MILLENNIAL'S APPROACH TOWARDS BRAND EQUITY USING MOBILE PHONES AND ROLE OF FACEBOOK IN BUILDING IT

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Abstract: Branding, a marketing concept which has been around since 2700Bc, gaining prominence in 1960s became a hallmark for successful product. It is a game of 'perform or perish' in the market where branding is the key to be above the fray. Building brand equity is the most important part of branding. Brand equity is consumers' trust in the brand which will lead to loyalty among them. Strong brand equity will give companies elbow room to experiment with new products and product categories. The model proposed in this paper measures brand equity, brand association, brand loyalty, brand awareness and brand image. In this paper brand equity is measured through Facebook activities and consumers engaging with the brand in Facebook. Brand loyalty will lead to repeat purchase. Brand image which reflects the view of customers about the brand will lead to self expression. Mobile phones are expressive products used to project self image in the social circle. The engagement with mobile brands and association of it in social media has become a common phenomenon. This study aims to measure brand equity for mobile phones and how they are influenced by social media.

Keywords: Mobile Phones, Brand Equity, Awareness, Association, Image and Facebook.

INTRODUCTION

Brand has arguably become the most important element of strategic planning. Brand can make or break a company as it is ultimately the reason for choice of a customer. When the consumer is faced with unlimited options for the same product category, it is the brand which comes to the rescue of the company for increasing the market share, maintaining and enhancing it. Branding has become way of life. Branding help the companies to stay above the fray of competition. Brand equity has been attributed towards the profit of a company. It adds value to the product with the brand name (Farquhar, 1994). It asserts the loyalty of the brand where they are provided with so many chances to be disloyal. Brand association, brand loyalty, brand awareness and brand image are factors of brand equity (Sasmita and Suki 2015).

This paper aims to study the brand equity of mobile phone brands among millennials. Millennails are hard to cater for and they are very much tech savvy (Raines, 2002). They are in at least one of the social media platforms and even depend on Facebook for news. Positive information about a product in Social Network and potential customers uses social network to gain more information about

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the product (Adjei *et. al.,* 2009). Ever week a new mobile phone model gets launched and gets reviewed instantly. Duan *et. al.,* (2008) reiterated that "Online customer review systems are one of the most powerful channels" to induce e-word-of-mouth. This study intends to find the influential factor of brand equity of mobile phones and to analyze the relationship between brand awareness and brand image.

OBJECTIVES

The study aims to answer the following objectives:

1. To find the most influential factor of brand equity among the young consumers.
2. To assess the affiliate relationship between brand awareness and brand image.

Brand Equity

Brand Equity has been described by Aaker (1996) as a combination of various factors such as brand awareness, brand loyalty, brand image, brand association along with brand quality. Farquhar (1989) voiced that brand equity is an added value to the product from a brand. He concluded that product serves functional value where as the brand offers something above and beyond the call of duty of the functional life of the product.

Keller (1993) explained "customer-based brand equity" as the result of brand marketing of the company and how the consumers react to that marketing. But in order for the customer based brand equity to be developed the customer needs to hold the brand in a favorable light.

The favorability towards the brand needs to be strong Dawar and Pillutla (2000) opinioned that companies with stronger brand equity withstand crises situation than those companies with weaker brand equity due to low consumer expectation. Siu *et. al.,* (2016) reemphasized that brand equity is a multi dimensional concept which differs from one culture to another. In some culture the emphasis of brand equity is placed upon different factors such as perceived brand quality, brand loyalty and brand knowledge.

Brand Association

Brand Association is termed by Emari *et. al.,* (2012) as the perception in the mind of the consumer about the brand. It is the information that is associated and used to remind about the brand. It can be either positive or negative. Pouromid and Iranzadeh (2012) expressed brand association as the features that are associated with the particular brand which captures the attention of the people, formulate an image about it on their mind, creates a personality and symbols for the brand. The

point of brand association with self was made by Angle and Forehand (2015), they reiterated that associating yourself with positive valence of a brand is like creating a link between self and brand which is an external identity.

Brand Loyalty

Jacob and Kyner (1973) concluded from their empirical testing that "repeat purchase and brand loyalty" are fundamentally different from each other and have different dimensions to them. Sheth and Park (1974) connected brand loyalty with consumers' repeated purchase because they form positive emotions and attitudinal behavior towards the brand. Oliver (1999) viewed brand loyalty as "a deeply held commitment to re-buy or re-patronize a preferred product or service consistently in the future". It was also described as the choice to buy the brand over all other existing brands by Yoo and Donthu (2001). If a firm manages to incorporate brand innovativeness in to their product successfully and regularly and also manage to make customers accept the brand quality as always high then they will be able to fruitfully inculcate brand loyalty among them (Pappu and Quester 2016)

Brand Awareness

Aaker (1996) viewed brand awareness as the undervalued factor in brand equity with less attention paid to it by the marketers. It is through awareness perception and attitude can be managed. He quipped that there are levels to brand awareness consisting of "Recognition, Recall, Top-of-Mind, Brand Dominance, Brand Knowledge and Brand Opinion." If the consumer was able to generate a picture of the brand and generate a picture about it, when encountered with a brand they may have a positive response to the product. Recognition due to awareness forms an important part in making a positive purchase decision (Pitta and Katsanis, 1995). Keller (2001) voiced in his book, anything which give customer a brand experience can increase brand awareness. Advertising strategy play an important role in creating brand awareness. He also argued that just creating recognition is not enough but marketers also need to aid brand recall by trying to connect the memory of the brand with the appropriate product categories. Wang *et. al.,* (2016) through their study found that brand awareness increased considerably when consumers are also involved in the process of innovation rather than the producers' attempt of it through observation.

Brand Image

Keller (2007) stressed the importance of creating positive, strong and favorable association with the brand which forms the basis of brand image. While Roy and Banerjee (2007) argued that brand image is the thoughts and feelings of the consumer about the brand. Low and Lamb (2000) defined it as "the reasoned emotional

perceptions consumers attach to specific brands". Brand image comes to play when there are difficulty in distinguishing products and services according to their features and properties (Mudambi, Doyle and Wong, 1997). When there is strong and positive brand image, consumer's attitude and behavior will also get affected by the brand message generated by the brand image which will be top-of-chart in the available brand choices (Burmann *et. al.,* 2008). Jacoby *et. al.,* (1971) through an experiment study proved that brand image can be used to influence the perception of quality and value of customer. Rubio *et. al.,* (2014) asserted that consumers equated high quality to famous and esteemed brands in their mind.

Mobile Phones

Smart phone segment is expected to reach 250 million units in India by the end of 2016 (DNA Reports, January-2016). It has grown at a rate of 32% from 2015. CMR reported fall in the feature phone growth by 17%. India is also moving towards a "smartphones only" market if the trend continues to prevail. Walsh and White (2007) stated that mobile phones are self-identifying product. It is important to create positive image about the brand for the customer to identify their self with it. It was found that mobile phone to an important extent confers to "reputation's affective aspects". Companies invest on making their brand and product likeable (Alexandre O. 2010).

Millennials

Millennails are larger in numbers than generation X. Millennials had the opportunity to grow around technology thus being very tech savvy and market savvy too. Fernandez-Cruz (2003) noted that millennails "quickly surpassing its parent generation, Generation Y, has grown up in a media-saturated, brand-conscious world, and is keeping advertisers on their toes." Millennials are very conscious about the brand and look for value for money (Key Findings, 2004). It is important to create positive emotions on the brand for them to make them loyal and satisfy them (Nowak *et. al.,* 2006).

RESEARCH METHODOLOGY

This research paper used descriptive approach to study the impact of brand equity on millennials using mobile phones. Data were collected from students at a private university in Vellore city in Tamil Nadu. A self-administrated survey was carried out using structured questionnaire was used for collecting data. Quota sampling method was used to acquire response from students who uses Facebook every day. A total of 270 students recorded their response and 16 responses were eliminated as they were incomplete. Finally 254 responses were used for analysis.

MEASURING INSTRUMENT

The questionnaire administered among the millennials had three sections. Part A consisted of the demographic profile of the respondents including age, gender, and educational qualification. Part B was used to collect information regarding brand of mobiles, their usage and social media usage patterns. Part C was used to measure brand equity and its factor including brand association, brand loyalty, brand awareness and brand image. The questionnaire was adapted from Ling (2013) to study brand equity with 20 scale items who modified by Sasmita and Suki (2015) it to fix the social media context.

CONCEPTUAL MODEL

The framework for measuring brand equity was adopted from the study of Sasmita and Suki (2015). Their model included already defined factors consisting of brand association, brand loyalty, brand awareness, brand image and brand equity itself (See Figure 1). They adopted the model of Aaker's brand equity excluding purchase intention with literature support that positive perception of the consumer towards the brand will pave way for higher willingness to purchase the brand and indulge in engagement with the brand.

Ling (2013) scale was used to measure the brand equity and its factor. The factors included brand association, brand loyalty, brand awareness and brand image. The brand equity of mobile phones among millennials was measured. The model attempts to find the influential factor of brand equity of mobile phones. The relationship between brand awareness and brand image was also assessed. The impact of brand loyalty on brand equity was also examined.
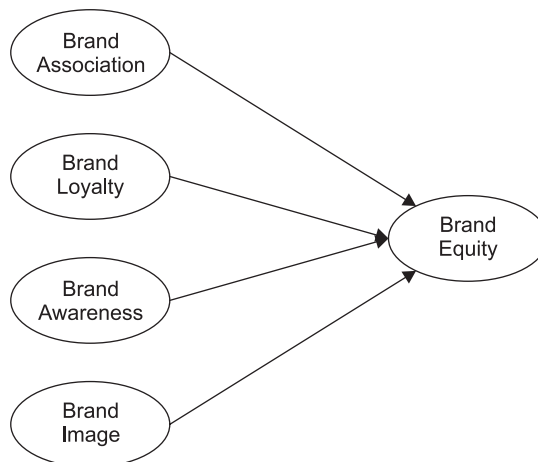

Figure 1: Frame work

DATA ANALYSIS

Descriptive Statistics

Table 1 shows descriptive statistics of the respondents. Of the 254 respondents collected 57.1% of them are Male and 42.9% were female. As the objective of the study is to measure impact of brand equity among millennials, all the respondents were under the age of thirty. Of the 254 respondents, 82.7% i.e. 210 are of the age 18-21 years, 13% i.e. 13 of them are between the age 22-25 years and 4.3% i.e. 11 are between the age 26-29 years.

TABLE 1: DESCRIPTIVE STATISTICS

Demographic Profile		Frequency	Percent
Gender	Male	145	57.1
	Female	109	42.9
	Total	254	100.0
Age	18-21 years	210	82.7
	22-25 years	33	13.0
	26-29 years	11	4.3
	Total	254	100.0

The brand profile of the respondents was examined, and it was found Samsung was the most used brand among the respondents. It was used by 19.7% of the respondents. It was followed by Sony, Apple, Motorola and Xioami, respectively. (See Table 3.)

TABLE 2: BRAND PROFILE

Brand Profile		
Brands	Frequency	Percent
Samsung	50	19.7
HTC	11	4.3
Apple I phone	29	11.4
Motorola	26	10.2
Xioami	27	10.6
Nokia	4	1.6
Micromax	18	7.1
Sony	39	15.4
LG	5	2.0
Dell	1	.4
HP	10	3.9

Brand Profile		
Brands	*Frequency*	*Percent*
Asus	3	1.2
Nexus	19	7.5
Karbonn	2	.8
Others	10	3.9
Total	254	100.0

Table 3 gives a look in to the time spent on Facebook. About 35.4% of respondents spend more than 3 hours in Facebook. Another 12.6% of them spend about 2-3 hours and 20% spend about 1-2 hours in the said social media platform. 15.7% of respondents spend around an hour and 16.1% spend less than 30 minutes on Facebook. The results reveal that most of respondents spend a considerable amount of time on Facebook.

TABLE 3: FACEBOOK USAGE PATTERN

	Time Spent on Facebook	*Frequency*	*Percent*
Valid	30 Minutes or less	41	16.1
	31-60 Minutes	40	15.7
	1-2 Hours	51	20.1
	2-3 Hours	32	12.6
	More than 3 Hours	90	35.4
	Total	254	100.0

RELIABILITY TEST

Nunally (1978) reported that Cronbachs Alpha value of the scale should be above 0.7 for any adapted instruments. Each construct of brand equity was tested and values of those results were noted. The alpha value for brand association is 0.824, for brand loyalty it is reported at 0.821, whereas the Cronbach alpha value for brand awareness is at 0.831, for brand image it was at 0.811 and Cronbach alpha value of brand equity is 0.806. The composite Cronbach alpha score was reported at 0.926. Nunally and Bernstein (1994) required the composite reliability to be above 0.7 to be accepted reliable. The constructs of brand equity tested were all reported at or above 0.806 and the composite reliability score was recorded at 0.926. Thus the values satisfy the set condition and the scale is deemed reliable.

Regression Analysis

Regression Analysis was conducted in order to find the influential variable of brand equity. Brand Association, brand loyalty, brand awareness and brand image were

loaded as independent variable whereas brand equity was loaded as dependent variable. The results are tabulated. Of the four independent variables, three variables brand loyalty (0.000), brand awareness (0.010) and brand image (0.000) have significance value less than 0.05 where as brand association reported a score of 0.764 thus not significant to brand equity. (Hair *et. al., 2013*). Brand image has the higher β value of .489 followed by brand loyalty which has a value of .216 and finally brand awareness with a value of .104. (See Table 4.)

TABLE 4: REGRESSION VALUES COEFFICIENTS[*]

	Standardized Coefficients	*T*	*Sig.*
	Beta		
(Constant)		1.767	.078
Brand Association	.018	.300	.764
Brand Loyalty	.216	3.832	.000
Brand Awareness	.104	2.603	.010
Brand Image	.489	7.944	.000

[*]Dependent Variable: Brand Equity

H_1: Brand Image has a strong influence on brand equity.

Brand Image has the highest beta value among all the independent.

Hence H_1 is accepted.

H_1 indicates that brand image is the most influential factor among the four independent variables on brand equity.

Correlation

Correlation analysis was used to find the relationship level between brand awareness and brand image. The result revealed that brand awareness and brand image have significant relationship with each other with the significance value of .000 which is less than the required 0.05 according to Hair *et. al*., (2013). The Pearson coefficient value is 0.653. Lind *et. al.,* (2010) noted that if the coefficient value is between 0.5 − 1.0 then there is strong relation and highly dependable relationship. (See Table 5)

H_2: There is positive relationship between brand awareness and brand image.

Hence H_2 is accepted.

Brand awareness is strongly correlated with brand image positively with a coefficient value of 0.653 at 95% significance level which indicates that when brand awareness increases positively then the brand image also positively increases.

TABLE 5: CORRELATION VALUE
CORRELATIONS

		Brand Awareness	Brand Image
Brand Awareness	Pearson Correlation	1	.653[**]
	Sig. (2-tailed)		.000
	N	254	254
Brand Image	Pearson Correlation	.653[**]	1
	Sig. (2-tailed)	.000	
	N	254	254

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

DISCUSSION

Regression analysis revealed that brand image as the most influential variable of brand equity. It is important to create a positive brand image for the customer to purchase and use the product. Brand image has high influence in building and maintain the brand equity of the product. Cvijikj and Michahelles (2011) found that Facebook influences the customer's view on the brand image. It was also found that millennials who are more tech savvy are more influenced by social media than the previous generations. This match with our result that social media brand image of a brand influences the value of brand equity and customers perception towards the brand. Mobile being an expressive and self identifying product (Walsh and White, 2007), it is important to create highly favorable brand image for it. Brand awareness has strong positive correlation with brand image. Our result is in line with Lam et. al., (2012) study that as awareness about the brand increases so does the image on the brand. It is necessary to create awareness which is positive which will lead to positive brand image which can also become negative if the brand awareness is on the negative light.

IMPLICATION

The study concluded that brand image is the most influential variable for brand equity. Managers must pump in money to create positive brand image for the customers. Brand image plays an important role in shaping up the brand equity of mobile phone brands. Also mobile phones are self identifying products. it is important to have positive brand image as self congruence with a brand can only happen when the brand image is positive and favorable towards self.

Brand awareness about a product plays an important role in honing brand image and vice versa. When brand awareness is positive it also increases the brand image in positive light. This effect indicates the need for the managers to manage

the awareness consumer gain about the brand. Because new models are introduced very frequently by some company which get reviewed instantly in social media and it give awareness about the brand to the potential customers. It is absolutely necessary that companies fight to tooth and nail to make sure that only positive news about the brand reaches the customer. This will basically result in building of brand image in halo light.

Millennials flock to social media than any other generation and get swayed easily to the information made available to them. With millennials being a big purchase power, it is very important to cater to their need in their own way and make sure they get exposed to the brand.

CONCLUSION

Brand equity for mobile phone brands reveal that brand image influences the customer in buying a mobile phone. Also companies need to create positive brand awareness about their mobiles with so many models available. The companies must also try to control the reviews which shoot of instantly in the social media as soon as a new model is launched. This will help in creating positive awareness hence forth positive image. The study has its fair share of limitations. The study though fulfills the basic objective of researching about the effect of brand equity for mobile phones on millennials, it needs to be tested in different cultures to be generalized. The study can further analysis to find if brand awareness is antecedent to brand image.

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