Impact of Brand Equity on Consumer Behavior

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Abstract: Brand equity has become an essential variable that impacts on consumer behaviour and enhances the value of the product due to the effects on customer loyalty and customer satisfaction. High positions of brands in terms of brand equity in the minds of customers can easily be considered as lucrative among other brands. Better understanding and overseeing of dimensions of brand equity (brand loyalty, perceived quality, brand awareness, brand association) build strong features that will affect consumers when making on decisions. The present study was conducted to investigate the effects of four dimensions of customer-based brand equity; brand loyalty, perceived quality, brand awareness, brand association on consumer behaviour. In today's world, consumers have a large spectrum of products made in different countries and companies, for this reason, the elements of customers' trends towards to products should be determined to comfort consumers to make a choice and purchase the product. The research model of the study was created and inspired by Aaker's model of brand equity. Four dimensions of brand equity were used independent variables, and consumer behaviour was used as the dependent variable. To test the hypothesis, data was collected through a survey and questions were asked to respondents based on their favourite brand for sports shoes and effects of brand loyalty. Brand association, brand awareness, perceived quality were evaluated when consumers purchase sports shoes based on their famous brand. Two hundred questionnaires were distributed to the consumers at the shopping centre of Budapest, Hungary. One hundred and eighteen questionnaires were useable for analysis. Results of the survey were analyzed using SPSS v.21. Descriptive statistics, Cronbach’s alpha, cross-tabulation, factor analyses and correlation and linear regression tests were carried out for the study. The quantitative research method was applied for the research to ensure the reliability of the course. The results indicated that brand loyalty, perceived quality and brand association have a strong positive impact on consumer behaviour; however, brand awareness has a medium level positive impact on consumer behaviour when deciding to purchase the product.

Keywords: brand equity, consumer behaviour, brand loyalty