AN INVESTIGATION OF ASSOCIATION AMONG FIVE MARKETING MIX ELEMENTS AND BRAND EQUITY: EVIDENCE FROM INDIA

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Abstract:
Efficient Marketing Communication (EMC) is one of the major devices for firms in order to establish brand equity of firms. This paper aims to investigate the effect of marketing mix on brand equity in mobile phones domain among young consumers. The statistical population consists of consumers fromKashmir.The research sample involves 116 consumers selected from a city of Srinagar/Kashmir and they are asked to reply questions on Likert based. The data were collected by the structured questionnaire. According to the research conceptual model, the relationship between marketing mix dimensions such as (Price, Store Image, Brand Name, Distribution and Advertising) and Brand equity Dimensions Such as (Brand Awareness, Brand Association, Perceived Quality and Brand Loyalty) was investigated. Data were analysed with the help of SPSS (Statistical Product and service Solutions),Pearson's correlation analysis and regression analysiswere used for data analysis and results showed that out of all marketing mix elements tested in study,advertising, Store image and distribution have the most significant effect on brand equity. Companies by utilising these strategies (factors) can succeed more in present competitive marketplace.

Keywords: *Market; Mobile phone; Brand; Consumers, India*

Introduction

The market for mobile phones is increasing at a rapid pace all over the world and emerging country like India is also witnessing a two digit growth in the numbers year on year. It is evidence that number of national and international companies are paying interest to set their position in this emerging market, Mobile cellular industries like Nokia, Samsung, LG, Sony Ericsson, Motorola and some other local companies like Micromax, Karboo, spice, etc. and Mobile cellular service providers such as Airtel, Reliance, Tata idea, BSNL and others.

Both Mobile handsets as well as Mobile cellular providers perceivehigh competition in price and proposingfascinating advertising actions is also same to all the players. Promotion plays a vital role in making or breaking a brand. It is not enough to have good product and pricing strategy but it is of immense significance to have a broad band of promotional programmes. A case of HTC, a leading multinational organisation is not able to make position in Indian Market, and beside they have quality products and good service offerings but they fail due to the miserable promotionalapproaches. Brand building is one of the best ways of doing business. A successful brand building gives a powerful competitive position to the producers and increases the power of retailers. It can also act as a defensive factor to protect market share in front of competitors. Brand is one of the most important intangible assets in today's enterprises and in many cases; an enterprise is mostly valued mainly based on its brand. During the past few two decades, there have been numerous efforts to measure the impact of brand on customer's purchasing intention (Lee & Back, 2011).

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Purpose of this study is to investigate the effect of marketing mix on brand equity in mobile phones among young consumers.According to the research conceptual model, the relationship between marketing mix dimensions and Brand equity Dimensions was investigated.

Literature Review

Aaker (1991) mentioned brand equity is a set of brand assets and liabilities linked to a brand, its name and symbol, which add to or subtract from the value provided by a product or service to a firm and to that firm's customers. Brand equity is a multidimensional concept. It consists of brand loyalty, brand awareness, perceived quality, brand associations and other proprietary brand assets. Farquhar (1990) contends that brand equity to a consumer follows from a positive evaluation of, or attitude toward, the branded products.

Yoo, Donthu and Lee (2000) recognized that perceived quality, brand loyalty, brand awareness and brand associations are the common dimensions of brand equity.

Brand loyalty

Aaker (1991) cited brand loyalty as the favourability or strength of a brand created by the customer's satisfied experience of use and purchases a direct way to determine Loyalty, especially habitual behaviour, is to consider actual purchase patterns. Among The measures that can be used are: repurchase rates, per-cent of purchase and number of brands purchased. The brand loyalty of existing customers represents a strategic asset that, if properly managed and exploited, has the potential to provide value in several ways: reduce marketing costs, leverage trade, and attract new customers-brand awareness createdand reassurance to new customers-time to respond to Competitive treats.Aaker,(1991)

Perceived Quality

Zeithamal (1988) definesperceived quality as"the consumer's judgment about a product's overall excellence or superiority. Perceived quality is the attribute observed and understood by the consumers- may it be about a product or services providers. It has been defined as customer's perception of overall quality or service compared to its alternatives and with respect to its intended purpose.

Brand Awareness

Keller (2003) defined brand awareness as how well a customer identifies the brand under different conditions. The depth (the ease of recall and brand recognition) and Breadth (number of purchase and consumption situations) of recall is crucial in brand awareness. Keller further argues that positive brand image and brand awareness would have significant influences on marketing activates related to the brand of product.

Brand Association

Aaker (1991) defines brand associations as "anything linked in memory to a brand", and brand image as "a set of brand associations, usually in some meaningful way." Aaker categorized brand associations in to11types: product attributes in tangibles, customer benefits, relative price, use/application, user/customer, celebrity/person, life style/personality, product class, competitors and country/geographicarea.

Marketing mix Elements

Marketing mix Elements is combination of all the promotional tools which organisations are using in order to promote their products and services(Yoo, Donthu and Lee, 2000). The present study also examined customers perception and behaviour of selected five marketing mix tools such as Price, Store image, Brand name, Distribution intensity and advertising.

Price

An amount that the customer is willing to pay in order to obtain a valuable product usually considered to be based on the concepts of money, but it can be exchanged with any other valuable things. Customers are utilising price as indicator of product quality the more the product cost the more customer perceive it durable and worth. It is also suggested that consumers not only perceive price as a sign of expense but it is also talks about product quality and excellence. The relationships between price and product quality received a substantial amount of attention by marketing researches, particularly since the mid-1980s (Scitovsky,1945).

Store Image

Includes features such as physical environment, service levels and quality of goods.(Baker et al, 1994; Zimmer and Golden, 1988).Srivastava and Shocker(1989) indicated that the importance of channel design and Management as a marketing tool for increasing brand equity is growing. In a Distribution channel, retailers encounter a firm's ultimate consumers. Selecting and managing retailers is therefore a firm's major marketing task in satisfying consumers' needs. In particular, distributing through good image stores signals a brand has good quality.

Brand Name

Brand Name is the term sign or symbols that differentiate product and service from Competitors (American Marketing association). Centuries ago brand was implemented to distinguish an individual's cattle from another's by putting a burned symbol in to animals skin in order to identify it easily, and was consequently used in commercial, advertising and marketing. Correct brand name leads a company in to high edges results high sales not only particular product but whole products associated with the brand (Aaker 1991)

Distribution

Distribution is where business sells its products or services and how it gets those products or services to your customers. It is most important element because only customer will attract with the product once the product is available. In present market scenario were competition is very high only organisation will achieve their high market share if their distribution intensity is high. Distribution is regarded as intensive when products are placed in a large number of Stress estocover the market. Consumers will be more satisfied when a products available in a great number of stores because they will be offered the product where and when they want it. (Fens,OliverandKluyver1989)

Advertisement

Advertising means communicating message it is introducing something into others or faking something is good or bad. It includes visual and verbal messages which is promoting an opinion with the product from a source through advertising channels to all the society and will spend money for it. Advertising researchers find advertising is successful in generating brand equity. (Boulding, LeeandStaelin, 1994) Simon and Sullivan (1993) find a positive effect of Advertising spending on brand equity. Cobb-Walgren, Beal and Donthu (1995) find that spending on advertising has positive effects on brand equity and its dimensions. Advertising is an important extrinsic cue signalling product quality.

Figure 1 shows present study framework "influence of selected Marketing mix elements on brand equity".

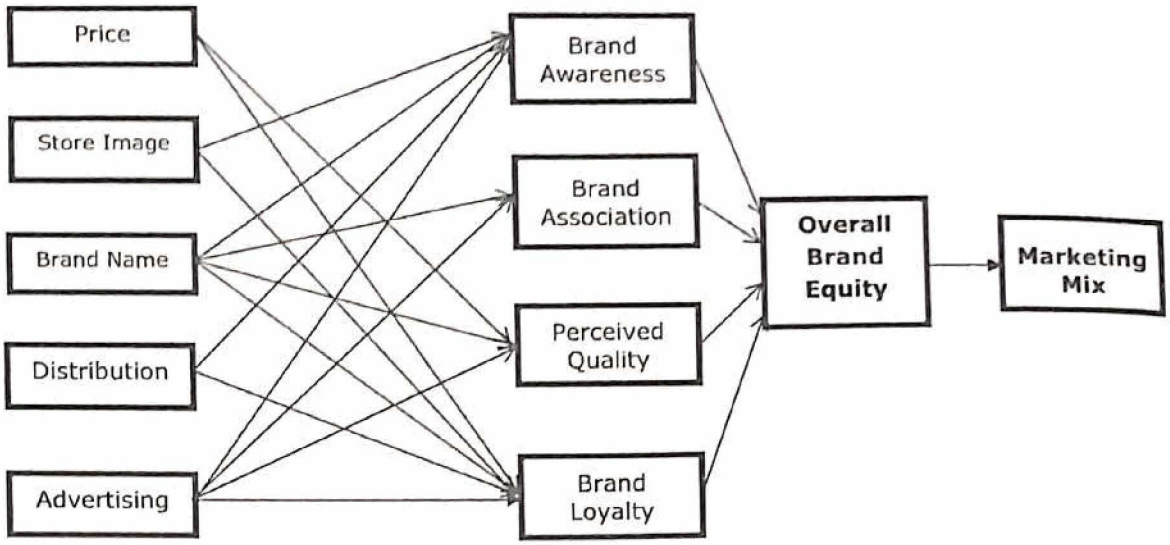


Figure 1: Hypothetical Framework

Research framework of study has been developed on the basis of previous theoretical and empirical research works already done in similar field. In order to check the fitness of study framework (Mentioned Below) hypothesis was developed to examine the relation between selected five marketing mix elements on overall brand equity.

Hypothesis:

H1:Association among Marketing mix elements (price, store image, Brand name Distribution intensity, advertising and brand equity dimensions (Brand awareness, Brand association, Perceived quality, Brand loyalty) is positive.

H2: Association among brand equity dimensions (Brand awareness, Brand association, Perceived quality, Brand loyalty) and overall brand equity is positive.

H3: Association among Overall Brand equity and marketing Mix elements is positive.

Research objectives:

The major objective of this research is to study the influence of marketing mix elements on brand equity. The secondary objectives are

- To identify the factors influencing selected marketing mix on four dimensions of brand equity.
- To examine the relationship among dimensions of brand equity to overall brand equity.
- To find out the relation between overall brand equity and marketing mix strategies.

Research Methodology:

Descriptive research was opted to identify the means and standard deviation of variables under study. The main purpose of this research is to examine the factors influencing marketing mix elements on brand equity in mobile segment in Srinagar, Kashmir. Different statistical methods were used for testing study hypotheses. Pearson's correlation tests as well as regression analysis were used for study to test impact of marketing mix on overall brand equity

Sampling:

The survey covered products categories of (Mobile Phone) from which four brand names were selected (Nokia, Sony Ericsson,

Samsung, Motorola). Selection of product for study is done after survey of 10 depth interview conducted among mobile phone users who are associated with particular brand, During the interviews, the customers were asked to name the products they currently use or have used or bought for themselves or others. Based on the results of in-depth interviews the above product categories were selected. Also final selection of product stimuli for study was done by seeing no of factors like price, features, present promotional strategies, availability quality, market share etc.

Data collection methods:

In the present study structured questionnaire was used in order to collect the data, in all the questions except demographic characterises 5 point likert scale were used. In the questionnaire 5 considered as strongly agree, 4 as agree, 3 natural, 2 disagree, 1 for strongly disagree. Data were collected from the user of mobile phone in Srinagar/ Kashmir. The survey included a sample of 116 respondents from the area of Srinagar city. Total 150 questionnaires were handed over to the users and they were asked to fill it. In return 116 questionnaires were considered as useful because they were completely filled. Response rate of filled questionnaire is 77percent, which is quiet good and it represents the sample of the population.

After the process of data collection, responses are manipulated by the help of the software i.e. SPSS 16.0 for further data analyses. For testing study results descriptive statistics and correlation and regression analyses were applied.

Statistical Analysis& Results

Mean and Standard Deviations of Variables

The higher the mean value means that the more respondents agree to that the said variables could have a great impact on brand equity. When analysing the mean and Standard deviations of variables, it is important to take note that a significantly large value of standard deviation means that the data being tested is far away from the mean Where as a smaller value means that the tested variable is much closer to the mean.

Table1 shows the mean of price, store image, Brand name, distribution, advertising were all below the level of 5.0 and standard deviation of mentioned variables were below 1.67. It means that the mean result is accurate. The means of perceived quality, brand awareness, brand association over 3.67. However, the standard Deviation of brand loyalty and brand awareness is 0.67 and 0.59 respectively. It means that even though the mean values of both variables are high, the data being tested is not close to the mean value.

Table1: Mean and Standard Deviations of Variables

Variable Items	Mean	Std. Deviation
Price	3.78	1.07
Store image	3.54	1.20
Brand name	3.66	1.11
Distribution	4.36	0.76
Advertising	3.02	1.67
Brand awareness	3.67	0.59
Brand association	4.17	0.51
Perceived quality	3.87	0.55
Brand loyalty	3.95	0.67
Brand Equity	4.13	0.50

Hypothesis Testing

For analysing the data, collected from mobile telephone users at Srinagar/Kashmir correlation and regression tools are used. To analyse the relationship between two variables "Pearson correlation" has been used and the results are shown in the Table 2. In this analysis Correlation is significant at the 0.01 level (2-tailed).

Table 2 highlight the relationship between different variable of marketing mix and brand equity by using Pearson correlation coefficient analysis. It is found that most of the variables are having a statistically significant relationship with each other. From among the different variables the highest relationship is found between perceived quality and brand equity with the coefficient value of 0.882 followed by brand awareness and brand equity with the coefficient of 0.438, which indicates that the perceived quality and awareness among the people is the most important elements to increase the brand equity of the product. It is also found that price of the product and brand loyalty are significant with the value of 0.268 and relation between price and perceived quality on the other hand is not significant because the significance value is higher than 0.01. Similarly store image with brand awareness, brand loyalty is significant and with brand association it is not significant, brand name have significant relationship with all the variables of brand equity and distribution have negative relation with brand awareness and positive significance with Brand Loyalty, advertising have positive relation with brand awareness and brand association with the value of (0.103) and (0.223), and negative correlation with perceived quality and brand loyalty having value of (-0.10) and (-0.194). It is also been found that brand awareness (0.438), brand association (0.225), perceived quality, (0.882), loyalty (0.312) have significant relation with overall Brand equity and overall brand equity have also positive significance with marketing mix elements that is price (0.060), store image (0.081), brand name (0.059), advertising (0.071), distribution (0.038). It can also be gauged that the relationships between price & perceived quality is having less co-efficiency with a value of 0.012 among the statistically significant relationships that judges price of the product is not highly effective with perceived quality of a product.

Table 2: Pearson Correlation Coefficient Analysis between the variables.

S. No.	Test variables	Correlation Coefficient	Sig. (2-tailed)	Results
1	Price & Brand Loyalty	0.268	0.004	Significant
2	Price & Perceived Quality	0.112	0.232	Not significant
3	Store Image & Brand Awareness	0.233	0.012	Significant
4	Store Image & Brand Association	0.012	0.233	Not significant
5	Store Image & Brand Loyalty	0.174	0.000	Significant
6	Brand Name & Brand Awareness	0.378	0.000	Significant
7	Brand Name & Brand Loyalty	0.378	0.000	Significant
8	Brand Name & Brand Association	0.076	0.001	Significant
9	Brand Name & Perceived Quality	0.251	0.006	Significant
10	Brand name & Brand Loyalty	0.098	0.001	Significant
11	Distribution & Brand Awareness	0.147	0.116	Not Significant
12	Distribution & Brand Loyalty	0.085	0.000	Significant
13	Advertising & Brand Awareness	0.103	0.001	Significant
14	Advertising & Brand Association	0.223	0.006	Significant
15	Advertising & Perceived Quality	-0.108	0.247	Not significant
16	Advertising & Brand Loyalty	-0.194	0.136	Not significant
17	Brand Awareness & Brand Equity	0.438	0.000	Significant
18	Brand Association & Brand Equity	0.225	0.015	Significant
19	Perceived Quality & Brand Equity	0.882	0.000	Significant
20	Loyalty & Brand Equity	0.312	0.001	Significant
21	Brand Equity & Price	0.060	0.005	Significant
22	Brand Equity & Store Image	0.081	0.000	Significant
23	Brand Equity & Brand Name	0.059	0.009	Significant
24	Brand Equity & Distribution	0.071	0.000	Significant
25	Brand Equity & Advertising	0.038	0.000	Significant

Regression Analysis

For testing hypothesis concerning impact regression analysis is required. Kerlinger and Lee (2000) were of the view that regression analysis is used to relate one variable (dependent) with one or more independent variables. It identifies how much of a dependent variable is explained by an independent variable (see Table 3).

Table 3: Regression Coefficients for Dependent Variable: Brand Equity

S. No.	Model	Unstandardized Coefficients		Standardized Coefficients	t-value	Sig.
		Beta	Std. Error	Beta		
1	(Constant)	0.66	0.238		2.80	0.00
2	PRICE	-0.02	0.029	-0.05	-0.95	0.34
3	Store Image	0.74	0.036	0.45	14.48	0.01
4	Brand Name	-0.06	0.026	-0.13	-2.37	0.01
5	Distribution	0.29	0.028	0.21	10.99	0.03
6	Advertising	0.42	0.031	0.49	13.20	0.02
7	Brand Awareness	-0.00	0.044	-0.00	-0.04	0.96
8	Brand Association	0.13	0.041	0.14	3.32	0.00
9	Perceived Quality	0.83	0.047	0.91	17.76	0.00
10	Brand loyalty	0.61	0.035	0.81	10.41	0.02
Note: Dependent variable: Brand Equity						

In this regression, the dependent variable "brand equity" and the independent variables are: "Price, Store Image, Brand name, distribution and advertising. After processing data through regression analysis, it has been shown that there is a significant relationship between among all variables. As can be seen in the table of regression coefficients, can be concluded that the regression equation between the dependent variable and independent variables into a few shows, is expressed as follows The coefficients obtained, we can conclude that the obtained dimensions, advertising, Store image and distribution have the greatest impact on brand equity and organizations can invest more on these components and to try to gain competitive advantage for its brand equity.

Findings and Conclusion

The primary purpose of this study is to investigate the impact of Marketing mix elements on brand quality in the Mobile phone Sector in Kashmir. As results have shown that, there is a significant relationship between all variables. The results indicated that there was a positive and meaningful relationship between marketing mix efforts and brand equity. In other words, more advertisements and awareness could help better market exposure, which means customers will have more awareness on market characteristics. Among all mixed efforts, quality and awareness influences more on brand equity, which means consumers care more on product quality than other features. The present study found no significant relationship between high prices and customer perceived quality, store image and brand association, advertising and perceived quality, advertising and brand loyalty. In the situation when service provider failed to offer quality to their customer then their customers will become dissatisfy. These dissatisfied customers will switch to other brand. In services, quality is subjective. Customer want

good quality, better distribution intensity, store image If customer dos not receive any of it then it contributes in the origination of dissatisfaction and in this way brand equity affected severely. Because from the data analysis it has been shown that, there is significant relationship among all variables present in this construct.

Limitations and Future Research Directions

The present research study contains some limitations. These limitations can be used as a path for future research directions. First limitation is about the generalizability of the sample size that is used for the representation of the whole population in a mobile phone industry. Sample size is 116, which is not the good representation of whole population in mobile phone industry. Moreover, this sample size does not provide the whole population viewpoint of the effect of the marketing mix elements on brand equity. Second limitation is only selected elements of marketing mix (price, store image, Brand name, distribution and advertising) have been measured. Other dimensions have been ignored.

Another limitation is that as research study is cross sectional in nature, so the results that are presented here are only referred as one time-period with the present eco-social factors that influence the results. Nevertheless, if we take this study in a longitudinal perspective results will be more comprehensive, generalized accurate and refined.

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