analysis whether they hold to be true or false. Concepts are operationalized, so they could be measured quantitatively, and with reductionism, in which, area of problem is reduced into simplest element in order to better study the relationship. This way the research has been made more useful and the results are more generalized.

#### **Research Approach**

Being descriptive in nature, the research approach used in this study is quantitative, involving use of structured questionnaires in which response options have been predetermined. (Bougie, 2010) This way the variables being involved in this study were analyzed statistically.



## **Research Strategy**

Research strategy includes some step by step plan which is mentioned as follows:

1. Background study of the problem
2. Highlighting gaps in the previous researches that will be fulfilled in this study
3. Formulating of hypothesis
4. Preparation of a questionnaire
5. Distribution of it among respondents
6. Coding and then decoding it in bars, tables etc
7. Analysis of the gained results
8. Evaluation of the results, their validity and reliability
9. Discussion of the gained results
10. Conclusion
11. Recommendations

## **Research Time Horizon**

The data was gathered just once, over a period of a few weeks in order to find the solution to the research problem, which is why this study is one-shot or cross- sectional in nature.

## **Research Technique**

Research technique used in this study was scientific. Research type is called basic, fundamental or pure, where the results gained will add more knowledge to the existing knowledge structure.

There are series of steps linked to such a technique, which are as follows:

1. Identification of a problem area
2. Establishing a problem statement
3. Hypotheses development
4. Operationalize variables
5. Development of Conceptual framework
6. Gathering of data
7. Testing the data
8. Analysis of the data
9. Interpretation of the data
10. Conclusion

## **Research Structure**

### **Statement of the Problem**

To find out what is the impact of brand equity on consumer buying decision, when it comes to buying cell phones.

## Research Question

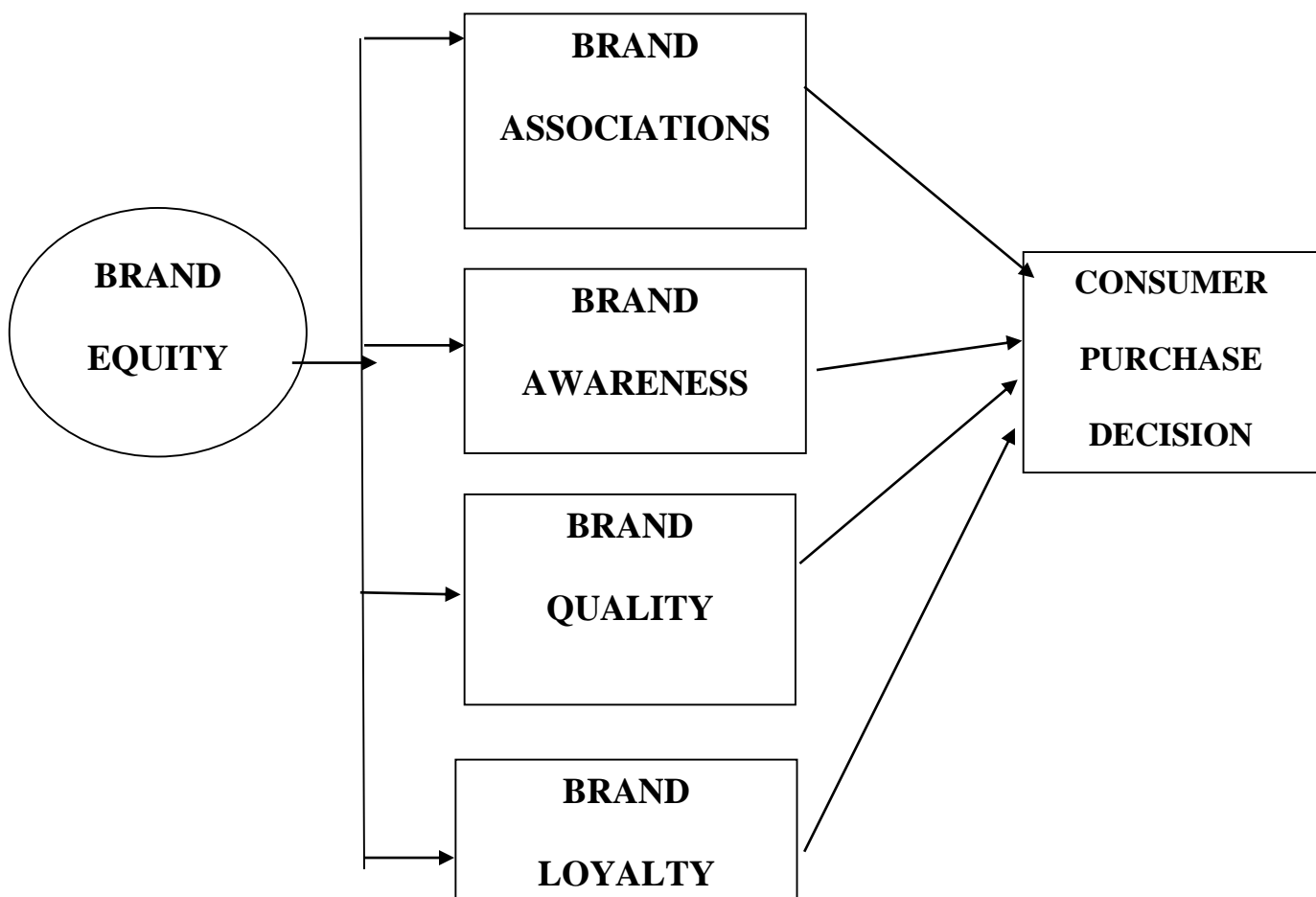
Does brand equity have an impact on consumer purchase decision of cell phones?

## Research Objectives

To figure out the impact of brand equity on consumer purchase decision of cell phones, following objectives were set:

- To understand that whether mobile brands help define a person or not.
- To find out till what extent brand awareness and knowledge regarding brands, influence the buying decision.
- To what extent quality of brands plays a role in buying a brand.
- To see how much in synched and loyal consumers are with their mobile brands.

## Conceptual Framework



The conceptual framework has been taken from (Ponbamrungwong, 2009) and the impact of brand equity on consumer purchase decision is shown. Where brand equity is further divided into 4 parts, which are; brand associations, brand awareness, brand loyalty and perceived quality of the brand. All the variables are independent and they influence and have an impact on the dependent variable which is the consumer purchase decision. Consumer purchase decision is highly dependent on what the consumer perceives about the quality of the brand, how much aware and similar the brand is to the consumer, is the consumer loyal to it or not? And what associations the consumer creates about the brand that pushes him or her to buy the brand.

### **Research Variables**

- Brand Awareness - Independent Variable
- Brand Association - Independent Variable
- Brand Loyalty - Independent Variable
- Quality Of The Brand - Independent Variable
- Consumer Purchase Decision - Dependent Variable

### **Scale for Measurement of Variables**

- Brand Awareness – Likert Scale
- Brand Association - Likert Scale
- Brand Loyalty - Likert Scale
- Perceived Quality Of The Brand - Likert Scale
- Consumer Purchase Decision - Likert Scale

### **Hypothesis**

- **H1:** There is a significant relationship between brand association and consumer purchase decision.
- **H0:** There is no relationship between brand association and consumer purchase decision.
- **H2:** There is a significant relationship between brand awareness and consumer purchase decision.
- **H0:** There is no relationship between brand awareness and consumer purchase decision.

- **H3:** There is a significant relationship between quality of brand and consumer purchase decision.
- H0: There is no relationship between quality of brand and consumer purchase decision.
- **H4:** There is a positive relationship between brand loyalty and consumer purchase decision.
- H0: There is no relationship between brand loyalty and consumer purchase decision.

## Research Tools and Techniques

### Justification for Selected Tools and Techniques

Quantitative approach has been used in which questionnaires were distributed to add more information to the existing body of knowledge and in order to remove the gaps that are creating problems for marketers in order to sell their brands to their prospective customers. This technique ensured generalization and reliability.

### Population and Target Population

The population was of Karachi and Lahore, target population being only the savvy customers, to whom brands play a pivotal role in their lives and they are well aware of the brands present in the market, belonging to middle- middle, upper middle and upper class. Both males and females were surveyed, starting age from 18 years till 50 years.

### Sample Size

Sample size equaled to 300 respondents.

### Method of Sampling Selected

The method of sampling selected was Convenience Sampling.

## DATA PRESENTATION, INTERPRETATION AND ANALYSIS

### Frequencies

#### Gender table and graph

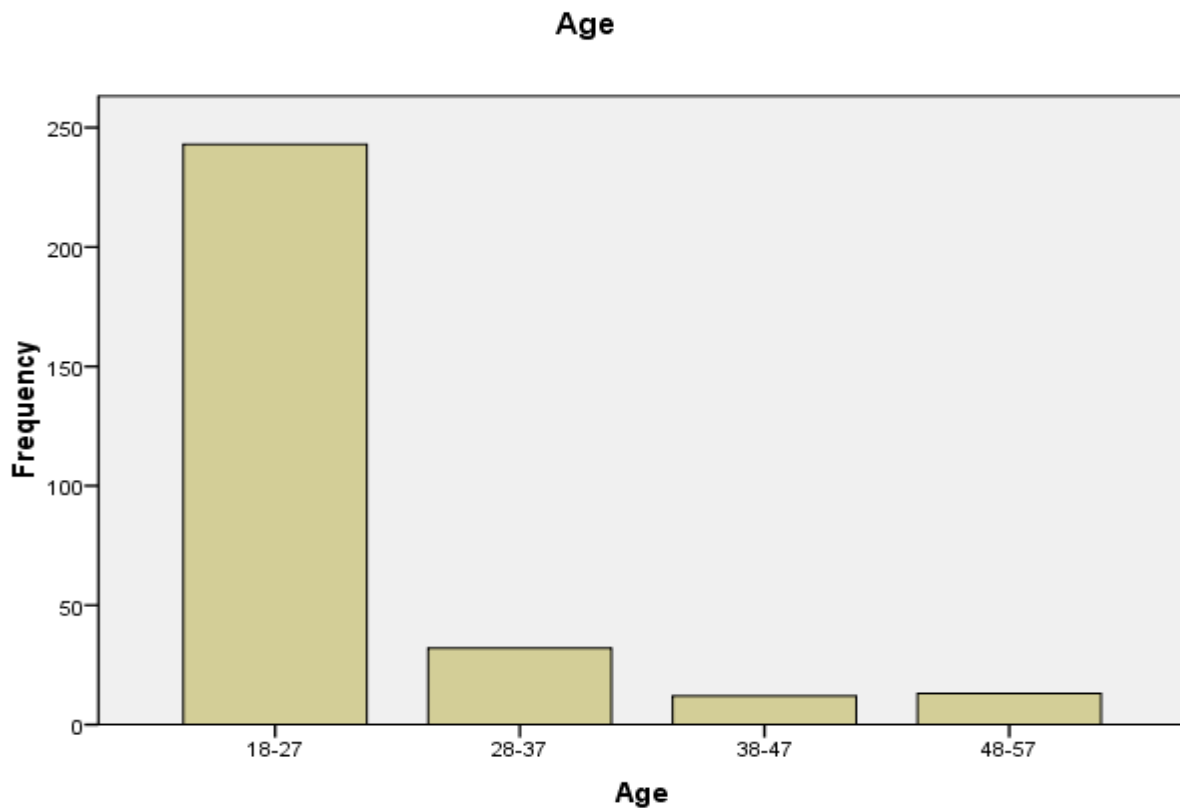
Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	190	63.3	63.3	63.3
	female	110	36.7	36.7	100.0
	Total	300	100.0	100.0	



The majority of the respondents are male. The graph and the frequency table show that 63.3% of the respondents are male and the rest 36.7% are female.

### Age table and graph

Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-27	243	81.0	81.0	81.0
	28-37	32	10.7	10.7	91.7
	38-47	12	4.0	4.0	95.7
	48-57	13	4.3	4.3	100.0
	Total	300	100.0	100.0	



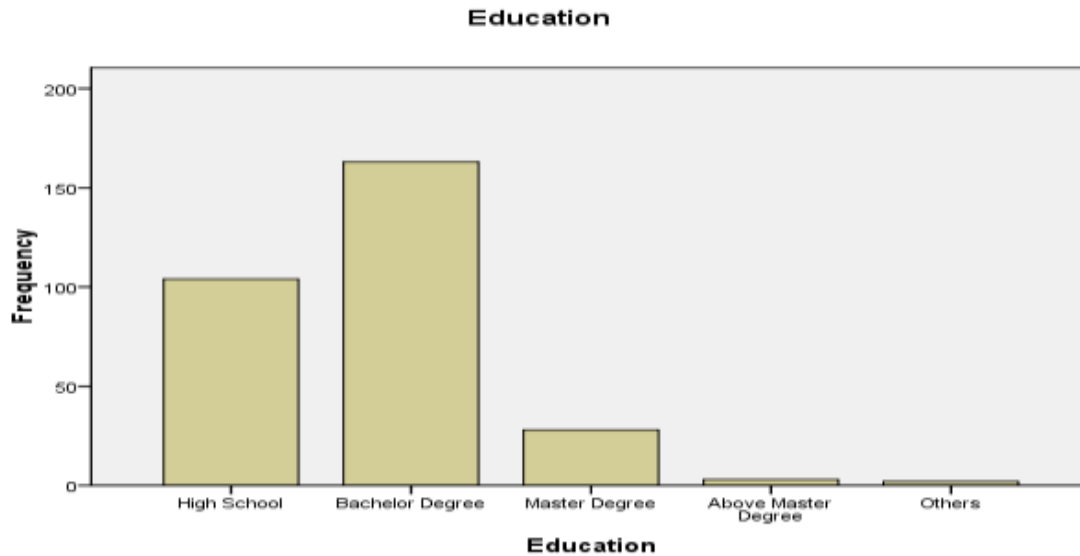
The graph and frequency table shows that about 81% of the respondents were between 18 to 27 years old, 10.7% of the respondents were between 28 to 37 years old, 4% of the respondents were aged between 38 to 47 years and the rest of 4.3% were aged between 48 to 57 years.

### Education table and graph

**Education**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid High School	104	34.7	34.7	34.7
Bachelor Degree	163	54.3	54.3	89.0
Master Degree	28	9.3	9.3	98.3
Above Master Degree	3	1.0	1.0	99.3
Others	2	.7	.7	100.0
Total	300	100.0	100.0	



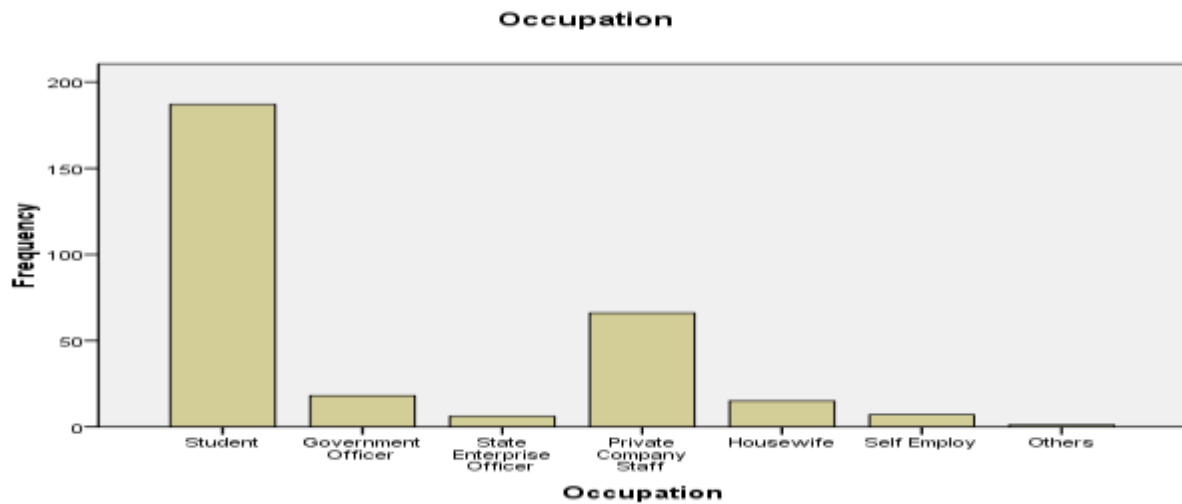


Majority of the respondents' education background was of bachelor's degree, amounting to 54.3%, 34.7% of the respondents belonged to high school, 9.3% of the respondents' education background was of Master Degree, only 1% of the respondents' education background was more than Master Degree and the rest 0.7% belonged to the other category.

#### Occupation table and graph

#### Occupation

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Student	187	62.3	62.3	62.3
Government Officer	18	6.0	6.0	68.3
State Enterprise Officer	6	2.0	2.0	70.3
Private Company Staff	66	22.0	22.0	92.3
Housewife	15	5.0	5.0	97.3
Self Employ	7	2.3	2.3	99.7
Others	1	.3	.3	100.0
Total	300	100.0	100.0	

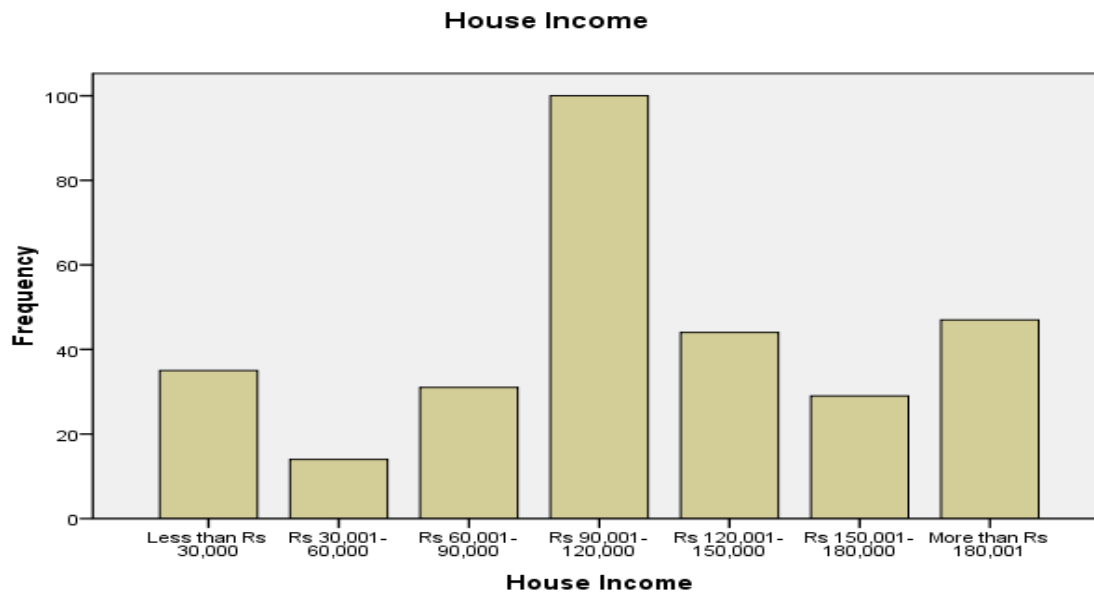


62.2% of the respondents were students, 22% company staff, 6% being government staff, 5% being housewives, 2.3% of them were self employed and the rest 0.3% came under the other category.

### House Income Table and Graph

**House Income**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than Rs 30,000	35	11.7	11.7	11.7
Rs 30,001-60,000	14	4.7	4.7	16.3
Rs 60,001-90,000	31	10.3	10.3	26.7
Rs 90,001-120,000	100	33.3	33.3	60.0
Rs 120,001-150,000	44	14.7	14.7	74.7
Rs 150,001-180,000	29	9.7	9.7	84.3
More than Rs 180,001	47	15.7	15.7	100.0
Total	300	100.0	100.0	

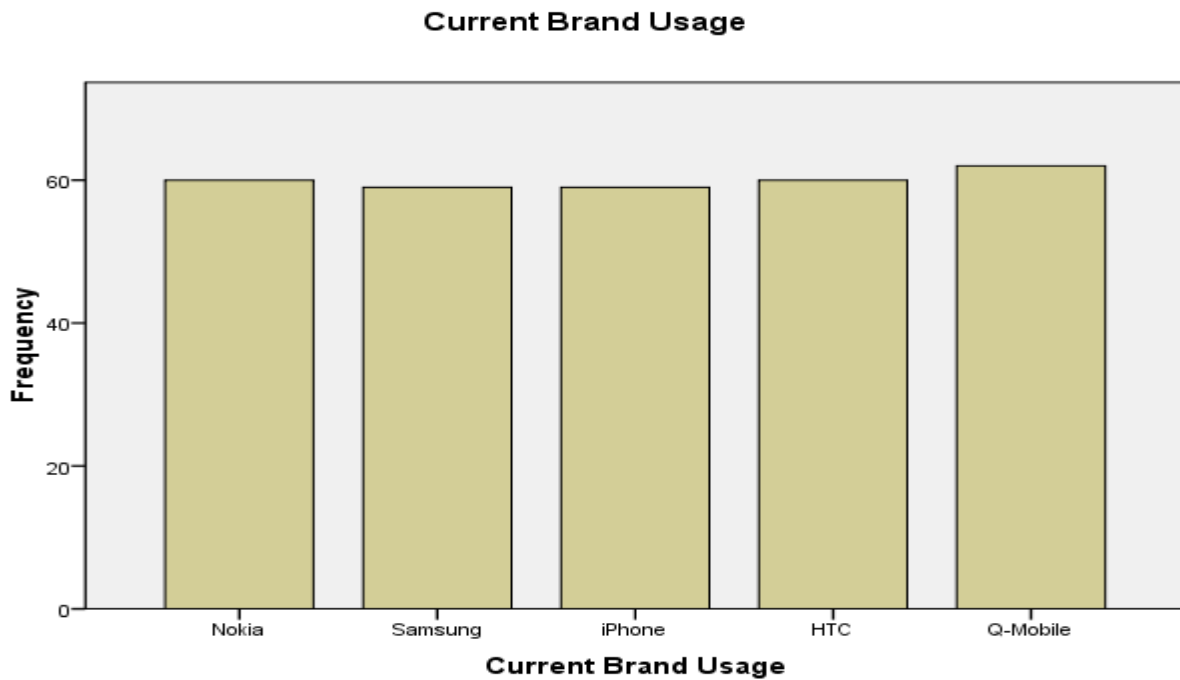


Majority of the respondents, that is 33.3%, had their house incomes between Rs. 90,001 to 120,000, 14.7% had their house incomes between Rs. 120,001 to 150,000, 15.7% had house incomes more than Rs. 180,001, 10.3% of the respondents had their house incomes between Rs.60,001 to 90,000, 9.7% had their house incomes between Rs.150,001 to 180,000, 11.7% of the respondents had less than Rs.30,000 of house income and only 4.7% of the respondents had income ranging between Rs. 30,001 to 90,000.

### Current Brand Usage Table and Graph

**Current Brand Usage**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Nokia	60	20.0	20.0	20.0
Samsung	59	19.7	19.7	39.7
iPhone	59	19.7	19.7	59.3
HTC	60	20.0	20.0	79.3
Q-Mobile	62	20.7	20.7	100.0
Total	300	100.0	100.0	

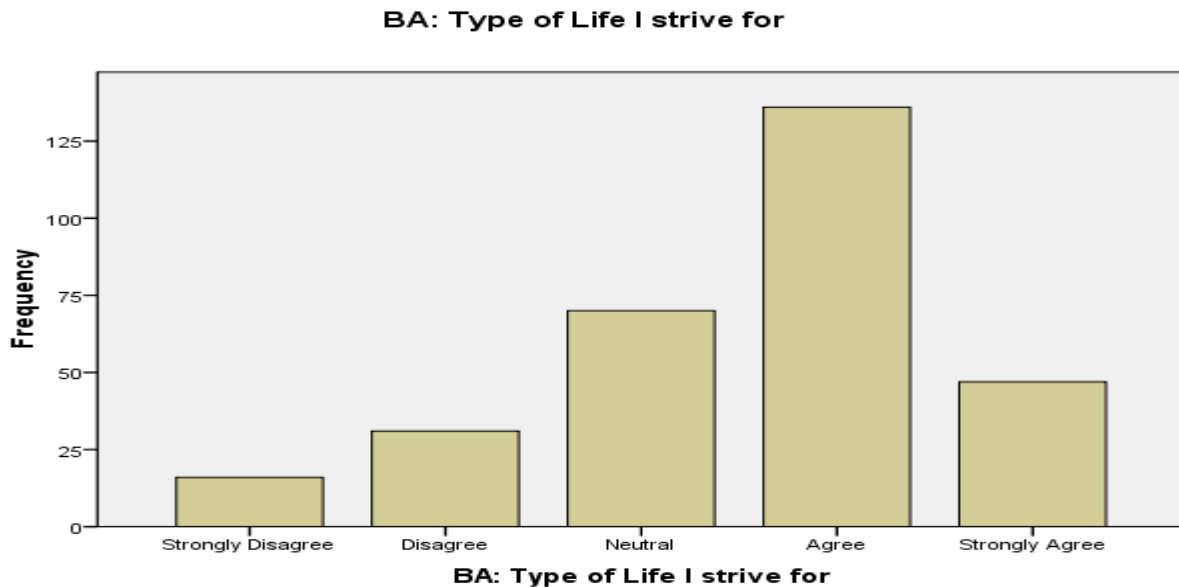


Majority of the respondents were using the brand Q- Mobile and as the frequency table shows about 20.7% of respondents had this brand. Equal number of respondents had HTC and Nokia, totaling to 20% and similarly equal number of respondents had Samsung and iphone, amounting to be 19.7%.

### Brand Association: Type of Life I Strive for

**BA: Type of Life I strive for**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	16	5.3	5.3	5.3
	Disagree	31	10.3	10.3	15.7
	Neutral	70	23.3	23.3	39.0
	Agree	136	45.3	45.3	84.3
	Strongly Agree	47	15.7	15.7	100.0
	Total	300	100.0	100.0	



45.3% of the respondents agreed that the brand they are using helps them to attain the type of life they are striving for, 23.3% of the respondents chose the neutral option that reflects that they are indifferent or are uncertain, 15.7% of the respondents claimed that they strongly agree with the notion that the current brand they are using helps them to attain the type of life they strive for, 10.3% of the respondents disagreed and only 5.3% of the respondents answered strongly disagree.

#### **Brand Association: Defines “I” and “Me”**

**BA: Defines "I" and "me"**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	17	5.7	5.7	5.7
Disagree	40	13.3	13.3	19.0
Neutral	74	24.7	24.7	43.7
Agree	137	45.7	45.7	89.3
Strongly Agree	32	10.7	10.7	100.0
Total	300	100.0	100.0	



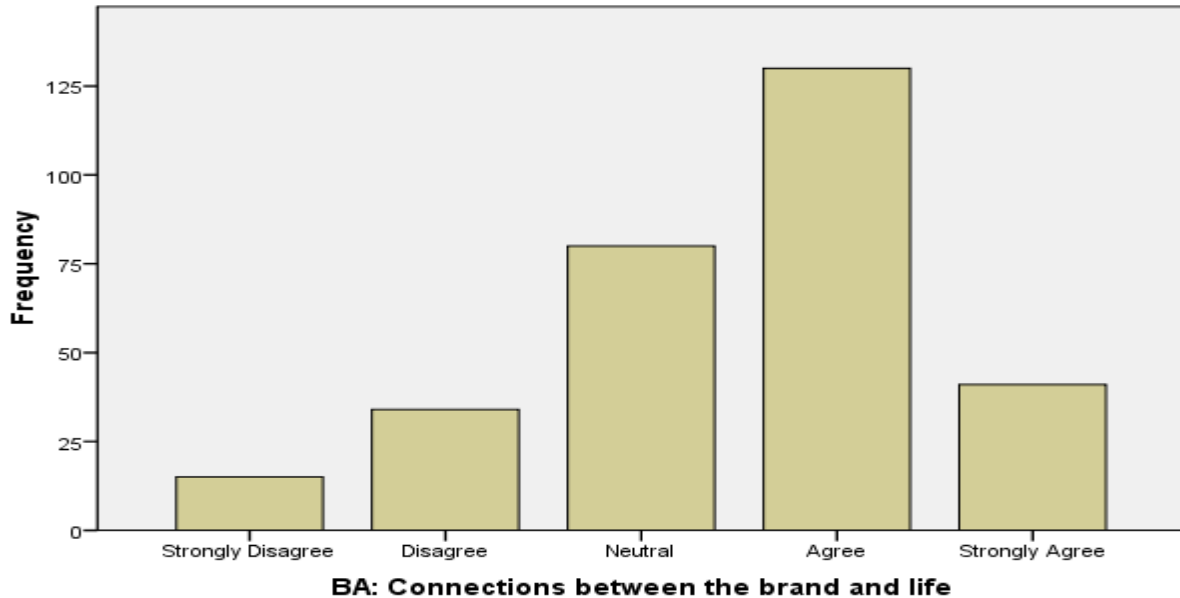
45.7% of the respondents claimed that the brand they are using helps them define the “I and me” within themselves, 24.7% of the respondents were uncertain, 13.3% of the respondent disagreed with the statement, 10.7% of the respondents strongly agreed and only 5.7% of them strongly disagreed.

### **Brand Association: Connection between the Brand and Life**

**BA: Connections between the brand and life**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	15	5.0	5.0	5.0
Disagree	34	11.3	11.3	16.3
Neutral	80	26.7	26.7	43.0
Agree	130	43.3	43.3	86.3
Strongly Agree	41	13.7	13.7	100.0
Total	300	100.0	100.0	

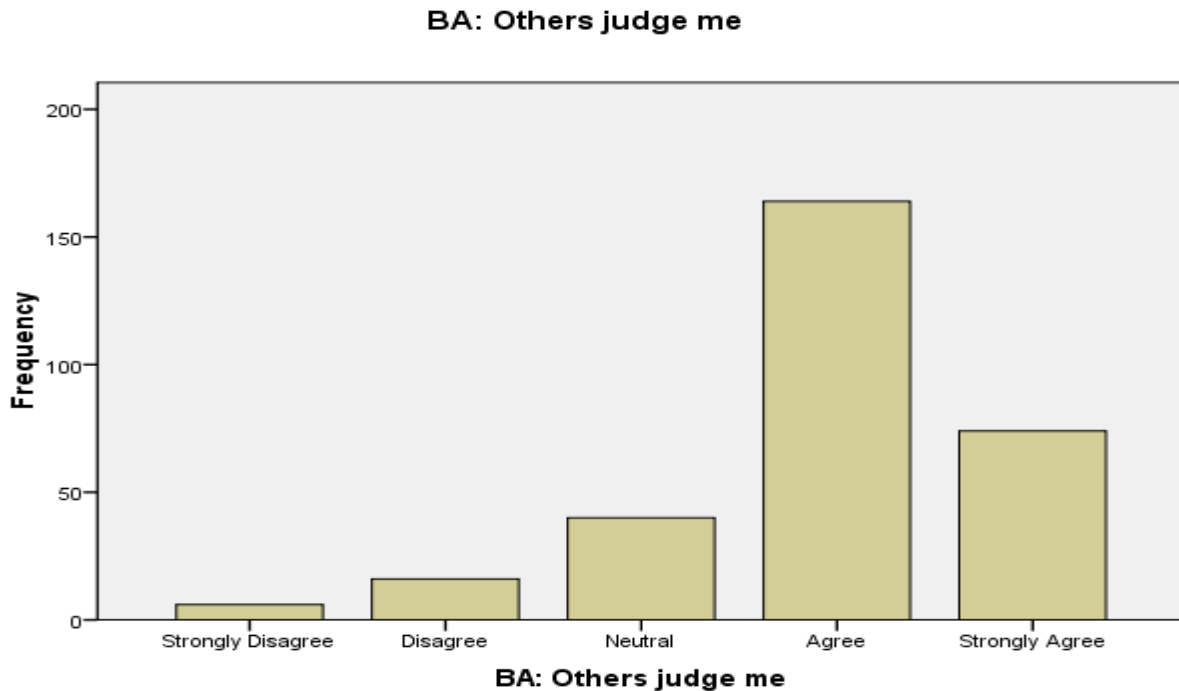


**BA: Connections between the brand and life**

43.3% of the respondents agreed that the brand they are using can help them make connections between the mobile brand they are using and their lives, 26.7% of them were uncertain, 13.7% of them strongly agreed, 11.3% of them disagreed and only 5% of them answered strongly disagree.

**Brand Association: Others Judge Me****BA: Others judge me**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	6	2.0	2.0	2.0
Disagree	16	5.3	5.3	7.3
Neutral	40	13.3	13.3	20.7
Agree	164	54.7	54.7	75.3
Strongly Agree	74	24.7	24.7	100.0
Total	300	100.0	100.0	



54.7% of the respondents claimed that others judge them with the type of mobile brand they use, 24.7% of them strongly agreed with the statement, 13.3% of them were uncertain about it, 5.3% of them disagreed and whereas only 2% of them strongly disagreed.

### Brand Awareness: My Brand Comes to My Mind First

#### Brand Awareness: My brand comes to my mind first

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	25	8.3	8.3	8.3
	Disagree	40	13.3	13.3	21.7
	Neutral	47	15.7	15.7	37.3
	Agree	112	37.3	37.3	74.7
	Strongly Agree	76	25.3	25.3	100.0
	Total	300	100.0	100.0	

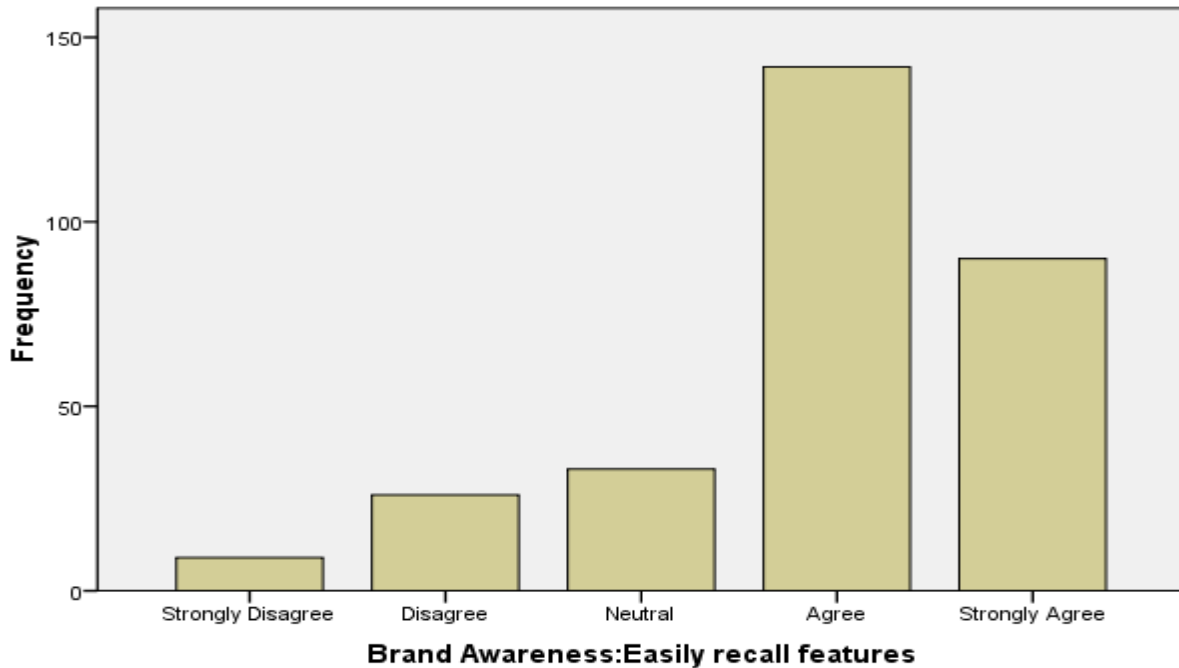


37.3% of the respondents claimed and agreed that the brand they were currently using came to their minds first when thinking about cellphones, 25.3% of them strongly agreed with the statement, 15.7% of them were uncertain and had an indifferent response to the statement, 13.3% of them disagreed and 8.3% of them strongly disagreed with the statement.

### Brand Awareness: I Can Easily Recall Features

**Brand Awareness: Easily recall features**

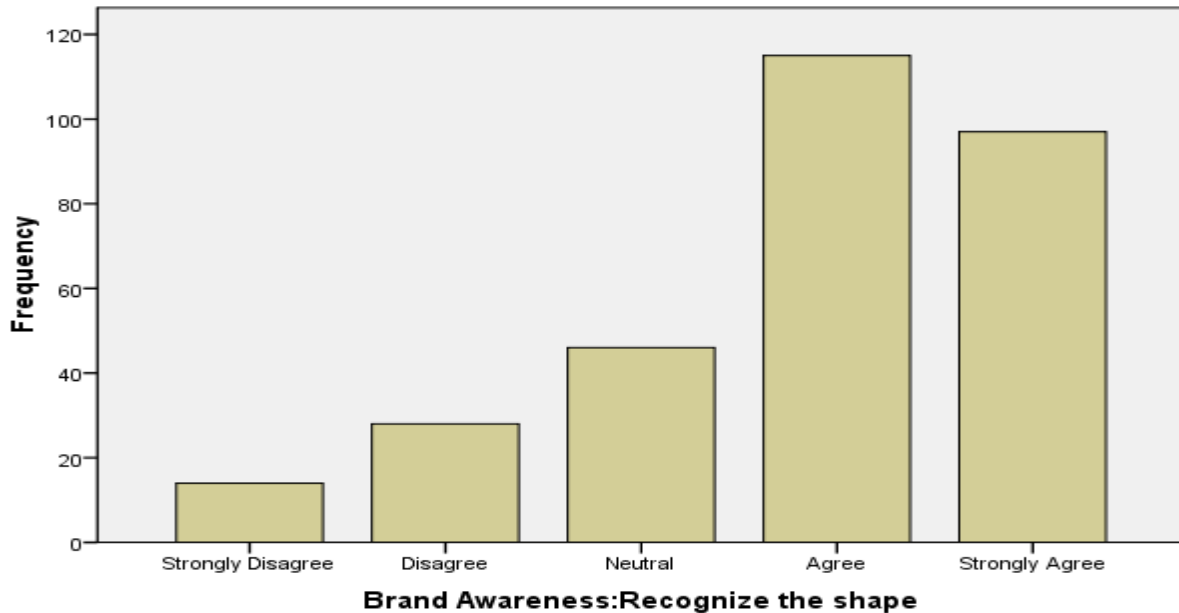
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	9	3.0	3.0	3.0
Disagree	26	8.7	8.7	11.7
Neutral	33	11.0	11.0	22.7
Agree	142	47.3	47.3	70.0
Strongly Agree	90	30.0	30.0	100.0
Total	300	100.0	100.0	

**Brand Awareness:Easily recall features**

47.3% of the respondents agreed and could easily recall some of the features of their current mobile brand, 30% of the respondents strongly agreed with the statement, 11% of them were uncertain and not so sure, 8.7% disagreed and 3% strongly disagreed.

**Brand Awareness: I Recognize the Shape****Brand Awareness:Recognize the shape**

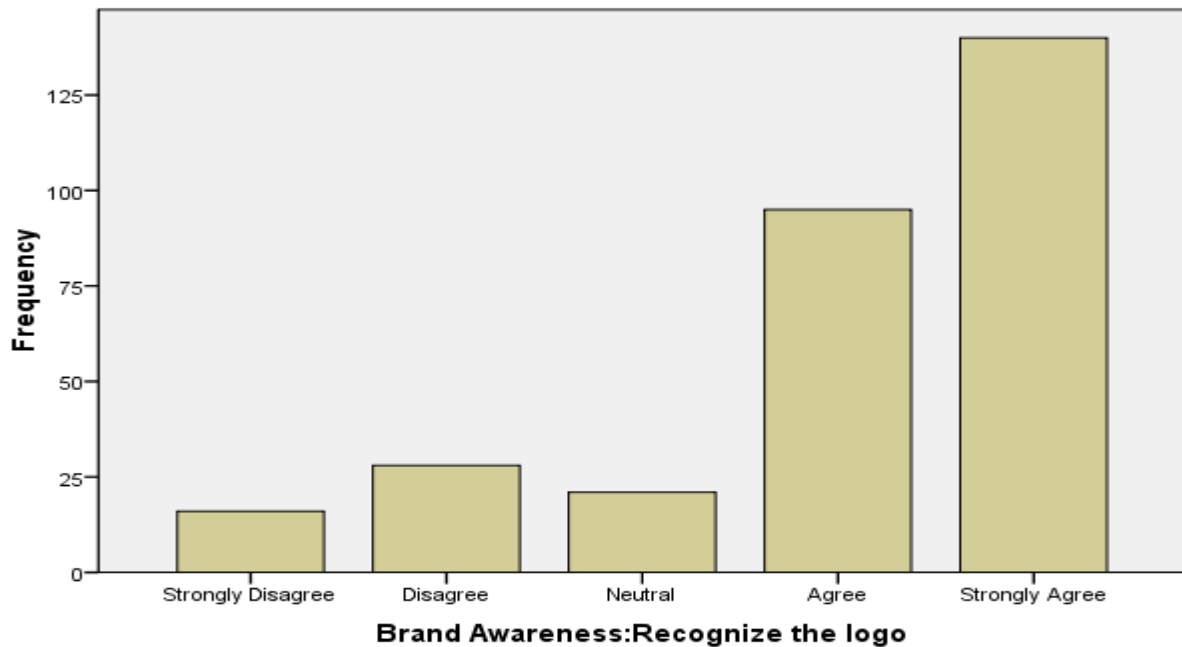
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	14	4.7	4.7	4.7
	Disagree	28	9.3	9.3	14.0
	Neutral	46	15.3	15.3	29.3
	Agree	115	38.3	38.3	67.7
	Strongly Agree	97	32.3	32.3	100.0
	Total	300	100.0	100.0	

**Brand Awareness: Recognize the shape**

38.3% of the respondents agreed with the statement that they could recognize the shape of their mobile brand among other different brands, 32.3% of the respondents strongly agreed, 15.3% were unsure and uncertain, 9.3% disagreed and only 4.7% strongly agreed.

**Brand Awareness: I Recognize the Logo****Brand Awareness: Recognize the logo**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	16	5.3	5.3	5.3
Disagree	28	9.3	9.3	14.7
Neutral	21	7.0	7.0	21.7
Agree	95	31.7	31.7	53.3
Strongly Agree	140	46.7	46.7	100.0
Total	300	100.0	100.0	

**Brand Awareness:Recognize the logo**

46.7% of the respondents strongly agreed that they recognized the logo of the brand they used, 31.7% agreed with the statement, 9.3% of the respondent disagreed, 7% of them were neutral about it and 5.3% of them strongly disagreed.

**Brand Quality: Satisfied with the Software Quality****Brand Quality:Satisfied with the software quality**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	20	6.7	6.7	6.7
Disagree	22	7.3	7.3	14.0
Neutral	50	16.7	16.7	30.7
Agree	118	39.3	39.3	70.0
Strongly Agree	90	30.0	30.0	100.0
Total	300	100.0	100.0	



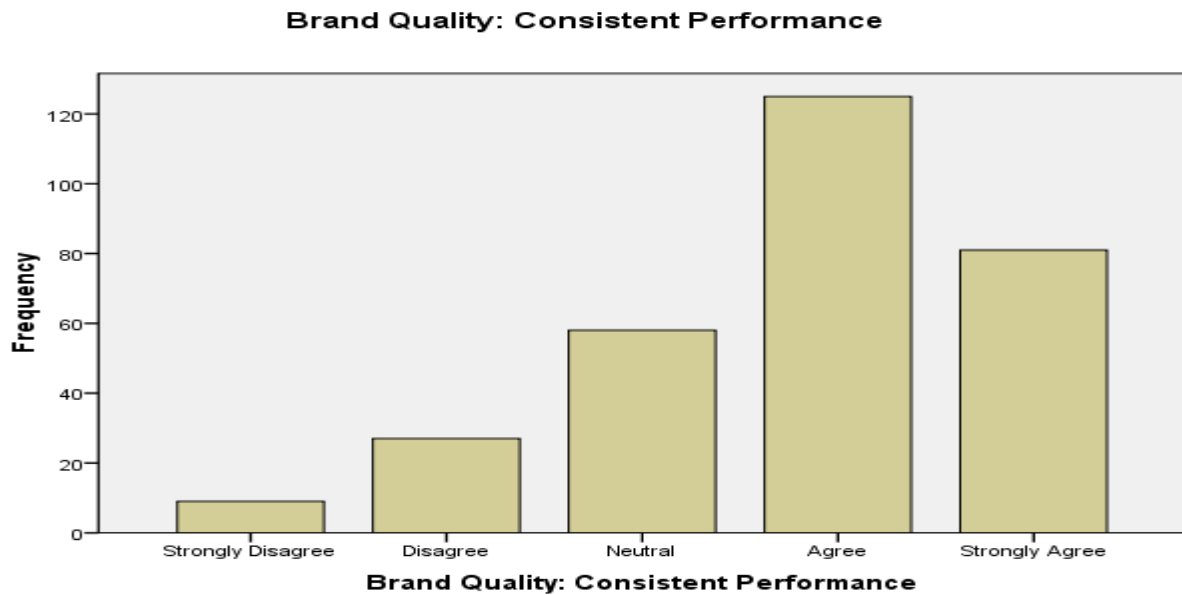


39.3% of the respondents agreed and claimed that they were satisfied with the software quality of their mobile brand, 30% of them chose strongly agree, 16.7 of the respondents surveyed answered neutral, 7.3% of them disagreed with the statement and whereas 6.7% of them strongly disagreed.

### Brand Quality: Consistent Performance

**Brand Quality: Consistent Performance**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	9	3.0	3.0	3.0
Disagree	27	9.0	9.0	12.0
Neutral	58	19.3	19.3	31.3
Agree	125	41.7	41.7	73.0
Strongly Agree	81	27.0	27.0	100.0
Total	300	100.0	100.0	

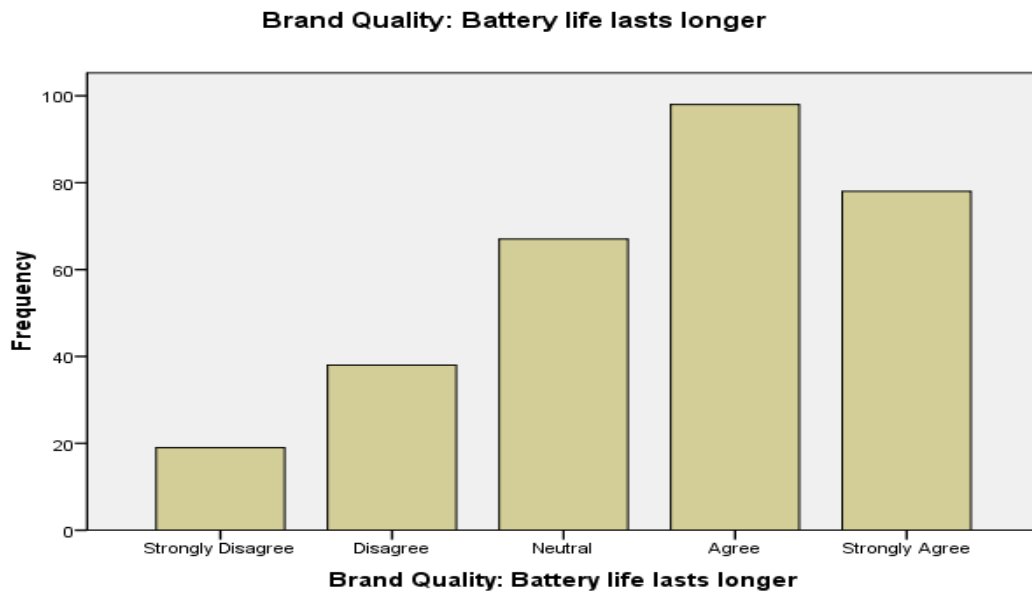


41.7% of the respondents chose agree and claimed that the cell phone brand they were currently using had consistent performance, 27% of the respondents surveyed strongly agreed with the statement, 19.3% were not so sure about it, 9% of them disagreed and 3% of them strongly disagreed with the statement.

### **Brand Quality: Battery Life Lasts Longer**

#### **Brand Quality: Battery life lasts longer**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	19	6.3	6.3	6.3
Disagree	38	12.7	12.7	19.0
Neutral	67	22.3	22.3	41.3
Agree	98	32.7	32.7	74.0
Strongly Agree	78	26.0	26.0	100.0
Total	300	100.0	100.0	

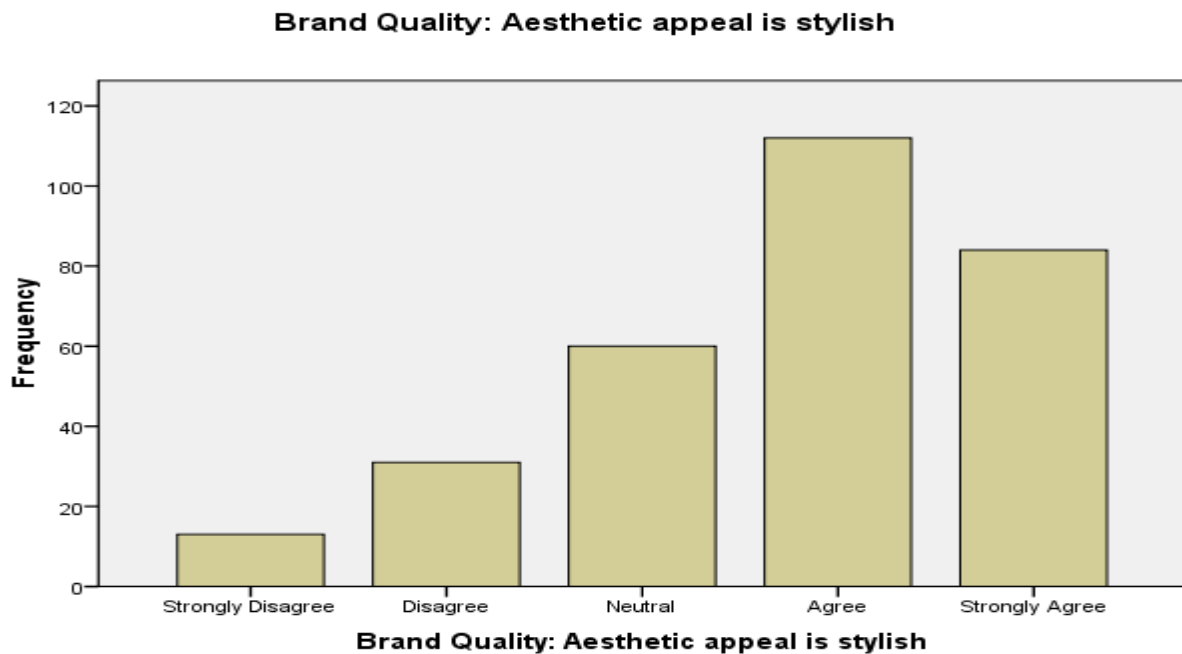


32.7% of the respondents agreed with the statement that the battery life of the cell phone brand they are using currently lasts longer, 26% of them strongly agreed with it, 22.3% of them were not sure of it, 12.7% of them disagreed and 6.3% strongly disagreed.

### Brand Quality: Aesthetic Appeal is Stylish

#### Brand Quality: Aesthetic appeal is stylish

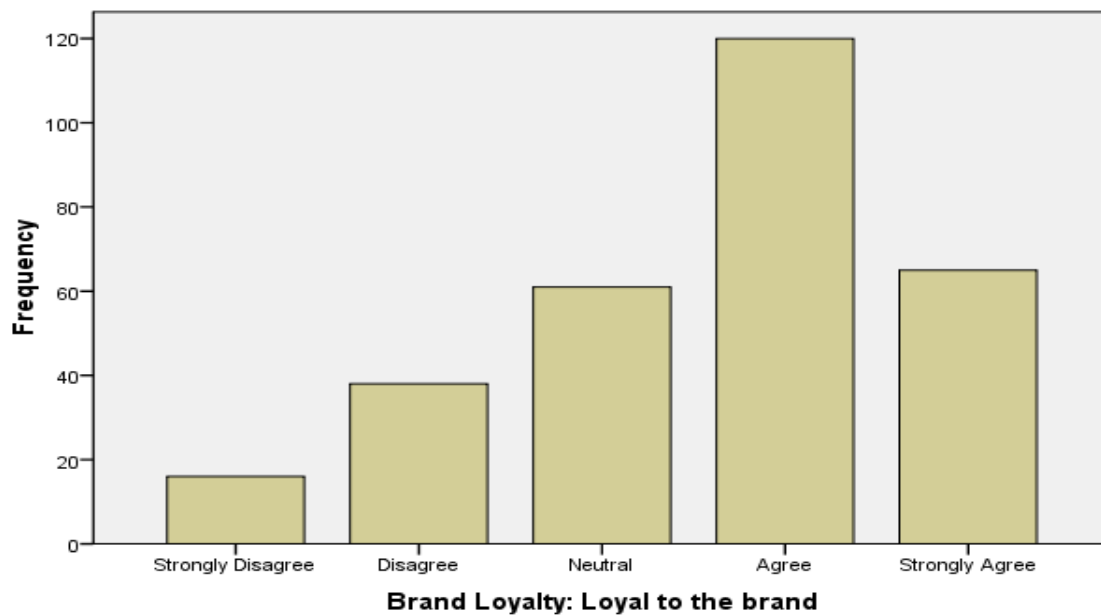
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	13	4.3	4.3	4.3
Disagree	31	10.3	10.3	14.7
Neutral	60	20.0	20.0	34.7
Agree	112	37.3	37.3	72.0
Strongly Agree	84	28.0	28.0	100.0
Total	300	100.0	100.0	



37.3% of the respondents said and agreed that the aesthetic appeal of the brand they used is stylish, 28% of them strongly agreed, 20% of the respondents were uncertain, 10.3% of them disagreed, 4.3% of them strongly disagreed.

**Brand Loyalty: Loyal to the Brand****Brand Loyalty: Loyal to the brand**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	16	5.3	5.3	5.3
Disagree	38	12.7	12.7	18.0
Neutral	61	20.3	20.3	38.3
Agree	120	40.0	40.0	78.3
Strongly Agree	65	21.7	21.7	100.0
Total	300	100.0	100.0	

**Brand Loyalty: Loyal to the brand**

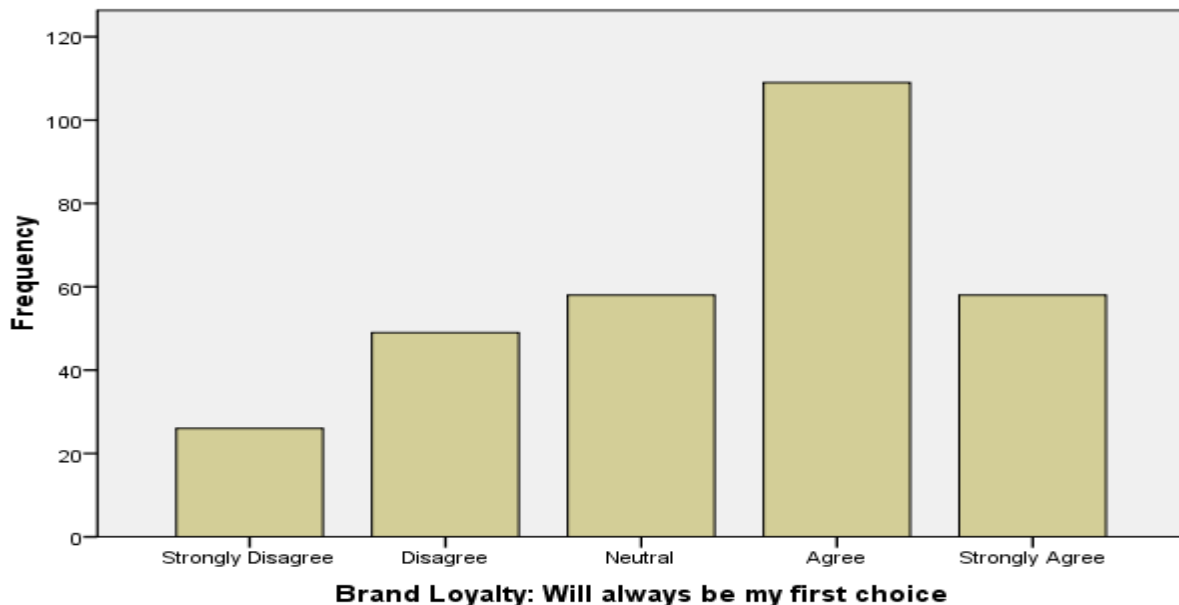
40% of the respondents agreed that they were loyal to the cell phone brand they used, 21.7% of them strongly agreed with the statement, 20.3% of the respondents surveyed were not so sure, 12.7% of them disagreed and the rest 5.3% strongly disagreed.

### Brand Loyalty: Will Always be My First Choice

**Brand Loyalty: Will always be my first choice**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	26	8.7	8.7	8.7
Disagree	49	16.3	16.3	25.0
Neutral	58	19.3	19.3	44.3
Agree	109	36.3	36.3	80.7
Strongly Agree	58	19.3	19.3	100.0
Total	300	100.0	100.0	

**Brand Loyalty: Will always be my first choice**





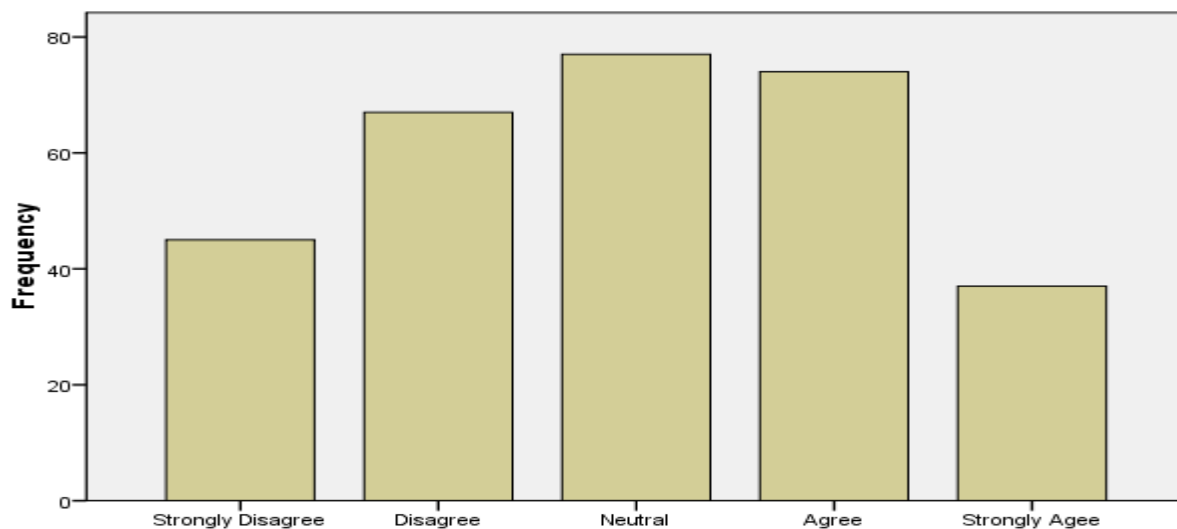
36.6% of the respondents agreed that their current cell phone brand will always be their first choice when purchasing a mobile brand in the future, same number of respondents i.e. 19.3% were both uncertain, unsure about this as well as strongly agreed to it. 16.3% of the respondents disagreed and 8.7% of them strongly disagreed with the statement.

Brand Loyalty: Will not Buy Other Brands if My Brand is not Available

**Brand Loyalty: Will not buy other brands if my brand is not available**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	45	15.0	15.0	15.0
Disagree	67	22.3	22.3	37.3
Neutral	77	25.7	25.7	63.0
Agree	74	24.7	24.7	87.7
Strongly Agree	37	12.3	12.3	100.0
Total	300	100.0	100.0	

**Brand Loyalty: Will not buy other brands if my brand is not available**



**Brand Loyalty: Will not buy other brands if my brand is not available**

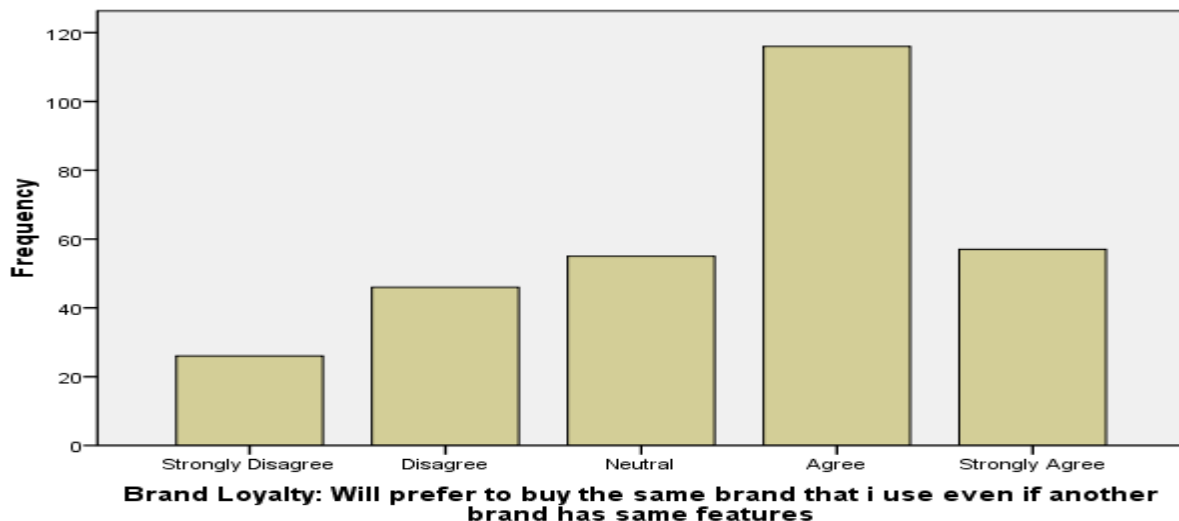
25.7% of the respondents showed that they were not sure whether they would still buy the same brand of mobile even if in the market it won't be available, 24.3% of them agreed, 22.3% of them disagreed, 15% of them strongly disagreed and only 12.3% of the respondents strongly agreed.

### **Brand Loyalty: Will Prefer to Buy the Same Brand that I Use even if another Brand has Same Features**

#### **Brand Loyalty: Will prefer to buy the same brand that I use even if another brand has same features**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	26	8.7	8.7	8.7
Disagree	46	15.3	15.3	24.0
Neutral	55	18.3	18.3	42.3
Agree	116	38.7	38.7	81.0
Strongly Agree	57	19.0	19.0	100.0
Total	300	100.0	100.0	

#### **Brand Loyalty: Will prefer to buy the same brand that i use even if another brand has same features**



38.7% of the respondents agreed that they would still prefer to buy the same brand that they already possess even if in the market other competing brands have the same features, 18.3% of

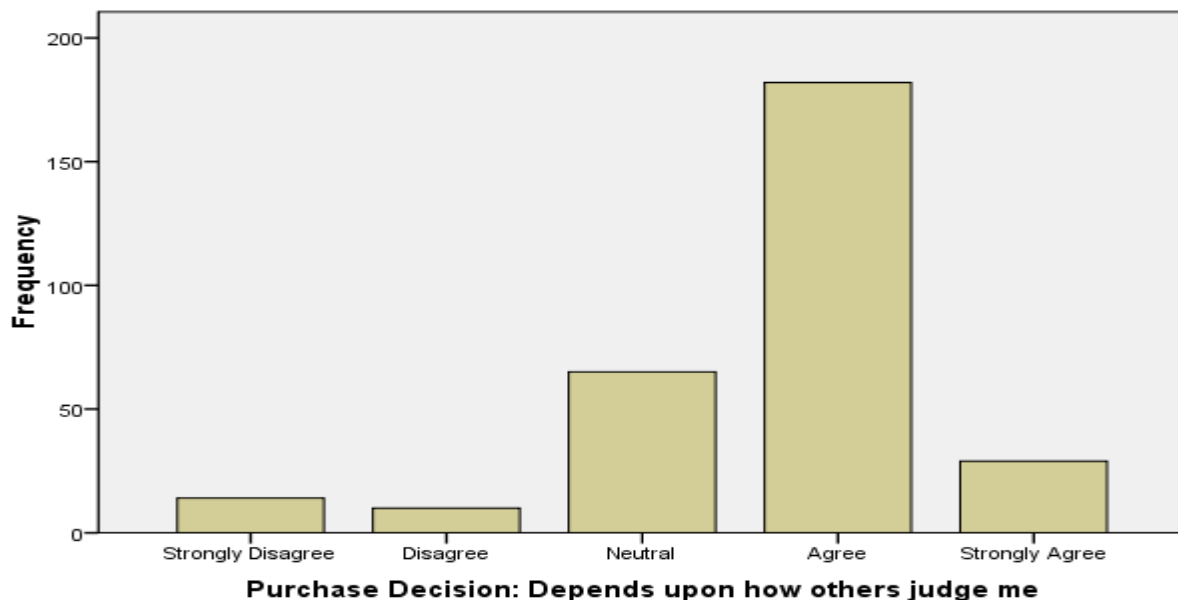
them were not so sure, 19% of them strongly agreed, 15.3% of them disagreed and only 8.7% of them strongly disagreed.

### Purchase Decision: Depends upon How Others Judge Me

**Purchase Decision: Depends upon how others judge me**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	14	4.7	4.7	4.7
Disagree	10	3.3	3.3	8.0
Neutral	65	21.7	21.7	29.7
Agree	182	60.7	60.7	90.3
Strongly Agree	29	9.7	9.7	100.0
Total	300	100.0	100.0	

**Purchase Decision: Depends upon how others judge me**



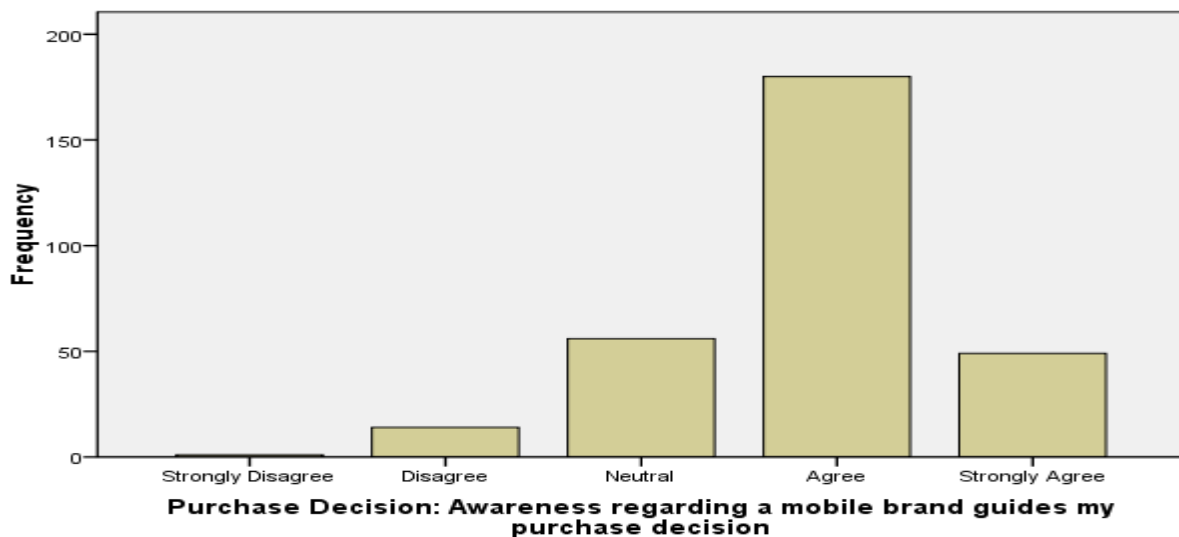
60.7% of the respondents surveyed agreed that their purchase decision depended upon how others would judge them, 21.7% of them were uncertain, 9.7% of them strongly agreed, 4.7% of them strongly disagreed whereas only 3.3% of them disagreed.

### Purchase Decision: Awareness Regarding a Mobile Brand Guides my Purchase Decision

#### Purchase Decision: Awareness regarding a mobile brand guides my purchase decision

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	1	.3	.3	.3
Disagree	14	4.7	4.7	5.0
Neutral	56	18.7	18.7	23.7
Agree	180	60.0	60.0	83.7
Strongly Agree	49	16.3	16.3	100.0
Total	300	100.0	100.0	

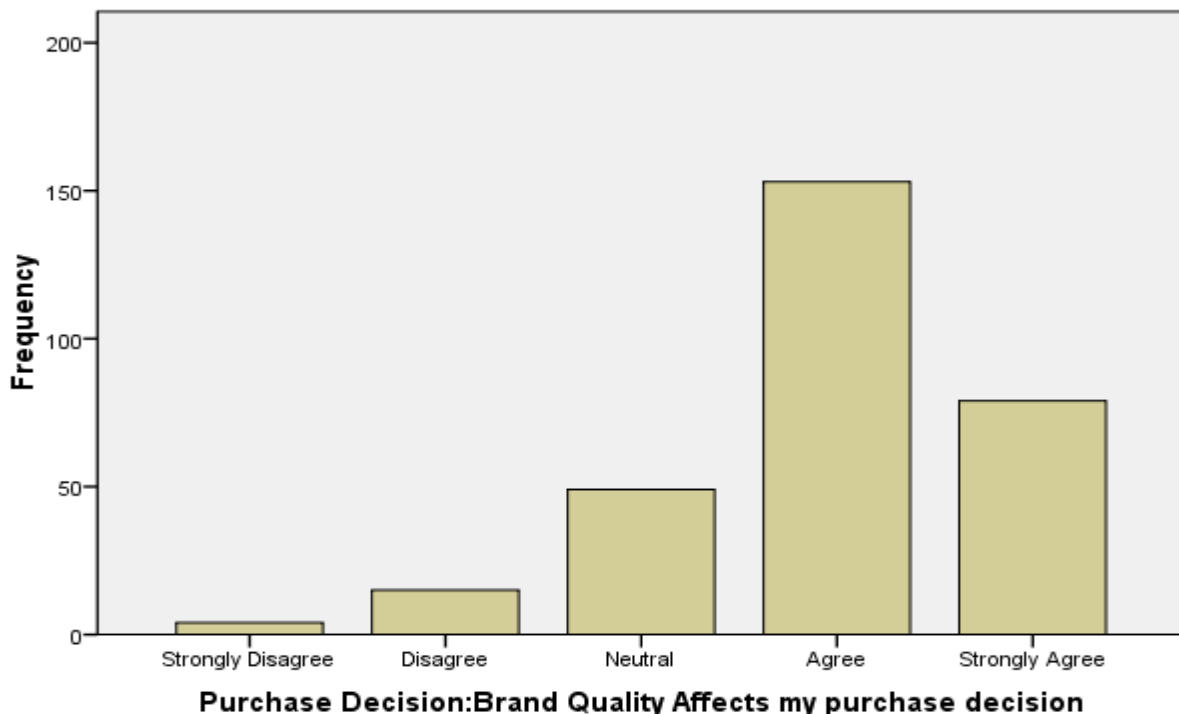
#### Purchase Decision: Awareness regarding a mobile brand guides my purchase decision



60% of the respondents agreed that awareness and familiarity regarding a mobile brand guided their purchase decision, 18.7% were neutral about it, 16.3% of them strongly agreed, 4.7% of them disagreed and only 0.3% of them strongly disagreed.

**Purchase Decision: Brand Quality Affects my Purchase Decision****Purchase Decision: Brand Quality Affects my purchase decision**

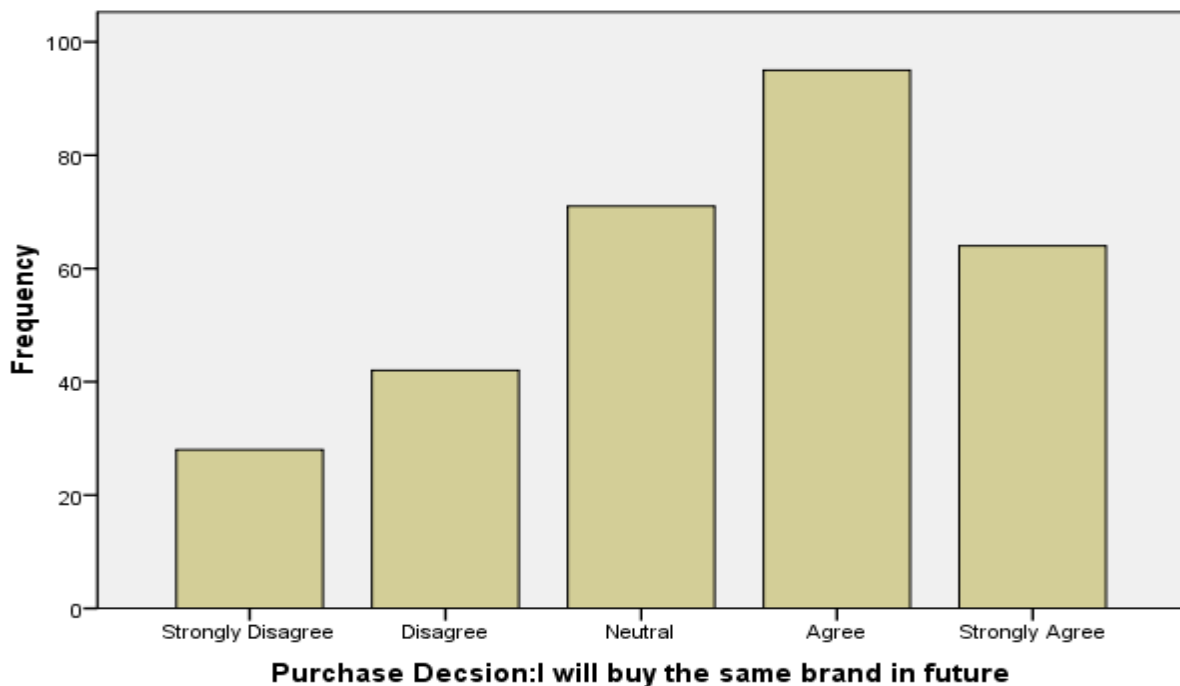
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	4	1.3	1.3	1.3
Disagree	15	5.0	5.0	6.3
Neutral	49	16.3	16.3	22.7
Agree	153	51.0	51.0	73.7
Strongly Agree	79	26.3	26.3	100.0
Total	300	100.0	100.0	

**Purchase Decision: Brand Quality Affects my purchase decision**

51% of the respondents agreed that the quality of mobile brand affected their purchase decision, 26.3% of them strongly agreed, 16.3% of them remain neutral, 5% of them disagreed and only 1.3% of them strongly disagreed.

**Purchase Decision: I will Buy the Same Brand in Future****Purchase Decision: I will buy the same brand in future**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	28	9.3	9.3	9.3
Disagree	42	14.0	14.0	23.3
Neutral	71	23.7	23.7	47.0
Agree	95	31.7	31.7	78.7
Strongly Agree	64	21.3	21.3	100.0
Total	300	100.0	100.0	

**Purchase Decision: I will buy the same brand in future**

When asked about whether the respondents would buy the same brand that they are using currently in the future, 31.7% of them agreed, 23.7% of them were uncertain, 21.3% of them strongly agreed, 14% of them disagreed and only 9.3% of them strongly disagreed.

## DESCRIPTIVE STATISTICS ANALYSIS

Descriptive statistics are used in those research papers which have either interval or ratio scale to elicit the responses, similarly this paper incorporates descriptive statistics to add meaning to the data since the scale used (likert) is an interval one.

### Brand association

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
BA: Type of Life I strive for	300	1	5	3.56	1.044
BA: Defines "I" and "me"	300	1	5	3.42	1.033
BA: Connections between the brand and life	300	1	5	3.49	1.026
BA: Others judge me	300	1	5	3.95	.879
Valid N (listwise)	300				

From the above table it is evident that respondents rated highest to the statement which said others judge me with the type of brand I use, having a mean of 3.95. The table also highlights that consumer purchase that brand which helps them get the type of live they strive for as it was rated as second highest; 3.56. Respondents rated the statement connections between the brand and life as third highest, meaning they can associate between the brand they use and their lives, having a mean of 3.49. Least high score was given to the statement, the brand defines “I” and “me” within myself. But all the means of brand association have a value greater than 3 and hence it can be concluded that brand association plays a significant influence on the dependent variable; purchase decision while buying mobile phones.

**Brand awareness****Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Brand Awareness: My brand comes to my mind first	300	1	5	3.58	1.234
Brand Awareness: Easily recall features	300	1	5	3.93	1.012
Brand Awareness: Recognize the shape	300	1	5	3.84	1.118
Brand Awareness: Recognize the logo	300	1	5	4.05	1.180
Valid N (list wise)	300				

The above table shows that respondents rated highest to logo recognition dimension of brand awareness by having a mean of 4.05. Secondly the descriptive statistic table shows that respondents could easily recall features of the brand of cell phone they use, mean totaling to 3.93. Respondents also show positive response while eliciting whether they could recognize the shape of the mobile they used among other competitor brands.

The above table also highlights that consumer rated lowest to the statement, my brand comes to my mind first while thinking about cell phones but still all these mean values are more than 3 signaling that brand awareness does come into account while making a decision to purchase a cell phone.



**Brand quality****Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Brand Quality: Satisfied with the software quality	300	1	5	3.79	1.148
Brand Quality: Consistent Performance	300	1	5	3.81	1.029
Brand Quality: Battery life lasts longer	300	1	5	3.59	1.183
Brand Quality: Aesthetic appeal is stylish	300	1	5	3.74	1.105
Valid N (list wise)	300				

From the above table we can conclude that respondents' purchase decision is influenced by the quality of the brand as having consistent performance is rated highest, totaling to 3.81 mean.

Satisfaction with the software quality also comes into account as it is rated second highest with 3.79 mean.

The determinant aesthetic appeal is rated third highest, 3.74 mean, meaning that respondents do check how the physical outlook of a cell phone is like before making a purchase judgment. Battery life having mean of 3.59 yet again shows that it does have an impact while purchasing a cell phone.

**Brand loyalty**

	N	Minimum	Maximum	Mean	Std. Deviation
Brand Loyalty: Loyal to the brand	300	1	5	3.60	1.118
Brand Loyalty: Will always be my first choice	300	1	5	3.41	1.217
Brand Loyalty: Will not buy other brands if my brand is not available	300	1	5	2.97	1.252
Brand Loyalty: Will prefer to buy the same brand that i use even if another brand has same features	300	1	5	3.44	1.207
Valid N (list wise)	300				

Most of the respondents rated being loyal to the brand of cell phone they use as highest, totaling to 3.6 mean. And buying the same brand as they already have in the future also shows positive attitude from the respondents and to prefer buying the same brand that they already use even if another brand has same features also shows positive response from the respondents, because both have a mean of 3.41 and 3.44 likewise.

The above table also helps to highlight that under one condition respondents didn't show much enthusiastic loyalty towards the brand they use when given the statement; "will not buy other brands if my brand is not available", by having a mean of 2.97.

### Purchase decision

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Purchase Decision: Depends upon how others judge me	300	1	5	3.67	.873
Purchase Decision: Awareness regarding a mobile brand guides my purchase decision	300	1	5	3.87	.743
Purchase Decision: Brand Quality Affects my purchase decision	300	1	5	3.96	.865
Purchase Decision: I will buy the same brand in future	300	1	5	3.42	1.231
Valid N (list wise)	300				

The above table shows that respondents rated all of the independent factors as making a positive contribution towards the dependent variable; i.e. purchase decision, by having mean more than 3.

**PEARSON CORRELATION ANALYSIS****Correlations**

		Purchase decision	Brand association	Brand awareness	Brand quality	Brand loyalty
Pearson Correlation	Purchase decision	1.000	.500	.426	.502	.632
	Brand association	.500	1.000	.497	.509	.595
	Brand awareness	.426	.497	1.000	.605	.457
	Brand quality	.502	.509	.605	1.000	.585
	Brand loyalty	.632	.595	.457	.585	1.000
Sig. (1-tailed)	Purchase decision	.	.000	.000	.000	.000
	Brand association	.000	.	.000	.000	.000
	Brand awareness	.000	.000	.	.000	.000
	Brand quality	.000	.000	.000	.	.000
	Brand loyalty	.000	.000	.000	.000	.
N	Purchase decision	300	300	300	300	300
	Brand association	300	300	300	300	300
	Brand awareness	300	300	300	300	300
	Brand quality	300	300	300	300	300
	Brand loyalty	300	300	300	300	300

This study used Pearson correlation test to study the impact of brand equity on consumer purchase decision of cell phones both in terms of strength of relationship and direction.

### **Analysis of brand association**

From the above table, it can be deduced that the correlation coefficient 0.500 shows strong relationship between brand association and consumer purchase decision of cell phones and the p value is 0.000 is less than 0.05 which leads to acceptance of alternative hypothesis and rejection of null hypothesis.

**H1:** There is a significant relationship between brand association and consumer purchase decision.

### **Analysis of brand awareness**

The correlation coefficient value, 0.426 of brand awareness shows that it doesn't have that much strong relationship with consumer purchase decision of cell phones as compared to other predictor variables. The p value of 0.000 is less than 0.05 which shows the relationship between them is significant and hence alternative hypothesis is accepted.

**H2:** There is a significant relationship between brand awareness and consumer purchase decision.

### **Analysis of brand quality**

**By having the second highest correlation coefficient of 0.502 , it shows that the relationship between brand quality and consumer purchase decision of cell phones is strong and also the p value 0.000 which is less than 0.05 reflects that the relationship between them is significant and for this reason the alternative hypothesis is accepted.**

**H3:** There is a significant relationship between quality of brand and consumer purchase decision.

### **Analysis of brand loyalty**

From the above table, it can be concluded that brand loyalty correlates with purchase decision of cell phones the strongest, having a correlation coefficient of 0.632 and the p value is 0.000 which is less than 0.05, therefore it can be said that the relationship between brand loyalty and consumer purchase decision of cell phones is significant and alternative hypothesis can be accepted.

**H4:** There is a positive relationship between brand loyalty and consumer purchase decision.

## MULTIPLE REGRESSION ANALYSIS

This research also incorporates multiple regression analysis as the impact of four independent variables (brand association, brand awareness, brand quality and brand loyalty) is studied on one dependent variable i.e. is consumer purchase decision of cell phones.

### Model Summary Table

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.666 <sup>a</sup>	.444	.436	2.06866

a. Predictors: (Constant), Brand loyalty, Brand awareness, Brand association, Brand quality

b. Dependent Variable: purchase decision

The model summary shown above helps to deduce that how much the predictor variables are responsible to explain the impact on the dependent variable.

If we look at the R square column, it shows that the predictor variables help explain 44.4% of the dependent variable. The value is quite reasonable and the model used in this research helps to highlight that about 44.4% of variance in consumer purchase decision of cell phones is because of the four independent variables studied in this study.

Adjusted R square value which is 0.436%, corrects R square value to tell what is actually happening in the whole population which is also quite reasonable.

In other words, by surveying 300 respondents, their impact of brand equity is accounted for 43.6% of variation in consumer purchase decision of cell phones and this thus shows the relationship between the brand equity and consumer purchase decision of mobile phones is relatively high.

The standard error of the estimate is 2% which also quite low, it means that only 2% of deviation is present in whole population.

**ANNOVA Table****ANOVA<sup>b</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1006.831	4	251.708	58.819	.000 <sup>a</sup>
Residual	1262.406	295	4.279		
Total	2269.237	299			

a. Predictors: (Constant), Brand loyalty, Brand awareness, Brand association, Brand quality

ANOVA shows the true depiction of what is happening in population and from the table shown above, the significance value is 0.000 which is less than 0.05 and for this reason it clarifies that consumer purchase decision of mobile is influenced by brand association, brand awareness, brand quality and brand loyalty.

**Coefficients Table****Coefficients**

Model	Un standardized Coefficients		Standardized Coefficients	T	Sig.	Tolerance
	B	Std. Error	Beta			
1 (Constant)	6.768	.645		10.486	.000	
Brand association	.116	.051	.131	2.293	.000	.574
Brand awareness	.061	.042	.081	1.430	.000	.584
Brand quality	.101	.048	.128	2.092	.000	.506
Brand loyalty	.301	.040	.442	7.458	.000	.537

a. Dependent Variable: purchase decision

The coefficient table helps to detect which independent variable makes the most and least contribution in explaining the dependent variable and from the above table it is evident that the brand loyalty independent variable makes the most contribution in explaining the impact of brand equity on consumer purchase decision by observing the standardized coefficients beta value which is 0.442. The least contribution was made by brand awareness variable in explaining the relationship between brand equity and consumer purchase decision of mobiles by having a value of 0.081.

The tolerance column helps to identify whether the predictor variables have multi co linearity and having a value more than 0.7 means that the independent variables are overlapping with each other and revision of model is required but from the above table it is evident that the values of all the predictor variables are less than 0.7.

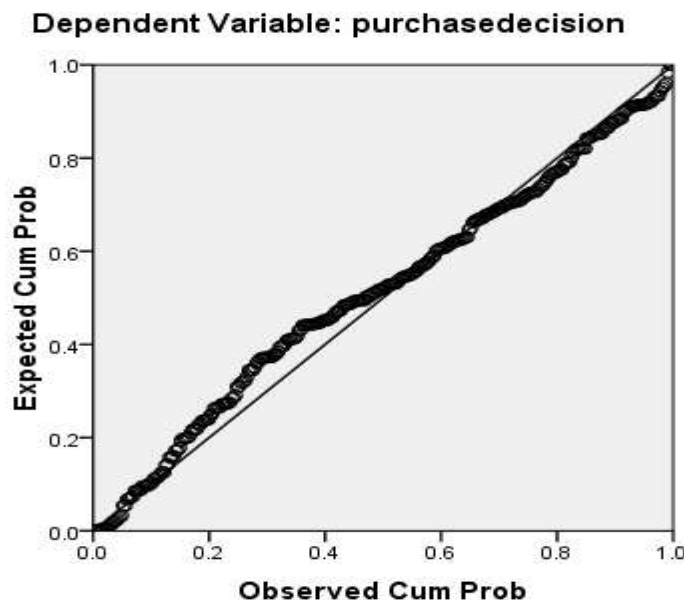
By looking at the results therefore the regression equation will come out to be:

$$Y = 6.768 + 0.131X_1 + 0.081X_2 + 0.128X_3 + 0.442X_4$$

Y: Dependent variable, X1: brand association, X2: Brand Awareness, X3: Brand Quality, X4: Brand loyalty

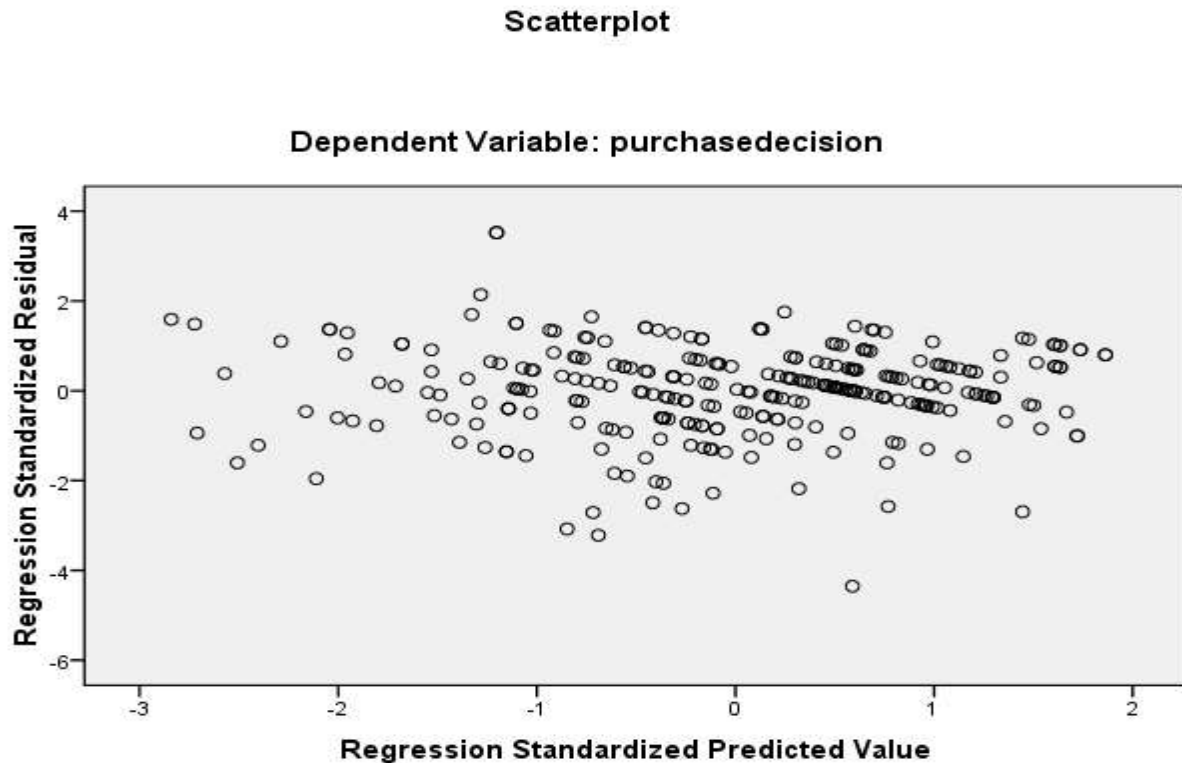
### Normal P-P Plot of Regression Standardized Residual

**Normal P-P Plot of Regression Standardized Residual**



In the normal p-p plot, the lines or points should reasonably lie on the straight line and it is evident that a minor deviation is present from the perfect line so it appears that this research's model is a good fit and it's not deviating from normality.

## Scatter Plot



In the above diagram, a scatter plot of the variables studied in this study is shown; a roughly rectangular distribution signifies that this study has met the assumption of linearity, with most of the dots in the center.

From the scatter plot we can also see that a minority of outliers (An Outlier is an observation detected that is at an abnormal distance from other points in a sample selected from a population) exist, as majority of the dots are in between -3.3 to +3.3.

## FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

### FINDINGS

- **H1:** There is a significant relationship between brand association and consumer purchase decision.



From the previous section which involved analysis of the hypothesis, the alternative hypothesis has been accepted by applying correlation analysis which gave the coefficient value of 0.500 showing a moderate and positive strength of the relationship between brand association and purchase decision and also the significance value of 0.000 which is less than 0.05 leads us to the acceptance of alternative hypothesis. The impact was also studied by applying multiple regression analysis and it was proved through the standardized value of beta that it makes the second highest contribution on the dependent variable of 0.131.

- **H2:** There is a significant relationship between brand awareness and consumer purchase decision.

The study reveals from the previous section, that the relationship between brand awareness and consumer purchase decision although positive but it's not a strong one with a correlation coefficient value of 0.426 however it still exists to make an influence, the significance value of 0.000 which is less than 0.05 leads to the acceptance of alternative hypothesis.

The impact was also studied by applying multiple regression analysis and it was proved through the standardized value of beta that it makes the least contribution on the dependent variable of 0.081.

- **H3:** There is a significant relationship between quality of brand and consumer purchase decision.

From the previous section, it can be observed that the correlation coefficient value of 0.502 and the significance value of 0.000 both reveal that the relationship between brand quality and purchase decision is positive, strong and significant. Thus it directs to the acceptance of alternative hypothesis.

The impact was also studied by applying multiple regression analysis and it was proved through the standardized value of beta that it makes a reasonable contribution on the dependent variable of 0.128.

- **H4:** There is a positive relationship between brand loyalty and consumer purchase decision.

From the previous section, it is clearly evident that brand loyalty had the strongest positive correlation coefficient value of 0.632 and significance value of 0.000, therefore the alternative hypothesis has been accepted.

The impact was also studied by applying multiple regression analysis and it was proved through the standardized value of beta that it makes the most contribution on the dependent variable of 0.442.

From the model summary, it can also be observed from the R square value of the predictor variables totaled to 44.4% which shows that by this much amount the variance is present in purchase decision due to the four independent variables studied in this research journal. 44.4% is a reasonable value which helps to highlight that how when purchasing a cell phone, factors like brand association, brand awareness, brand quality and brand loyalty come into play.

Also by applying ANOVA, it shows the true depiction of what is happening in population and from the table shown above, the significance value is 0.000 which is less than 0.05 and for this reason it further clarifies that consumer purchase decision of mobile is influenced by brand association, brand awareness, brand quality and brand loyalty.

## CONCLUSION

As this research paper aimed at investigating the impact of brand equity on consumer purchase decision of cell phones, responses were collected from both males and females of different areas of Karachi and Lahore, totaling to 300 respondents in number. For this research paper, respondents who were surveyed belonged to different age groups, income classes and occupations. Majority of the respondents were males, aged between 18- 27years old student and having an education background of bachelor's degree. A close ended questionnaire was designed and distributed to measure different factors affecting purchase decision, namely brand association, brand awareness, brand quality and brand loyalty.

The study scope was mainly on investigating the 5 major players of the market, namely; iPhone, Samsung, HTC, Q-Mobile and Nokia and for this reason almost equal number of each brand was studied.

The results revealed that majority of the respondents believed that brand association, brand awareness, brand quality and brand loyalty guided and influenced their purchase decision whenever buying mobile phones.

The results from correlation and multiple regression analysis showed that biggest contributor was from brand loyalty predictor variable in explaining purchase decision, meaning majority of the respondents felt that their loyalty towards the current brand they used, guided their purchase decision.

Second most strong correlation and contribution was from brand association, respondents claimed that the mobile brands helped them set a definition of themselves; it helped mould the judgments others made about them and influenced them to purchase accordingly.

The Pearson correlation test and multiple regression analysis also revealed that brand quality and brand awareness are not the most important determining factors while purchasing a cell phone relative to other variables.

The study also helped to expose that even a functional product like cell phone is purchased on basis of brand loyalty and brand association, backed by brand quality and brand awareness.

## RECOMMENDATIONS

By looking at the analysis done in the previous section, it is evident that brand association and brand loyalty have the most significant role in deciding which cell phone brand to purchase, and that happens when consumers can find a connection with the brand and can form the desired image with the help of it and this thus leads to repurchase of the same mobile brand. When consumers become very in-synched with a brand the switching costs for them also becomes very high, because consumers get very much used to of the brand they already have, rely on it and hence get attached to it. To achieve brand loyalty, marketers should work on nurturing and fostering the relationship consumers have with their cell phone brands. The research highlights the importance of brand meaning and relationship with the brand, consumers use, although the importance of brand quality and brand awareness is also present since being a functional product but gone are the days when consumers bought mobile phones based on its functionality, but nowadays a more deep relationship needs to be present between the mobile brand and consumer for it to effect his or her purchase decision.

And for this reason, marketers should work on both the functional appeal and emotional appeal simultaneously. Take for example, the advertisements of Samsung Galaxy III, “designed for humans”, where it shows how a father teaches the features of the mobile to his son.

So to achieve such an everlasting loyal relationship with a brand to force repeat purchase, the marketers should follow the CBBE model step by step.

First the presence of brand awareness should be there and the marketing mix strategies should be able to answer who the brand is and how it is different from others by highlighting points of differentiation.

The second step focuses on brand performance and brand association where meaning of the brand should be communicated to the target market so they can better evaluate, judge and form positive feelings regarding the brand, i.e. the third step in the CBBE model.

And at this stage, softer marketing techniques should not be ignored, consumers should start perceiving an emotional tie with the brand so they could not only buy the brand but advocate it to their family and peers.

Once consumers become brand loyal, marketers should keep reinforcing advantages and incentives and sustain the same brand image and quality that they have been providing, if not better.

## Limitations of the Research

- Limited areas of Karachi and Lahore were covered mainly.
- Middle – middle, upper middle and upper class consumers were studied.

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### Appendix QUESTIONNAIRE

The questionnaire is designed to investigate the impact of brand equity on consumer purchase decision of cell phones. Limited to only **Samsung, iPhone, HTC, Nokia** and **Q-mobile users**.

#### DEMOGRAPHICS

##### 1. Gender

☐ Male

☐ Female

##### 2. Age

☐ 18 – 27

☐ 28 – 37

☐ 38– 47

☐ 48 – 57

##### 3. Education

☐ High School

☐ Bachelor Degree

☐ Master Degree

☐ Above Master Degree

##### 4. Occupation

☐ Student

☐ Government Officer

☐ State Enterprise Officer

☐ Private Company staff

☐ Housewife

☐ Self Employ

##### 5. House Income

☐ Less than 30,000 Rs

☐ 30,001 - 60,000 Rs

☐ 60,001 - 90,000 Rs

☐ 90,001 - 120,000 Rs

☐ 120,001 -150,000 Rs

☐ 150,001 - 180,000 Rs

☐ More than 180,001 Rs

##### 6. What brand do you currently use?

☐ NOKIA

☐ SAMSUNG

☐ iPhone

☐ HTC

☐ Q-MOBILE

#### BRAND EQUITY FACTORS

Below are the tables measuring the impact of Brand Equity toward cell phones. Please **tick** the box under the number which accurately reflects your opinion.

**1(strongly disagree), 2 (disagree), 3 (neutral), 4 (agree) and 5(strongly agree)**

#### BRAND ASSOCIATION

	1	2	3	4	5
The brand of mobile phone I use assists me to attain the type of life I desire for.					
My mobile phone brand helps me to define a “I” and “me” within myself.					
I can link and associate between my life experiences and the brand I use.					
I think others form a judgment regarding me with the type of brand I use.					

**BRAND AWARENESS**

	1	2	3	4	5
Whenever I think about cell phones, the brand I use comes to my mind first.					
I can easily recall some of the features of my brand.					
I recognize the shape of my mobile phone brand among other brands of cell phones.					
I recognize the symbol or logo of my brand.					

**BRAND QUALITY**

	1	2	3	4	5
I'm satisfied with the software quality of my brand.					
My brand has consistent performance.					
The battery life of my brand lasts longer.					
The aesthetic appeal of my brand is stylish.					

**BRAND LOYALTY**

	1	2	3	4	5
I am loyal to my mobile brand.					
The mobile brand, I currently use will always be my first choice.					
I will not buy other brands of cell phones if my current brand is not available at the store.					
I would still like to buy the same brand that I already have even if another brand has the same features.					

**PURCHASE DECISION**

	1	2	3	4	5
My purchase decision depends upon how others think about me with the type of brand I use.					
My awareness regarding a mobile brand guides my purchase decision.					
The overall assessment of the quality of brand affects my purchase decision.					
In future, I will buy the same brand that I already have.					