

## **Case Report**

# **The Effects of Brand Perceived quality and awareness on Brand loyalty (Case Study: Carbonated drinks)**

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## **ABSTRACT**

One of the main aims of research in marketing is to evaluate the power of brand loyalty and one of the most main matters in marketing is the issue of loyalty to brand. The goal of this article is, determine the relation between brand perceived quality and brand awareness on brand loyalty in Carbonated drinks in Iran. This research is a survey research. The research type is a descriptive survey. This study was conducted in customers of Carbonated drinks in Iran country. The reserach sample comprises 200 customers, which randomly were selected. Research data have been collected by a questionnaire that is researcher-developed and research sampling has been done by enumeration and evaluated and analyzed using SPSS software. The validity of the method was confirmed through content validity. Also, the reliability was confirmed through Cronbach Alpha. The study finds out some interesting conclusions: (1): There is a meaningful relation between perceived quality and loyalty to brand and (5): There is a meaningful relation between awareness and loyalty to brand.

**KEYWORDS:** loyalty, Brand awareness, brand perceived quality

## **1. INTRODUCTION**

Firm brand is one of the important variables which effects on behavior of customer's. According to viewpoints of customer's, brand is investigated an important section of product [1]. Brand is section of emotional and operational specifications that attributes customer to services and substances and is a supporter in decision making and purchase process [2]. Brand is connected to perceived quality by firm customer, this is a perception which indicates total quality and is not relying on knowledge of customer's about precise specifications [3]. Newly, increasing the customer understanding has made customer choose to purchase their

desirable and familiar brand. Also, if corporations want to overcome on their rivals, they have to make customers love to buy their brands and products. Awareness to brand is still a main variable to effect on brand loyalty. When customers want to buy a service or product, and a name of brand can come to their memories instantly, it indicates that service or product has higher awareness to brand.

Today's, increasing the awareness of buyer has made customers incline to payment for their constructive and recognizable brand. Therefore, for businesses is significant to develop gravitation in their products and brands to be in

higher situation than their rivals. This is obvious that the customers disseminate and evermore incline to obtain a service or product, therefore the awareness to brand is a main variables to manage loyalty to brand and the customers decisions [4].

Also, with regard to importance of brand loyalty and other variables include brand perceived quality and awareness to brand, the objective of this article is, determine the relation between brand perceived quality and brand awareness on loyalty to brand in Carbonated drinks in Iran.

## **2. Theoretical foundations of the research**

### **2.1. Perceived quality**

Brand perceived quality is comprised as the judgment of customer's about a service and product's total advantage or excellence. Brand perceived quality includes a remarkable situation of the conflict in the insurance values that customers are incline to payment for actual brands [5]. The brand perceived quality of services and products of strong brands add worthiness to purchase appraisals of consumers. Lee et al (2010) indicated that when customers understand a brand to be of excellent quality, they are more presumably to buy the brand compared to other brands, payment an insurance value and select the brand [6]. Brand perceived quality and brand perceived worthiness play out important roles in industries with higher consumer's involvement, like the drinks market. Identifying the dimensions of these contexts accurately and to find out how the contexts are perceived by customers is significant. Brand perceived quality also is a section of value of brand, which leads customers to choose a particular brand than another brand [7].

Also, brand perceived quality is customer evaluation on value added of a service and product [8]. Customer appraises quality of product based on their former experiences and feelings [9]. Some of these quality specifications are intrinsic, while other quality are assigned to

the services and products. Because of some quality specifications are effortful to detect immediately, other specifications include brand image and names of brand become important in appraising quality. Researchers concluded that brand perceived quality will affect the satisfaction and trust with the brand, which leads to increase of loyalty to brand. Furthermore Yee et al include that the quality of product is the most important variable that leads to the loyalty of brand [10]. Also, Jones and colleagues concluded that there is a between brand perceived qualities have a positive relation together [11].

### **2.2. Awareness to Brand**

Awareness to brand is an essential and main variable of equity of brand which frequently is neglected [12], and is a popular selecting element between consumers [13]. Aaker comprises awareness to brand as the brand persistence that embedded in the retention of customer. Also, awareness to brand will be constructed by continuing visibility, increasing familiarity and significant dependences with related suggestions and purchasing experiences [14]. Keller also conclude that awareness to brand could effect on decision making of customer in purchasing products through significant association to brand [15]. Pitta and colleagues concluded that an inter-relationship there is between awareness to brand and association of brand by claiming that the awareness to brand of a product or service can be presented in the customers mentality prior to association of brand is built and embedded in the mentality of customers [16]. Atigan and colleagues and also, Pappu have concluded the positive relation between association of brand and awareness to brand [17, 18].

Yoon (2002), suggested that awareness is significantly related to web site trust, some scholars comprised brand trust as a psychological condition of customer trust and affirmative expectances from a brand, and concluded also in a online environment where there is risks and

high uncertainties, it is hard for consumers to affirm product quality of brand [19]. Thus, surely trust of customer than a brand is a main factor to buying [20]. In addition, Delgado-Ballester indicated trust of brand as a sense of safety that the brand will confront with expectations of customers; trust of brand is one of the most main sections in increasing the long term transactions with customer, comprise loyalty to brand [21]. Moreover, some researchers understanding the value of trust to brand in marketing policies of internet corporations, given the intrinsic ambiguity and decreasing the differentiation of product and service in the circumference of internet business [22].

### **2.3. Loyalty to Brand**

Loyalty to brand can be described as the obligation to repurchase better services or goods sometime in future, despite of rival's attempts. Obligation of customer is one of the results of a firm, which produce benefits for consumers in a way that they retain on developing their buying from the same firm. From a standpoint of sales promotion, loyalty of customer is constituted when customers are stimulated to buying without any persuasion. From a standpoint of behavior of consumer, loyalty to brand described as the grade to which a customer continuously buying the products of same brand within a class of purchase [23]. Loyalty to brand has been described as a profoundly held obligation to repurchase a better service or product persistently sometime in future. Chaudhuri is offered that loyalty to brand is the precedence of a consumer for a unique brand, or precedence to repurchase a name of unique brand in a persistently product level [24].

Consumers of loyal not only focus on worth but furthermore operate as a supporter of the firm and helping to attract of novel consumer. The bodily dimension of a brand is in the bodily service suggesting or product or service itself, whereas the conceptual dimension is in the physiologic area and thus the mentality of

customer. Thus, customers can differently experience loyalty to brand. This topic locate an important duty on managers of brand in helping the firm to understanding the advantages of loyalty to brand like profitability and sustainability of organization, and assurance that expense of acquisition of novel consumer are decreasing.

### **2.4. A Literature**

Grewal and colleagues resulted that awareness to brand and brand perceived quality has a positive relation in a investigation of bicycle brand [25]. Also, other articles support that the more level of the awareness of brand have a more perceived quality on brand [26, 27]. Further, Kan in 2002 year indicated that the more level of the awareness of brand have a better assessment of the customers quality [28]. Furthermore, Aaker et al in 1990 year indicated that a brand which have a higher awareness and better image can increase loyalty of brand to customers, and the higher awareness leads to more trust to brand and higher purchase intention are to customers [29]. Peng in 2006 year concluded that awareness to brand have the significant relations with loyalty of brand [30].

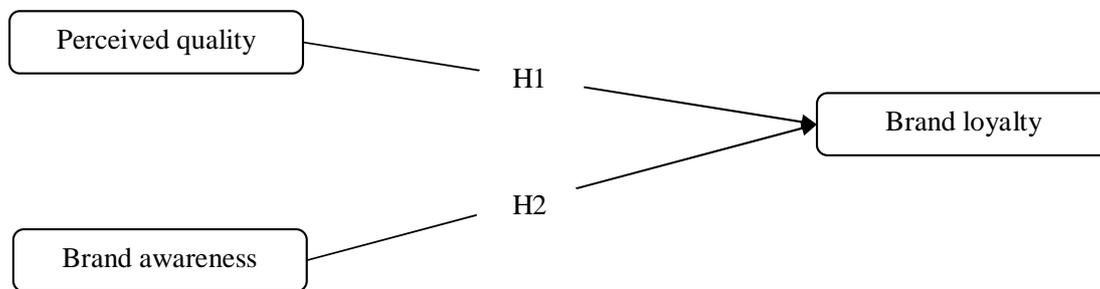
With regard to Pappu and colleagues in 2005 year, brand perceived quality presented to customers a motive to purchase a product and brand since brands and products is differentiated through the perceived quality [18]. Milewicz et al (1994) resulted that the more perceived quality lead to the more assessments from the development of brand [31]. Chi et al (2009) in research with title " The Impact of Brand Awareness on Consumer Purchase Intention: The Mediating Effect of Perceived Quality and Brand Loyalty " investigated relation between four variables [32]. The results indicated that: (1) the relationship between the awareness of brand, brand perceived quality by customers and loyalty to brand for buy have a positive impact, (2) brand perceived quality have a significant impact on loyalty to brand, (3) brand perceived quality

mediate the relation between awareness of brand and intention of customer purchase, and finally (4) loyalty brand mediate the relation among awareness to brand and intention of customer purchase. Also, Yaseen et al (2010) in research with title " Impact of Brand Awareness, Perceived Quality and Customer Loyalty on Brand Profitability and Purchase Intention: A Resellers' View" investigated relation between five variables. The conclusions indicated that 2- Understanding the relationship between awareness to brand and loyalty to brand among customers of Carbonated drinks

awareness of brand has an insignificant effect on brand loyalty and perceived quality has an insignificant effect on customer profitability [33].

**Objectives of the present research are include:**

- 1- Understanding the relations between perceived quality of brand and loyalty to brand among customers of Carbonated drinks.



**Fig 1:** conceptual model

According to previous studies and proposed hypotheses, conceptual model has presented based on sixteen hypotheses in the conceptual model of research.

1. There is a positive relation between perceived quality of brand and brand loyalty among the Carbonated drinks customers.
2. There is a positive relation between awareness to brand and loyalty to brand among the Carbonated drinks customers.

**3. Methodology**

The goal of present article is, determine the relation between brand perceived quality and brand awareness on Brand loyalty in Carbonated drinks in Iran. The present research encompass a correlative-descriptive method. The sample chose among consumers of Carbonated drinks in Iran. collection of data is performed via random sampling. After collecting the questionnaires

from the intended group and the variance estimate, the amount of the research sample was drawn by using cookran formula approximately 200 persons which randomly were selected as the subjects of the research. In this research, questionnaire instrument was used as a tool of data collection. The validity of its content was ensured by using the expert viewpoints and consensus. The validity of questionnaire structure was evaluated via using the structural functions. The internal reliability of the items was verified by computing the Cronbach's alphaThe Cronbach alpha estimated for Brand awareness was 0.854 and perceived quality was 0.805. As the Cronbach's alpha in this research was all much higher 0.7, the constructs were thus deemed to have good reliability.

In the table one, the reliability of the items in present article is evaluated through Cronbach's alpha that is 0.81 which indicated that present

article variables are reliable and there is internal consistency between variables.

variable	Cronbach alpha
Brand awareness	0.854
perceived quality	0.805
brand loyalty	0.852
<b>total</b>	<b>0.81</b>

**Table 1:** reliability coefficient of research hypotheses

#### 4. Findings

##### 4.1. Descriptive data

These research efforts to understand the impact of brand perceived quality and awareness to brand on Brand loyalty among customers of carbonated drinks in Iran. Descriptive statistical data of Table 2 indicate the relation to the customers participated to the article (n =200). The demographic qualification of the participants is as follows: 204 male and 96 female participated to the investigation.

The educational background of the participants is; 84 people High School, 116 people have University, 95 people have Master, and 5 people PhD degree. The age classification of participants are; 20 people are Under 18; 83 people are between 19 – 25; 106 people are between 26 – 35, ; 34 people are between 36 – 45, 38 people are between 46 – 55 and 19 people are more than the age of 55:

variable		Frequency
Gender	Female	154
	Male	46
	Total	200
Education	High School	54
	University	76
	Master	65
	PHD	5
	Total	200
Age	Under 18	10
	19 – 25	63
	26 – 35	66
	36 – 45	24
	46 – 55	28
	More than 55	9
	Total	200
Marital Status	Single	63
	Married	137

**Table 2.** Demographic qualifications of participants in this research

Correlation coefficient between variables of research was examined in table 3: the correlation coefficient between two variables brand

awareness and perceived quality is 0.520 which show a high correlation between these two variables in research.

Variable	1	2	3
Brand awareness	*	.520	.334
perceived quality		*	.310
brand loyalty			*

**Table 3:** correlations

In the Table 4 mean difference, mean, standard deviation with 95% confidence interval of the difference was examined.

variable	mean	Std Deviation	95% Confidence Interval of the Difference	
			Lower	Upper
Brand awareness	2.993	<b>0.9634</b>	1.00	5.00
perceived quality	2.923	<b>0.9351</b>	1.00	7.50
brand loyalty	3.212	<b>0.9428</b>	1.00	7.75

**Table 4:** analyzing the hypotheses of article

#### 4.2. Results

In the Table 5, hypothesis of research was investigated. The data about any research hypothesis Included T value, SIG, R-square and Result for each of the variables in research

variable		T	Sig	R-square	Result
Independent	Dependent				
perceived quality	brand loyalty	5.995	0.000	0.096	confirmed
Brand awareness	brand loyalty	6.502	0.000	0.111	confirmed

**Table 5:** analyzing the hypotheses of research

**Hypothesis 1:** There is a positive relation between perceived quality of brand and brand loyalty among the Carbonated drinks customers. According to results of table 6, since T is 5.995, R-square is 0.096, Significant is 0.000, so there is a relation between perceived quality and brand loyalty among customers of Carbonated drinks in Iran with 95% confidence.

**Hypothesis 2:** There is a positive relation between awareness to brand and loyalty to brand among the Carbonated drinks customers. According to results of table 6, since T is 6.502, R-square is 0.111, Significant is 0.000, so there is a relationship between Brand awareness and brand loyalty among customers of Carbonated drinks in Iran with 95% confidence.

#### 5. CONCLUSIONS

The goal of present article is, determine the relation between perceived quality and brand awareness on Brand loyalty in Carbonated drinks in Iran. The study finds out some interesting conclusions: (1): There is a positive relation between perceived quality of brand and brand loyalty among the carbonated drinks customers and (2) There is a positive relation between

hypothesis was investigated. For example, in the first hypothesis, R-square is 0.304, SIG is 0.000 and hypothesis was confirmed.

awareness to brand and loyalty to brand among the Carbonated drinks customers. Brand awareness is most main variable that influence on loyalty to brand directly. Moreover, quality of service and Brand awareness has direct and positive effect on loyalty to customer. The result of this article has given noteworthy feedbacks which can be used for designing various strategies to attract consumers with emphasizing on loyalty to brand of the services and products to customer. Marketers have to remember that there are some variables which influence on consumer's perception towards brand loyalty. Based on the findings of present article, marketers have to prioritize constructs of awareness to brand as their strategy to attract potential consumers since it does show direct and significant relation between the dimensions of brand loyalty. The managers can promote awareness to brand of their organizations through different marketing attempts include direct mail, advertising, word-of-mouth communication, trade press and promotion activities and in result they may promote service quality of their customer's, image and loyalty as well as profitability of their firms. One of the first stages

in maintaining brand loyalty of customers is to build and sustain positive brand awareness or vice versa. Just like brand loyalty, an awareness to powerful brand is a main requirement for owners of brand since the name of brand distinguishes a product from the rivals services and products.

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