ASSESSING THE IMPACT OF CBBE AND WOM ON PURCHASE INTENTION OF CONSUMERS IN THE CLOTHING SECTOR OF MAURITIUS

H KASSEAN

Associate Prof University of Mauritius & A Ramsamy, University of Mauritius
E-mail: h.kassean@uom.ac.mu

Abstract - Purpose: The objective of this paper is to assess the impact of Customer Based Brand Equity (CBBE) and Word of Mouth (WOM) on the purchase intention of consumers in the clothing sector of Mauritius. **Design/Methodology:** Face to face interview was conducted along with an online survey involving 200 participants. **Findings:** The analysis showed that brand awareness has the strongest impact on purchase intention on consumers in the Clothing sector of Mauritius. However perceived quality and brand association had no significant impact on the purchase intention of consumers. Other influential factors such as brand related activities are discussed further in the paper. **Practical implications:** The effect of WOM can be a significant factor contributing to purchase intention along with the other dimensions of CBBE model. **Originality:** This study contributes to the CBBE model by adding a new dimension, WOM to measure the impact on the purchase intention of consumer in the Mauritian clothing sector.

Keywords: Brand awareness, brand loyalty, CBBE, WOM,

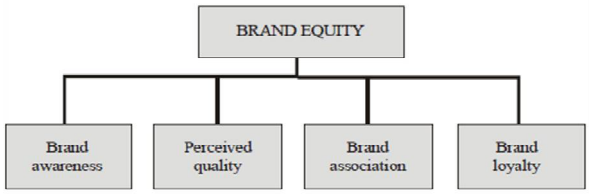
I. INTRODUCTION

Various studies have found that brand equity impacts on purchase intention of consumers (Ashill and Sinha (2004); Chang and Lui (2009). However, there is a limited number of studies which have used Aaker's brand equity model to measure the impact of the dimensions of brand equity on the purchase intention of individuals in the clothing industry. Past reviews by various authors, Aaker (1991), Keller (1993), Laser *et al.* (1995), Lin and Chang (2003) who studied the constructs of Customer Based Brand Equity (CBBE) found that all the dimensions impact on consumers. In light of the outcomes of the study done by Basri*et al,* (2005), it was found that consumers are fond of talking about their purchase, likewise they talk about the producers, and suppliers of the products. It was also noted that a few people felt pleased when they bought a specific item, and some of them proceeded to give advice to other consumers.

Based on the study conducted by Khan et al (2015), it was concluded that WOM had a positive impact on the purchase intentions of consumers in the textile sector of Pakistan. Clearly, consumers are influenced by various elements when choosing a particular brand therefore, it is very important to understand the basis of consumers' choices. Amongst numerous brand equity theories in the literature, this research utilizes the model constructed by Aaker (1991), which is the most frequently cited and has been empirically assessed in numerous previous studies Kim and Kim, (2004); Yoo, Donthu (2001) in an attempt to assess the impact of CBBE and WOM on the purchase intention of consumers in the clothing sector of Mauritius.

Theoretical foundations of CBBE and hypothesis development

As suggested by Aaker and Joachimsthaler (2000, p. 31), "this asset (brand equity) can be understood as the result of four dimensions, namely: brand awareness, perceived quality, brand associations and brand loyalty", as illustrated below in Figure 1.



Source: Aaker and Joachimsthaler (2000, p. 31).

Throughout the years, scholars have explored CBBE utilizing various theories and models by integrating different brand equity elements. Following a review of past literature, we noticed that brands of various product categories were used to study CBBE. Moreover Jung (2005) based on Aaker's (1991) theory measured and compared the CBBE of apparel products by three groups across cultures. It was found that different brand equity dimensions impact differently in different cultures for apparel products. The study of Jung (2005) showed that perceived quality, brand awareness, and brand association were significantly greater for one group, however, for the other group brand loyalty was the prime dimension of brand equity showing positive correlation with purchase intention across all the three groups. Likewise, a number of studies has shown it was found by Khan *et al,* (2014) that brand loyalty has a strong influence on the purchase intentions of consumers in the fashion clothing industry of Malaysia. However, our search has shown that there is a limited number of studies on the dimensions of customer based brand equity in the clothing Industry of Mauritius.

According to Aaker (1991) and Keller (2003), the elements of brand equity (brand awareness, brand associations, perceived quality, and brand loyalty) influence the consumers' purchase intention. Various other studies have shown that brand equity has an impact on the purchase intention (Ashill& Sinha, 2004; Chang & Lie, 2009). Similarly Aaker (1991) showed that brand equity has a positive impact towards the consumers purchase intention.

Brand awareness

Percy & Rossiter, (1992)stated that consumers are able through brand awareness to identify brand as well as making purchase decisions. Applied to the textile industry, consumer identify various clothes brands and make their decision. (Dodds et al., 1991; Grewal et al, 1998) adds to the literature by stating that products having high brand awareness will sustain higher consumer fondness because of its high market share and quality evaluation. Based on the past literature it can be applied that if a pair of Armani Jeans has high brand awareness this means that consumers will be fonder of the brand as the brand will have high market share and will be of good quality. Lin and Chang warrantied that brand awareness had bigger impact on consumers' purchase decision (Lin & Chang, 2003). Moreover (Keller, 2003) argued that brand awareness is important in the decision making of consumers and brings on 3 advantages: these are acquiring knowledge advantage, consideration advantage as well as alternative advantage.

H_1: Brand awareness has a significant effect on purchase intention.

Perceived quality

Furthermore perceived quality is defined as "a summary construct or how the customer feel about the brand" (Aaker 1991, 85–86) Likewise according to (Jin and Yong, 2005) perceived quality is an important factor that consumer consider on the basis of decision: therefore consumers will contrast the quality of choices with respect to price with different alternatives. Garretson and Clow (1999) argued that perceived quality will influence consumer purchase intention. Additionally Monore (1990) and (Aaker, 1991; Armstrong and Kotler, 2003) suggested that perceived quality will positively influence purchase intention.

H_2: Perceived Quality has a significant effect on purchase intention.

Brand association

(Aaker, 1991, p.19) proposed that brand association "is anything linked in memory to a brand." Moreover (Keller, 1993, p.3) defined brand association as the significance of a brand to a purchaser. According to (Kotler & Keller, 2006), brand association is any brand related concepts such as beliefs, experiences, attitude, and perceptions amongst more. Brands association is used by marketers to position as well as generate positive attitudes and feelings with regards to a brand and to propose attributes or benefits of buying or utilizing a brand. Boisvert (2011) stated that brand association would aid consumer to hunt and manage information. For instance when consumers are searching for information on a pair of ZARA Jeans, brand association will help them. Similarly According to (Aaker, 1991, pp.109-13), consumers use brand association to help process, arrange and recover information from the memory and to help them in making purchasing decisions.(Keller, 1993) classifies brand association into 3main categories; benefits, attitudes and attributes. Furthermore brand association normally generated value for consumer and for the organization. The benefits of brand association as mentioned by Aaker (1991) are as follows: processing and retrieval of information, distinguishing amongst different brands, giving a reason to buy and generating positive feeling.

H_3: BRASS has a significant effect on purchase intention.

Brand loyalty

Aaker (1991, p.36) describes brand loyalty as a condition which shows how possibly consumers will change brand mainly when the particular brand modifies product features, or prices. Furthermore (Aaker1991, p.39) describes brand loyalty to be the bond which the consumer has with a particular brand. Moreover (Peny et al., 2016) stated that brand loyalty is the desire to maintain the relationship that consumers have with a particular brand. (Aaker, 1991; Oliver, 1991; Asseal, 1998; Farr& Hollis, 1997; Prus& Brandt, 1995) assert that behavior factor and attitude factor are the 2 factors of brand loyalty. According to (Aaker, 1991)brand loyalty will make the consumers have a certain bond with the brand which will make them repurchase the brands. However (Cahyadi&Santoso, 2014),

H_4: Brand loyalty has a direct positive effect on consumer purchase Intention

Word of mouth and its implication on purchase intention of consumers

Arndt (1967*)* was among the first researchers to have study the impact of word of mouth on the behavior of consumers. He characterizes word of mouth as "oral person-to-person communication between a receiver and a communicator whom the receiver perceives as non-commercial, regarding a brand, product or service" (Arndt, 1967). (Jalivand et al., 2011) states that in past writings, word of mouth is regarded as an essential mechanism of information communication among clients. That is, word of mouth has a key part in impacting on consumers buying choices and behavior. According to Ismail &Spirelli (2012) the main concepts of word of mouth is the diffusion of information about the item, benefits, and store; these

information are spread from one customer to another. Similarly Dean and Lang (2008) also stated that word of mouth is an intense enticing force, especially in the dissemination of information about new items.Sheth (1971) suggested that word of mouth was much more important than advertising to build awareness on a new product and in supporting the decisions to adopt the product. Furthermore (Engel *et al.*1969; Richins, 1983) stated that word of mouth can impact on the decisions of consumers positively. However (Tybout*et al.* 1981; Bolfing, 1989) stated that word of mouth can influence the decisions of consumers in a negative way. Consequently, (Arndt, 1967) states that negative word of mouth is more powerful than positive word of mouth. For instance if applied to the textile industry, if a person gives a negative feedback about a pair of Armani jeans, consumers may be reluctant to purchase the particular product.Basri et al, (2005) argued that consumer are fond of talking about their purchase, likewise they talk about producers, suppliers of the products. Furthermore (Khan *et al,*2015) concluded that WOM has a positive impact on the purchase intentions on consumers in the clothing and Textile sector of Pakistan thus an interest was drawn to assemble CBBE and WOM and find its impact on purchase intention.

H_5: WOM has a positive effect on purchase intention

II. PROPOSED FRAMEWORK

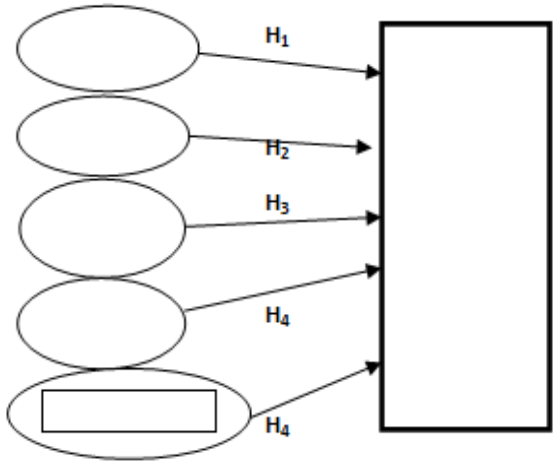


Figure 2: Proposed framework adapted by Aaker model of CBBE, incorporating WOM

III. METHODOLOGY

Scale development: Brand loyalty: 6 questions were borrowed and adapted from studies of Khan et al (2014). Brand awareness: 5 questions were adapted from Yoo et al (2000). Brand association: 3 questions were developed from Santosa et al (2003). Perceived Quality were developed from Lassar et al (1995), Yoo et al (2000). WOM adapted from Basri et al (2015), Khan et al (2015). Reliability test using Cronbach Alpha for the 22 items ranged from 0.665 to 0.740 which were considered to be reliable and consistent George &Mallery (2003). A pilot test was conducted using 9 participants and minor changes were made to the questionnaire. A face to faceinterview was conducted along with an online survey involving 200 participants.

IV. DISCUSSION OF FINDINGS AND RECOMMENDATIONS

A factor analysis was carried out to group the elements of the questionnaire which showed that all the dimensions of brand equity were grouped together in Factor 1; elements of word of mouth in factor 2 while elements renamed as Brand Related Activities were in Factor 3. Positive correlation of (r= 0.411) was perceived between customer based brand equity and purchase intention, aligning to the study done by Aaker (1991) while confirming $H_{1..}$ The dimensions of brand equity are important for consumers when purchasing clothes in Mauritius. Therefore, actively listening to customers' needs and wants maintains and reinforces customer brand equity. By providing many channels of communication to their customers, clothing stores are able to gather feedback. Consequently, this will ensure that marketers understand the brand's strengths, weaknesses, and opportunities for growth which is a guiding information to maintain brand equity. On the other hand, it can also be highlighted that brand related activities (Factor 3) have a weak positive correlation with purchase intention. Consequently, clothing advertisers are recommended to bring new and creative ideas to reach consumers in a more effective way and, sales people should be trained to be able to provide an outstanding customer service.

Multiple Regression Analysis

Brand loyalty

Brand Loyalty was seen to have a significant relationship with purchase intention (p-value =0.004) which was consistent with the previous studies done by Jalilvand, *et al, (*2011), (Chang and liu, 2009). Loyal customers act as brand ambassadors for the company. They should be valued and not taken for granted. Additional benefits, such as acknowledging their contribution by making them feel special in when hosting an event for the brand, giving them priority, and offering further discounts and facilities would ensure that they continue to be affiliated with their favourite brand.

Brand awareness

Brand awareness is observed to have a significant relationship with purchase intention (p-value=0.000) which was in line with the findings ofKeller, (1993); Macdonald & Sharp, (2000) who found that consumers buy a familiar and well known product, in other words, the higher brand awareness, the higher

the purchase intention. Furthermore this study reveals that if consumers can easily identify a brand name when purchasing clothes, it implies that the brand of clothes holds a higher brand awareness. Products having a well-known brand name, can win consumers' preferences and augment purchase intention. Consequently, marketers must promote its brand awareness through more sales promotion, word of mouth and celebrity endorsement. Another possible way of increasing brand awareness is to use a retro- marketing technique known as entertainment, for example; contest marketing where marketer will run a social media contest in which contestants will have to submit a photo wearing a particular cloth brand for example Body and soul, then other users will be voting for their favorites as contestants will be sharing the link with friends and family to get more votes, hence, building brand awareness as a result. Sponsorship is another possible strategy to increase brand awareness, hence markers of different clothing brands in Mauritius should sponsor different types of event in order to target different segments of the Mauritian population.

Word of mouth

From the analysis it has been noticed that WOM has a significant relationship with purchase intention (β=0.345, $p<0.05$). This was in line with the studies done by (Basri et al, 2015; Jalilvand et al, 2012; Khan et al, 2015. Likewise it tallied with the finding of (Khan *et al,* 2015) that WOM has a positive impact on the purchase intentions on consumers in the clothing and Textile. However,Tybout*et al.* 1981; Bolfing, (989) argued that word of mouth can influence the decisions of consumers in a negative way as well, as dissatisfied customers give negative feedback to eleven people regarding a brand whereas delighted customers spread positive WOM to only three people. Thus, an effective strategy would be to get points on loyalty cards for each referral that an actual customer has made. Additionally marketers should show that they care for their actual customers by sending them mails when there are new clothing arrivals at the store so that they feel valued and in return they give positive feedback to potential customers. As per the Statistics Mauritius, 5430000 users of internet is registered in Mauritius, hence marketers can create opportunies for online shopping. Through their websites, consumers can be invited to send their feedback thus aiding other consumers in their choice of brands. Also, by promoting use of the social media, the firm can building relationship with influencers in the niche market.

CONCLUSION

This purpose of this study was to assess the impact of the dimensions of CBBE and WOM on the purchase intention of consumers in the clothing sector of Mauritius. The findings of this study show that CBBE significantly influences purchase intention of consumers. Additionally, following multiple regression analysis, only twoof the constructs, namely brand loyalty and brand awareness were found to significantly affect direct purchase intention.This study also contributes to the CBBE modelby integrating WOM which impacts on purchase intention of consumers in the clothing industry of Mauritius. Therefore, in light with our findings, marketers can consider the importance of WOM in as part of their strategies in building brand awareness, brand loyalty, brand associationand brand quality in order to consolidate and increase market share in the clothing industry in Mauritius.Further studies using larger sample size can be used to validate these findings.

REFERENCES

[1] AAKER, A, D., 1996. *Measuring brand equity across products and markets*. California Management Review, pp12-120

[2] AAKER, D. A. AND JOACHIMSTHALER, E., 2000. Brand leardership. New York: The free press.

[3] AAKER, D.A., 1991. Managing Brand Equity. The Free Press, New York, NY.

[4] ASHILL, N. J. AND SINHA, A., 2004. "An exploratory study into the impact of components of brand equity and country of origin effects on purchase intention". *Journal of Asia Pacific Business*, 5(3), 27-43.

[5] BASRI, N.A.M.H., AHMAD, R., ANUAR, F.I. AND ISMAIL, K.A., 2016. Effect of Word of Mouth Communication on Consumer Purchase Decision: Malay Upscale Restaurant. *Procedia-Social and Behavioral Sciences*, *222*, pp.324-331.

[6] BOISVERT, J. AND BURTON, S.,2011. Towards a better understanding of factors affecting transfer of brand associations. *J. Consumer. Market.* 28(1):57- 66

[7] BOLFING, C.P. 1989. How do customers express dissatisfaction

[8] CHANG, H. H. AND LIU, Y. M.,2009. "The Impact of Brand Equity on Brand Preference and Purchase Intentions in the Service Industries". *The Service Industries Journal*, 29(12), 1687.

[9] CHAUDHRI AND HOLBROOK, M, B., 2001. *The chain of effects from brand trust and brand effect to brand performance; the role of brand loyalty*. Journal of Marketing, pp81-93

[10] DODDS, WILLIAM B. AND GREWAL, D., 1991. Effect of price, brand and store information on buyer's product evaluation. *Journal of Marketing Research*, 28(3), 307-319

[11] ENGEL, J.F., KEGERRIS, R.J. AND BLACKWELL, R.D. 1969. Word of mouth communication by the innovator. *Journal of Marketing 33*, 15–19.

[12] GARRETSON, J. A. AND CLOW, K. E. 1999. The influence of coupon face value on service quality expectation, risk perceptions and purchase intentions in the dental industry. *The Journal of Service Marketing*, 13(1), 59-70.

[13] GREWAL, D., KRISHNAN, B., BAKER, J. AND BORIN, N., 1998. The effect of store name, brand name, and price discount on consumers' evaluations and purchase intention. *Journal of retailing*. Vol. 74 (3). pp.331-352

[14] JALILVAND, M.R AND SAMIEI, N., "Electronic word-of-mouth: challenges and opportunities", *PCS*, 3: 42–46 (2012)

[15] JIN, B. AND GU SUH, Y., 2005. Integrating effect of consumer perception factors in predicting private brand purchase in a Korean discount store context. *Journal of Consumer Marketing*, *22*(2), pp.62-71.

[16] KELLER, K. L., 1993. Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(1), 1-22.

[17] KELLER, K.L., 2003. *Strategic Brand Management: Building, Measuring and Managing Brand Equity*, Upper Saddle River: Prentice-Hall.

[18] KHAN, N., RAHMANI, S.H.R., HOE, H.Y. AND CHEN, T.B., 2014. Causal relationships among dimensions of consumer-based brand equity and purchase intention: Fashion industry. *International Journal of Business and Management*, *10*(1), p.172.

[19] KOTLER, P., WONG, V., SAUNDERS, J. and ARMSTONG, G., 2004. Principle of marketing. 4th European Ed.pp556

[20] LASSAR, W., MITTAL, B., SHARMA, A.1995. Measuring customer-based brand equity. *Journal of Consumer Marketing* 12, 11–19.

[21] MONROE, K. B. 1990. Pricing: Making profitable decisions (2nd ed.). New York: McGraw-Hill.

[22] OLIVER, R.L., 1997. *A Behavioral Perspective on the Consumer*. New York, NY: McGraw-Hill.

[23] PERCY, L. AND ROSSITER, J. R., 1992. A model of brand awareness and brand attitude advertising strategies. *Psychology & Marketing*, 9, 263-274.

[24] RICHINS, M.L., 1983. *Negative word-of-mouth by dissatisfied customers: a pilot study*. *Journal of Marketing* 47, 68–78

[25] SANTOSO AND CAHYADI., 2014. Analyzing the Impact of Brand Equity towards Purchase Intention in Automotive Industry: A Case Study of ABC in Surabaya. *iBuss Management* Vol. 2, No. 2, (2014) 29-39 SuaraPembaruan

[26] SCHIFFMAN, L. G. AND KANUK, L. L., 2000. Consumer Behavior (7th Ed.). Wisconsin: Prentice Hall.

[27] SHAH, H., AZIZ, A., JAFFARI, A. R., WARIS, S., EJAZ, W., FATIMA, M. AND SHERAZI, K.,2012. The Impact of Brands on Consumer Purchase Intentions, *Asian Journal of Business Management* 4(2): 105-110

[28] SHETH, J.N. ,1971.Word of mouth in low risk innovations. *Journal of Advertising Research* 11, 15–18.

[29] TYBOUT, A.M., CALDER, B.J. AND STERNTHAL, B., 1981. Using information processing theory to design marketing strategies. *Journal of Marketing Research* 23, 73–9.

[30] WILKIE, W., 1986. Consumer behavior. New York: John Wiley & Sons, Inc.

[31] YANG, Y. T., 2009. A study of purchase intention behavior to consumers on innovation technology smart phone in technology acceptance model and theory of REASON ACTION.

[32] YASIN, M. N., NOOR, M. N. AND MOHAMAD, O.,2007. Does image of country-of-origin matter to brand equity? *Journal of Product & Brand Management*, 16(1), 38-48.

[33] YOO, B. AND DONTHU, N., 2001. Developing and validating a multidimensional consumer-based brand equity scale. *Journal of Business Research* 52, 1–14

[34] ZEITHAML, V.A., 1988. Consumer perceptions of price, quality and value: a means-end model and synthesis of evidence. *Journal of Marketing*. Vol. 52(3). pp. 48-62.

★★★