

THE EFFECT OF BRAND EQUITY ON SMARTPHONE PURCHASE INTENTION

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ABSTRACT:

The purpose of this study was to investigate how brand equity factors affected consumer's intentions to acquire smartphones in Bengaluru. The study employed a descriptive and causal research design. Data was gathered by the questionnaires. The models used helped to measure the impact of brand equity factors on smartphone purchase intentions. The Bengaluru smartphone industry is a dynamic one that is developing quickly. The Bengaluru smartphone market potential is determined by five elements, as per the survey. The goal of the research project was to identify opportunities for smartphone marketers in Bengaluru. The city serves as a regional hub for many businesses and connects all four provinces of India. This study aims to explore the variables influencing consumers' intentions to acquire mobile phones in Bengaluru. A basic random sample technique was used to select consumers to meet the study's objectives. In addition to gathering primary data, four crucial variables—brand perception, brand preference, brand loyalty, and brand image were chosen, and their relationships to purchase intention were examined using correlation and multiple regression analysis. According to the study, to balance the opportunity, mobile phone retailers should take all the above factors into account.

Keywords: Purchase Intention, Brand Equity, SEM

INTRODUCTION:

Businesses require effective tools to recruit, retain, and grow their consumer base to achieve success in today's competitive business environment and meet their objectives. These tools should have strong brand equity. Approximately 20 years ago, the concept of brand equity was developed as a fundamental marketing idea. Brand equity is related to the portion of the product that is associated with the brand. Simply said, it is the intangible yet crucial aspects of the business that are determined by the attitudes and

actions of its consumers. Aaker created a bridge between the literature and formulated the brand equity model, which provided a technique for both professionals and academics to measure brand equity. The key framework for brand management is the Aaker model of brand equity. customer-based brand equity is the impact of brand awareness on consumers' reactions to brand marketing that is different from other forms of marketing. It is predicated on recall and brand awareness.

brand equity is the increased value that a product receives from its brand. According to Aaker brand equity is a collection of attributes and obligations associated with the brand. I agree with the fact that brand equity adds value to the product. In general, brand equity refers to the consumers' perception of every benefit and strength that a particular brand has over competing brands.



Aaker's Brand Equity Model

- **Brand Loyalty** - This represents the level of customer attachment and commitment to a brand. Reflects the likelihood that customers will repeatedly choose the brand over competitors.
- **Brand Awareness** - This signifies the extent to which consumers can recognize or recall a brand. Increased awareness often leads to higher consideration during purchase decisions.
- **Perceived Quality** - Refers to the customer's perception of the overall quality or excellence of a brand. High perceived quality enhances brand credibility and influences purchase decisions.

- **Brand Associations-** Involves the mental connections and associations consumers make with a brand. Positive associations contribute to a favourable brand image and influence consumer perceptions.
- **Brand Personality-** Describes the human characteristics or traits attributed to a brand. A brand's personality helps create emotional connections with consumers.

LITERATURE REVIEW:

1. **(Ravichandran, 2023)** - The study found a significant correlation between smartphone purchase intentions in Sri Lanka and brand equity components (loyalty, awareness, association, and perceived quality). This finding highlights the critical influence of brand strength on consumer choices, promoting loyalty, and encouraging frequent purchases, particularly among industrial users.
2. **(Gautam, 2018)** - This study in Kathmandu reveals that brand loyalty and awareness significantly influence smartphone purchase intention, with females exhibiting higher purchase intent, while qualification shows no significant impact, providing valuable insights for policy and strategy formulation.
3. **(Diluxshy, 2023)** - This study conducted in the Batticaloa district of private banks in Sri Lanka highlights the significant impact that brand equity dimensions—such as brand loyalty, awareness, association, and perceived quality—have on smartphone purchase intentions. This highlights the necessity for marketers to build brand equity to improve consumer decision-making and boost product consumption.
4. **(Angela, 2022)** - This study conducted in the Philippines shows a strong correlation between Generation Z consumer-based brand equity towards the global brand Apple and their intentions to purchase used Apple products. These findings can help technology brand managers improve their strategies for acquiring new customers and enhancing their brand image.
5. **(Indriany, 2013)** - Among 100 students at Sam Ratulangi University in Manado, this study shows that brand image, brand personality, and brand awareness significantly influence consumer purchase intention of Apple Smartphones in the dynamic landscape of the technology industry, with brand awareness having the most substantial impact.
6. **(Oyenuga, 2021)** - In the context of Apple smartphones, this study conducted in Abuja with 341 students from Veritas University highlights the significant influence that brand awareness, brand

association, and brand loyalty have on consumer behaviour. It also highlights the significance of emotional connections for repeat purchases and suggests that businesses looking to influence consumer behaviour pay strategic attention to these brand equity factors.

7. (Adam, 2016)v- This study looks into how brand equity components—such as brand association, awareness, quality, and loyalty—affect consumers' decisions to buy cell phones. It highlights the importance of emotional connections and smart brand management for companies looking to sell to Karachi and Lahore's brand-savvy customers.
8. (Aaker, 2017) - Perceived quality is a major factor influencing brand loyalty and overall brand value, according to this study conducted among students at Aksaray (Chao, 2018) University. Additionally, brand awareness influences perceived quality, and purchase intention is positively impacted by both brand loyalty and overall brand value when it comes to mobile phone purchases.
9. (Haro, 2019) - It is recommended that Samsung focus on product safety to improve consumer perception and encourage product purchases. This study, which involved 150 users of Samsung smartphones, shows that brand image and service quality greatly influence buy intention, ultimately affecting purchase decisions.

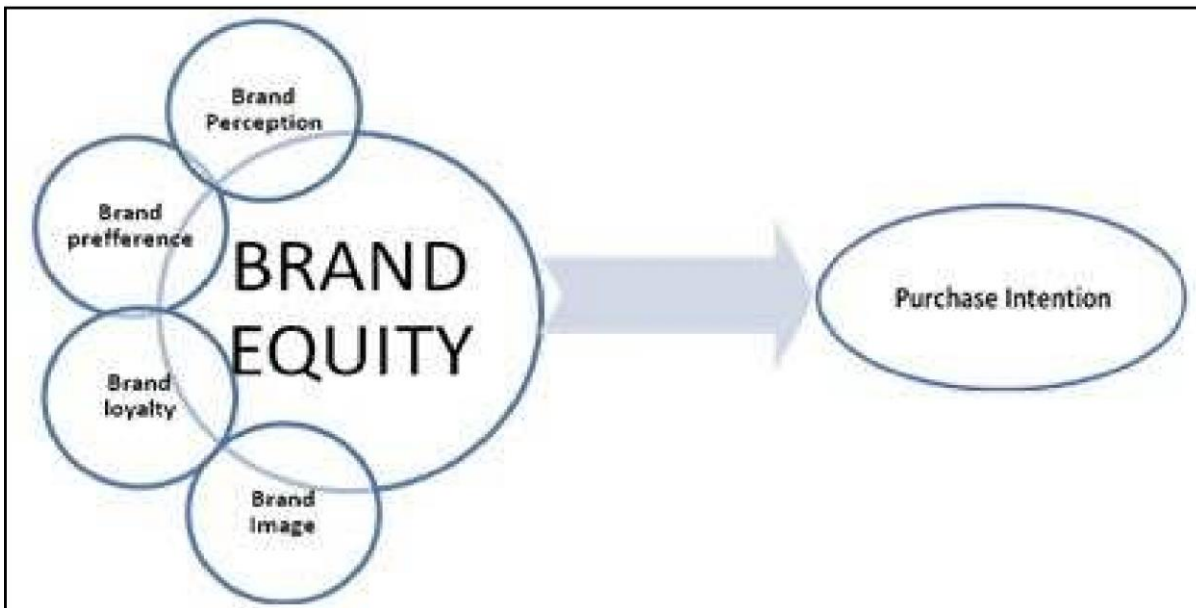
BACKGROUND AND HYPOTHESES:

Although there are several definitions of brand equity, the consumer-based definition that is, the customer's perception and behaviour toward the product or service is the most crucial one for this study
Consumer Behaviour: includes brand loyalty and the readiness to pay a premium price. Consumer Perceptions: include brand awareness, brand association, and perceived quality.

Despite extensive research on brand equity Numerous trials have been presented. However, the primary sign of significant brand equity is the use of the product at a high cost. According to research, the user ultimately recognizes brand equity during a brand experience that adds value to a variety of aspects Brand perception, brand preference, brand loyalty, and brand image are the four components that make up brand equity, according to the research criteria. This study focuses on the relationship between Purchase Intention and each of the key components of brand equity. PR and other influential sources have an impact on consumers' perceptions of a brand's sensitive and effective aspects. Perception, or brand equity, is the value that a customer derives from using a brand Because perception has a significant impact on consumers' buying intentions, perception is crucial for marketers. How they see the worth of the product. Product features that are invested in through marketing and packaging have an impact on perception, Brand image is the combination of favourable and unfavourable perceptions that consumers have of a

brand when it suddenly crosses their minds or comes back to them in recollections. The three characteristics that make up a brand's overall image favourability, strength, and distinctiveness help to explain the brand image. brand image is defined as consumer attitudes about a specific brand. This serves to highlight how buyers' thoughts play a vital role in differentiating a product from competitors. Because of a brand's advantages, consumers adore purchasing If the customer is only concerned with the brand's availability, features, and price, it has little equity. A brand is considered to have high equity if its qualities keep customers loyal to the brand even in the face of high prices. Customers will not be brand loyal and will instead search for another brand if the brand does not meet their level of satisfaction Purchase intention and brand loyalty have a positive association. Qualitative research is done and hypotheses are developed to examine these claims. The current study examines the variables that influence consumers' intentions to buy smartphones in Bengaluru. four variables brand perception, brand preference, brand loyalty, and brand image are chosen as independent variables to determine if they will have a positive or negative impact on the dependent variable of purchase intention.

CONCEPTUAL FRAMEWORK OF THE STUDY:



The most used equation for the representation of the models is given as

$$Y_i = \alpha + \beta x_i + \epsilon_i$$

Here, Y_i represents the dependent variable, α denotes the constant, β is the regression coefficient of independent variables, x_i represents the independent variables also called explanatory variables and ϵ_i denotes the random error.

So equation representing our conceptual framework is given as

$$PI = \beta_0 + \beta_1(BP) + \beta_2(PR) + \beta_3(BIM) + \beta_4(BL) + \epsilon_i$$

Here, PI represents the dependent variable Purchase intention, and $\beta_1(BP)$ is the independent variable and represents brand preference. $\beta_2(PR)$ is an independent variable and represents the brand perception. $\beta_3(BIM)$ represents the independent variable brand image; $\beta_4(BL)$ represents the brand loyalty that is independent variable.

HYPOTHESIS:

- **H1:** There is a significant and positive relationship between the brand's Perception of smartphones and purchase intention in Bengaluru.
- **H2:** There is a significant and positive relationship between smartphone brand preferences and purchase intention in Bengaluru.
- **H3:** There is a significant and positive relationship between the brand's Image of a smartphone and purchase intention in Bengaluru.
- **H4:** There is a significant and positive relationship between brands' Loyalty to smartphones and purchase intention in Bengaluru.

METHODOLOGY:

Survey questions are utilized to obtain information on purchase intention with brand equity. Therefore, PES university students received ten questionnaires. Therefore, 52 respondents served as the basis for the analysis. To determine the connection between every variable Five elements were used to base the questionnaires: purchase intention, loyalty, preference, image, and perception of the brand. To determine how each independent variable affects the dependent variable, regression and correlation analyses are performed.

RESULTS AND DISCUSSION

The Pearson Coefficient The outcome of the variables Findings indicates a relationship between the choice to purchase a mobile phone device and five factors: brand perception, preference, image, and loyalty. Consequently, there is a positive and substantial correlation between every element and the intention to purchase a mobile phone. The brand image of the mobile phone has the highest correlation value (0.754), followed by brand loyalty (0.367), brand preference (0.097), and brand perception (0.027). Nevertheless, the degree of connection between the categories varies. The mobile device's selling image is a highly connected factor that impacts the choice to purchase a phone. Thus, in research on purchase intention, the image of a product is a crucial component that cannot be disregarded. When choosing a cell phone, the majority of respondents cited image as their primary factor. People's decision to buy the device based on loyalty will be influenced by pricing variations in mobile devices. The findings of this research study studied the connection between brand image and purchase intention and found that there is a strong positive correlation between the two.

Model	Adjusted R Square	R Square	Std. Error of the Estimate
1	.658	.685	.31890

Correlation		PI	BP	PR	BIM
BP	Pearson Correlation	.097			
PR	Pearson Correlation	.027	.275*		
BIM	Pearson Correlation	.754**	.289*	.084	
BL	Pearson Correlation	.367**	.115	.033	.112

MULTIPLE REGRESSIONS ANALYSIS:

Four independent variables—brand perception, brand preference, brand image, and brand loyalty are taken into account in this study to determine how purchasing mobile phone devices is influenced. Multiple regression analysis was employed in the study to examine the impact of these variables on the intention to purchase a mobile phone device. The findings of the multiple regression between the purchase intention of a mobile phone device in Bengaluru and four independent factors are displayed in the table below. The purchasing intention of customers for mobile phone devices is found to be highly influenced by the combination of all four independent variables (brand perception, brand preference, brand image, and brand loyalty). Brand image is the primary determinant.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.898	.268		3.354	.002
	BP	.377	.169	.387	2.228	.031
	PR	.349	.157	.386	2.217	.032
	BIM	.447	.050	.754	9.018	.000
	BL	.274	.080	.282	3.422	.001
a. Dependent Variable: PI						

CONCLUSION AND RECOMMENDATIONS:

This study aimed to look at the underlying elements that influence people's intentions to buy mobile phones. Most consumers, according to the findings tell, That the results of the Pearson correlation show that brand image is the main factor influencing a customer's intention to purchase a mobile phone. Second, the most crucial element that buyers consider when choosing a mobile phone is the brand loyalty that is built into it. But not every other mobile phone affecting factor is as significant as the others. The remaining variables exhibited a modest degree of correlation and equivalent significance with the purchase decision. The impacts of four independent variables (perception, preference, image, and loyalty) on the intention to acquire a mobile phone device were examined in this study using multiple regression analysis. The buying intention of mobile phone devices is highly influenced by all four independent variables combined. Natives are interested in the newest technology and enjoy switching between smartphones if they have better technology. Periodically conducting surveys is a good way for mobile companies to stay updated

on new technologies. This will assist in determining the optimal feature combination based on client demand. Conversely, the success of the brand also greatly depends on the quality of the product design. It is advised that businesses focus on producing more high-quality, reasonably priced mobile phones and devote more time to developing features that consumers want to sell for less money. For the major smartphone marketers to understand the significance of the smartphone market in the city of Bengaluru, our research demonstrates the elements and their impact on purchase intention.

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