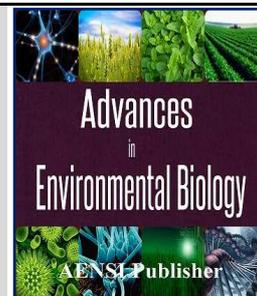




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Effect of Brand equity on country of origin image (case study: customers of mobile phone in Rasht)

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ABSTRACT

Studies on effect of brand equity on country of origin image have focused on brand rather than products and brands influence in image of countries. The goal of this study is considering effect of brand especial value on mental image of the origin country. Current research is descriptive and regarding goal it is applied. Regarding data collection it is counted field. Tool of data collection in this research is questionnaire that includes 21 questions for assessing the whole variables of research. For assessing variables 5-item spectrum Likert is used. Validity of questionnaire is considered and confirmed by viewpoint of professors and experts and its reliability is confirmed by Cronbach alpha. Statistical society of current research is consumers of mobile phone in Rasht city. By using Cochran formula 420 people were considered s final sample of research. For testing hypothesis structural equation modeling was used. Result showed that brand especial value and its dimensions have meaningful effect on mental image of the origin country. The highest effect belonged to brand identity and the least effect is related to the behavior of staff. Therefore, it is recommended to brands of mobile phones to try to promote country of origin image.

KEYWORDS: Brand Equity, Mental Image, Country of Origin, SEM

INTRODUCTION

Regarding benefits that making brand has for organizations and consumers, this subject have been severely paid attention by marketers. Making brand is an applied strategy for discriminating at service and productive companies and in contemporary word companies and organizations are going to achieve market of products and services, and do much attempt for directing mental perceptions of customers with them [1]. Brands are managed as the valuable and long-term asset of companies. In marketing consumer of brands are primary points of discriminating competitive suggestions and can be counted as critical factors for success of companies [2]. Therefore paying attention to effective factors on brand especial value like mental image of consumer can help managers to strengthen their competitive position.

Literature Review:

Brand Equity:

Brand especial value means marketing and financial values related to the power of a brand in market including real assets devoting to a brand, awareness of a brand, loyalty to a brand, perceived quality of brand and association of brand. Based on viewpoint of Laser, Mittal and Aronexisting literature, has assessed brand especial value in two different viewpoints. Financial viewpoint and customer viewpoint. Financial viewpoint usually points brand especial value in the market. Whereas customer viewpoint assess brand especial value

based on perceived value by customer [3]. Brand especial value is an extensive form of brand. But loyalty to a brand from the past means having positive attitude toward shopping an especial brand. Against brand especial value includes viewpoint and attitude that necessarily doesn't lead to shopping. Brand especial value includes 5 sections: 1- perceived quality 2- behavior of staff 3- ideal internal satisfaction 4- brand identity 5- cohesion of living style [4]. Aker defines brand especial value as a set of assets related to the name and sign of a brand that decreases or increases supplied value through a product or services for the company and customer [5].

Perceived quality means customer perception of total quality or excellence of a good or service toward customer tendency to its replacement. For perceiving quality identification and measurement of fundamental dimensions will be useful but perceived quality is brief alone. Brand has connected with customer, the perception that shows only general quality and necessarily is not based on customer knowledge about its partial features [6]. Behavior of staff is another case and factor of brand especial value. In the view of researchers regarding importance that behavior of staff of section of selling or presenting services creates in mind of customer, they know this section as part of brand especial value [4]. Ideal internal satisfaction can generally be as thought and emotions of people toward the thing or person. Ideal concept is called a degree of activity or thought of customer that is adapted with his speculation of brand. Ideal theory states that people buy a brand because of enhancing personality self-flourishing.

Cohesion in life style is another case of affecting loyalty. Life style not only encompasses demographic features but also includes positive attitude to life, believes and spirits of people. Although any complete definition of life style doesn't exist but this idiom is called their specific pattern of life of people, interest and their viewpoints that people present it. Customers buy a brand or present positive viewpoint toward it when that brand can meet its need for achieving specific pattern of life style, so cohesion in life style means development of the thing in which a brand is according to life style of people. This section against brand identity and ideal concept is a personal and absolutely unique concept doesn't relate to social and group communicative norms [4].

Brand especial value is resulted from much certainty that customers have toward a brand and then its competitors. This certainty occurs in the form of customer loyalty and their tendency to paying expenses for brand. This kind of certainty is called reliance to a brand. Brand especial value in 1980 when brand especial value was identified has been developed from the concept of brand image. Different people have various interpretation for brand especial value and have suggested different methods for its measurement: 1- brand especial value means general value of a brand that is counted separate asset 2- degree of severity of customer dependency to a brand (loyalty to a brand or power of brand) 3- description of dependency or belief that a customer has toward a brand [7].

Consumer mental image:

Mental image of origin country is an external symptom related to products having business name especially when a consumer has less familiarity with foreign products [8]. Roes and Rome defined mental image of country in the form of "all perceptions of consumers about products of a distinct country based on previous perceptions about products of country and positive and negative points of marketing. Zogneros and Diamantopolos stated that mental image of a country reflects believes and emotions of consumers and direct result of their awareness and belief is without considered accuracy and inaccuracy of these believes and awareness about specific country. It can be said that standard products can be produced everywhere therefore marketers use association of country for discriminating their products from competitors. Researches done showed that mental image of country can affect shopping decisions of internal products. These effects can be negative or different regarding country or product [9][10]. Nebenzhel and Jef concluded that mental image of origin country in comparison with mental image of brand has considerable effect on assessment of consumers about the product. For example when a famous brand is produced in a developed country the ration of the same brand is produced in developing country is assessed better [11]. When the probability that a product in a developed country (like France) is distinguished and perceived is more than a country that is at lower level regarding level of liquidity (like Rome) [12]. At international area, some research about effect of mental image of country on brand especial value has been done that research can be pointed [13]

Research conceptual model:

Current model is obtained regarding consideration of model of Nam and U model. In this model dimensions of brand especial value includes 1- perceived quality 2- behavior of staff 3- ideal internal satisfaction 4- brand identity 5- cohesion of life style as dependent variable of research and mental image of origin country as independent variable. Research model has been shown in table 1:

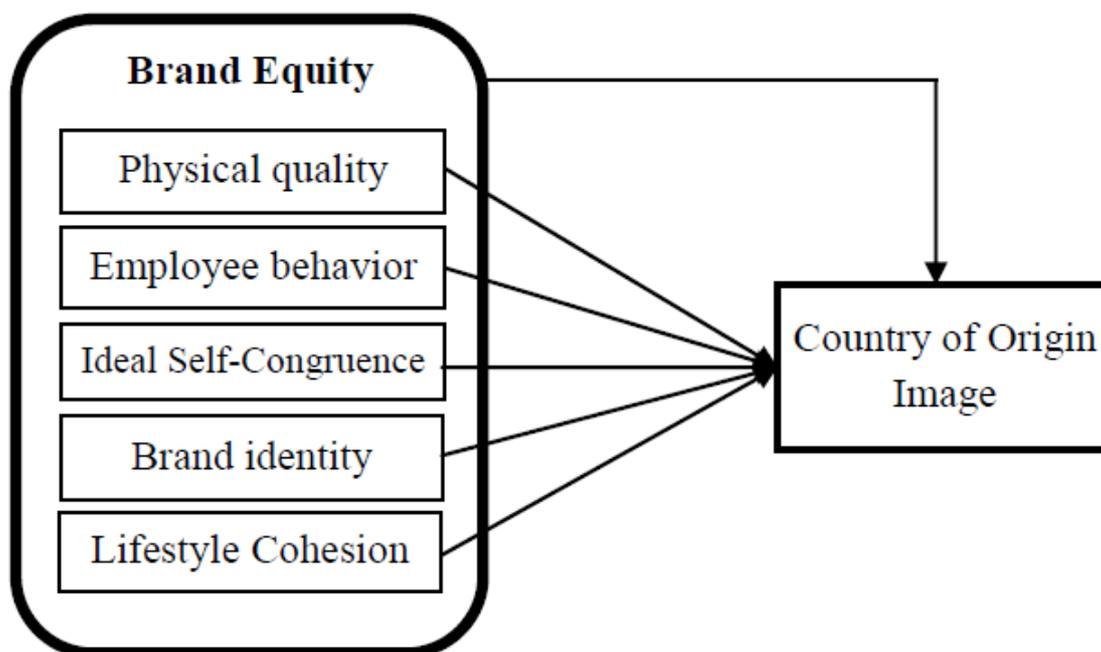


Fig. 1: Conceptual Model of Research [4][14]

H1: Brand Equity has a Significant Effect on Country of Origin Image.

H1-1: Physical quality has a Significant Effect on Country of Origin Image.

H1-2: Employee behavior has a Significant Effect on Country of Origin Image.

H1-3: Ideal Self-Congruence has a Significant Effect on Country of Origin Image.

H1-4: Brand identity has a Significant Effect on Country of Origin Image.

H1-5: Lifestyle Cohesion has a Significant Effect on Country of Origin Image.

Methodology:

This research is descriptive-survey. The study population is Consumers of Mobile phone in Rasht. Simple random sampling was used to sampling and with using Cochran sampling formula, a sample size was estimated about 384. In order to achieve the desired return rate, 450 questionnaires were distributed among the sample, ultimately, of which, 420 usable questionnaires were collected. The questionnaire consists of 21 questions. For measuring brand equity, Nam and colleagues questionnaire was used that contain 16 questions and 5 questions of Yoo and colleagues questionnaire were used to assess the Country of Origin Variable. The questionnaire reliability was assessed with using Cronbach alpha.

Findings:

Descriptive findings:

According to the results of collected data summary, observed that the gender of 54.1 percent (227) of respondents were male and 45.9% (193 people) were female. 16.2% (68 cases) of respondents were less than 20 years, 1/67 percent were (282) between 21 and 30 years, 16.7% were (70 people) over 30 years.

Table 1: Result of Descriptive Statistics of Variables

Variable	Mean	S. D.	n	Cronbach
Brand Equity	2.9275	0.76278	16	0.928
Physical quality	2.9089	0.88488	4	0.774
Employee behavior	2.9206	0.82493	3	0.796
Ideal Self-Congruence	3.0444	0.85836	3	0.701
Brand identity	2.7976	0.88239	3	0.848
Lifestyle Cohesion	2.9659	0.86944	3	0.753
Country of Origin Image	3.5000	0.68307	5	0.777

Test of hypothesis:

Kolmogorov-Smirnov test results for the main variables showed that, achieved significant level for every variable except the ideal inner satisfaction is higher than 0.05, therefore, the study variables are normally distributed in investigated sample. The present study model, were tested with using structural equation modeling.

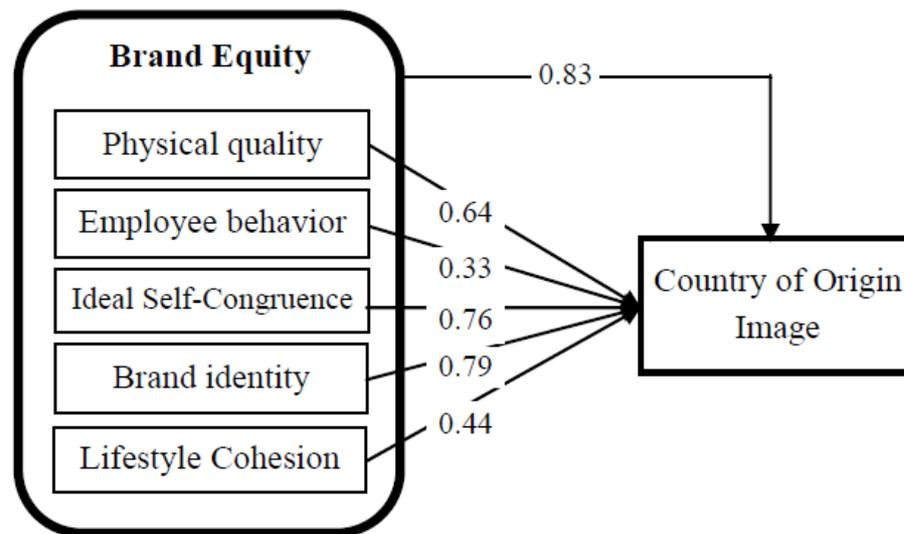


Fig. 2: Tested Model of Research

The results of the research model fit indexes in Table 2, shows that the research model has a good fit with collected data from a survey statistical samples.

Table 2: Fit Indices of General Model of Research

Index	AGFI	GFI	CFI	NNFI	NFI	χ^2/df	RMSEA
Obtained Value	0.91	0.93	0.97	0.96	0.96	2.221	0.074
Fit Value	>0.8	>0.9	>0.9	>0.9	>0.9	<3	<0.08

Path Analyses:

Table 3, shows all existing direct routes based on hypotheses, and meaningful numbers and meaningful T coefficients and on this basis, we can confirm or reject proposed hypotheses.

Table 3: Path Analyses of Hypothesis

H	Path	B	T	Result
H1	Brand Equity to Country of Origin Image	0.83	11.21	Approved
H1-1	Physical quality to Country of Origin Image	0.64	8.66	Approved
H1-2	Employee Behavior to Country of Origin Image	0.33	5.37	Approved
H1-3	Ideal self-Congruence to Country of Origin Image	0.76	10.07	Approved
H1-4	Brand Identity to Country of Origin Image	0.79	10.26	Approved
H1-5	Life style to Country of Origin Image	0.44	6.12	Approved

Conclusion:

Result of research showed that brand especial value has meaningful effect on mental image of origin country. Mental image of origin country has important role at decisions of consumers especially for electronic products. Consumers develop their interest and priorities toward a brand based on their perceptions about origin country and available information related to brand. Proper information about the country helps creating positive attitude toward a brand that leads to favorable image of brand. Result of research shows average mean obtained for origin country that denotes consumers know productive goods at industrial country more qualitative than other countries that have low record or newly industrialized country. Although consumers are confronted with many business names in the market that consumers more than them perceive their function and features of equal product but mental image existing about a country adds advantage and prioritizes it from competitors. Perceptions of consumers about a country are transferred to the origin of brands that a country produces it. These consumers feel that brand belonging to countries with proper mental image is more reliable than brand produced in countries with less favorable mental image. Therefore these brands were prioritized and are mostly chosen at the process of decision-making.

On the other hand it is inferred that as brand especial value is higher, mental image of customers toward producing country will be more positive. In between we can point brand identity that has much effect on mental image of customers and organizations can do more proper identity for that brand in order to make better image

of constructing country. Also sufficient attention to personality dimensions of customers of target society and closing features of product toward tendencies and internal personality of customers can be useful in making field of people imaging for customers.

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