

Influence of Brand Trust, Brand Image and Brand Parity on Purchase Intent of Product Brands Among Its Consumers

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Abstract

In today's post-modern era, Brands significantly play an important role in consumer decision making across categories. This paper aimed at examining how brand trust, brand image and brand parity have an influence on brand purchase intent. The researcher has attempted to validate through real Brands from the portfolio of an indigenous Corporate Brand, Dabur India Ltd. This century old Brand has been in news recently for successfully defending the market position, primarily due to Brand image & Trust. A quantitative method using PLS-SEM was employed to test the relationships among the hypothesized constructs. A structured questionnaire consisting of validated scales for brand trust, brand image and brand parity and brand purchase intent was administered to a sample of 300 consumers of Dabur. The results of this study showed that brand trust, brand image and brand parity have a significant influence on brand purchase intent. The results of this empirical study provided fruitful implications to marketers, academicians, practitioners as well as policy makers. This study makes a significant contribution to the brand management literature by systematically examining the influence of brand trust, brand image and brand parity on brand purchase intent. On the practitioners' side, this study therefore submits that brand managers for companies ought to concentrate on strategies that enhance purchase intent in the fiercely competitive marketplace. This study also supports the management on evidence-based Business decision for investment in Brand building.

Keywords: Brand trust, Brand Image, Brand parity, Purchase intent, Dabur.

Introduction

In today's turbulent marketplace where consumers have an enormous amount of information with regard to products/services at their disposal, yelling louder is not a solution for being heard or recognized in the marketplace. Instead, creating an outstanding brand value proposition that appeals to consumers is the right recourse (Ahuvia, 2005). Brands play a pivotal role in shaping consumer attitude and purchase intention. Brands as a sign, symbol resonate with the corporate brand identity and image that goes a long way in building consumer trust.

Many researchers have highlighted the importance of branding, like Magnoni and Roux (2012) who concurs that building and maintaining a strong consumer-brand relationship is of utmost importance to marketers. It is also stated that a successful brand results in increased market share and profitability (Roustasekehravani and Hamid, 2014), establishing a competitive advantage over rivals (Chang & Liu, 2009) and to create loyal customers (Keller, 2013). However, in reality, there seems to be a paradox as the 'No.1 brands' are not necessarily the 'best products. This stems from the word 'best itself: -- i.e., best for whom, and at what? The whole idea boils down to the customer centric marketing that "Branding starts from the

customer, and asks, what does he or she value?" Brands become credible only through the creation of a unique value proposition and persistent repetition of their value proposition to consumers over years.

In the case of FMCGs, it is observed that most companies market multiple brands, i.e. a brand portfolio. Multiple studies have shown that if consumers perceive a fit between the brand and the corporate product portfolio, then it creates a more favorable purchase intention. So, brand portfolio management is indispensable for successful market positioning. The framework adopted in this study is the 'Categorization theory' that has been specifically applied in the case of Dabur brands. Through this study, the aim is to understand the impact of brand trust, brand image and brand parity on the consumers purchase intent across brands in the portfolio. The 'Categorization theory' is apt in situations when a consumer has little experience with a product brand, but is able to categorize it with products that are familiar (Cohen and Basu, 1987). Also when consumers first encounter the product brand, they think of ways in which the extension fits with their idea of the parent brand "category" (Boush & Loken, 1991). Such elaboration by consumers results in new associations with the brand (Loken and Roedder, 1993) and, in turn, that can alter consumers' overall evaluation of the brand.

The study has attempted to validate this in the context of real brands from the portfolio of the indigenous corporate brand, i.e. Dabur India Ltd. This century old brand has been in news recently for successfully defending the market position, primarily due to brand trust. Dabur till date forges ahead of its competitors which is attributable to a unique array of brands in its portfolio. But of late, it has been repositioning to come out of the shell of just one of the traditional company product brands to one with 'modern brands' in its portfolio.

The major contribution of the paper is that it adopts a framework which will make a positive input to the body of knowledge and the growing branding literature. Taking clues from this case of Dabur brands, similar companies can manage the wide portfolio of its distinct brands. Many researchers have considered fit to be a key factor in brand extension (e.g., Aaker & Keller, 1990; Boush & Loken, 1991; Sheinin & Schmidt, 1994). They consider the fit of a parent or core brand and its extensions in terms of their product similarity.

In general, fit is referred to as the degree to which consumers view the corporate brand as being similar to the existing products affiliated with the brand (e.g., Aaker & Keller, 1990; Bottomley & Holden, 2001; Tauber, 1993). Consistent with categorization theory, brand portfolio can be viewed as a category and products are evaluated based on how well they meet the criteria for membership in the category.

Theoretical Background & Literature Review

This study draws from the 'Categorization theory' which is discussed herewith, including pertinent studies related to the constructs undertaken in this study.

Categorization Theory

Categorization theory states that an individual develops distinct categories of stored information in memory (Brewer, 1988; Fiske and Pavelchak, 1986). If the core brand associations are transferred to the other brands in the portfolio, consumers will perceive the extension as fitting with the new category and will accept it (Chalcravarti et al., 1990; Park et al., 1991). Previous studies have also indicated that categorization judgments and the transfer

of brand associations are particularly affected by consumer perceptions of fit (Aaker and Keller, 1990). However, the association can be in the form of physical characteristics such as body shape, or a verbally transmitted categorical label such as race or gender and thus judged by the affection or beliefs associated with the category in memory (Fiske and Steven, 1990). This is better represented in the figure below:

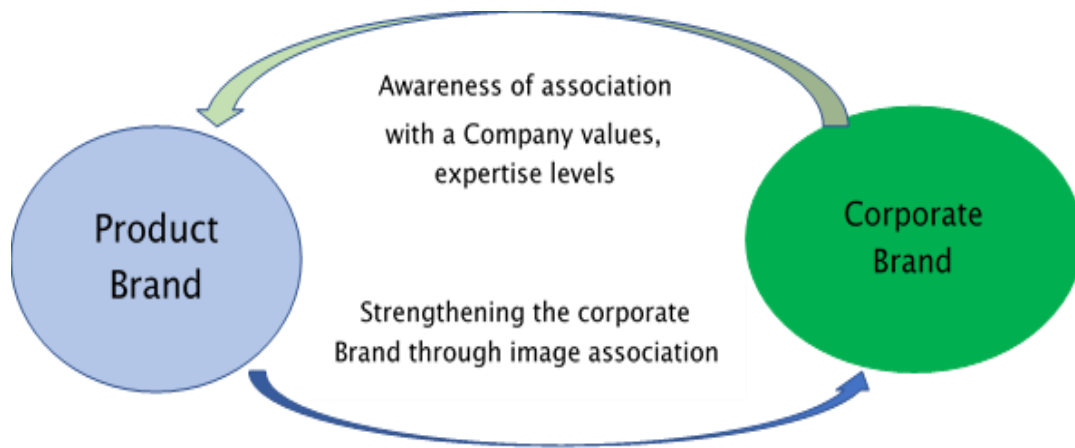


Figure 1: Transfer Effects between Corporate Brand and Product Brand, Source: Goertz, 2007

Product Brand Trust

Brand trust is defined as “a consumer's confident beliefs that he or she can rely on the brand to deliver promised services or products” (Chinomona, Mahlangu and Pooe, 2013) It is created and developed by direct experiences of consumers via brands (Kabadayi & Alan, 2012).

According to Keller (2008) brand trust is defined as a “sense of security possessed by the product user, in their interaction with a brand based on the perception that the brand can be trusted and pay attention to the interests and welfare of consumers”. Cakmak (2016) also opined that brand trust is “a secure feeling which consumer feels that the brand in question will meet their personal expectations” The biggest difficulty in conceptualizing trust is on the basis of cognitive and affective. In branding literature, there are varied studies that reveal the relationship among trust, commitment and satisfaction impacting consumers loyalty (Louis & Lombart, 2010; Chiu, Huang & Yen, 2010), relationship between brand trust and attachment (Kim, Chung, & Lee, 2011; Chinomona, 2013) and also studies unveiling the relationship between brand trust and purchase intention (Reast, J.D. 2003), needs to be managed and monitored with care.

According to Keller (2008) brand trust is defined as a sense of security possessed by the product user, in their interaction with a brand based on the perception that the brand can be trusted and pay attention to the interests and welfare of consumers.

Brand Image

In order to create a positive brand image, it requires marketing programs that link strong, favorable, and unique associations to brand memory. A brand association is the utmost recognised characteristic of brand equity (Leh & Lee, 2011). A brand association comprises all brand related thoughts, feelings, perceptions, images, experiences, beliefs, attitudes and is everything connected in memory to a brand (Kotler & Keller, 2006). Associations embody the

basis for purchase decision and for brand loyalty (Fayrene & Lee, 2011) and act as information collecting tools to execute brand differentiation and brand extension (Aaker, 1996). Furthermore, brand image can be viewed as the functional attribute of the product or service which make consumers reflect their self-image and which assists when making purchase decisions (Aghekyan-Simonian et al., 2012). In addition, the extant branding literature indicates that products with stronger brand image can diminish consumers' cognitive risk (Kwon & Lennon, 2009). In this respect, consumers often exploit the sense of brand image to infer the quality of the product or service and make decisions (Salinas & Pérez, 2009). Consequently, the quality of the brand image indirectly causes consumers' perception of the product or service quality. In addition, utilizing the ideal brand image not only assists businesses to establish market positions, but also protects brands from competition (Cretu & Brodie, 2007). As result, businesses nowadays labour to retain their brand image and therefore invest significant resources to develop names with a favorable image (Keller, 2017).

Brand Parity

Brand parity is defined as the "*overall perception held by the consumer that the differences between the major brand alternatives in a product category are small*" (Muncy 1996, p. 411). As such, when consumers view major brand alternatives as similar, parity is high, and when consumers view brand alternatives as dissimilar, parity is low. In essence, it can be viewed as the opposite of product differentiation. If high brand parity is perceived, the consumer cannot identify significant differences between the brands. The brands failed in their principal duty: to serve as guidance in the decision-making process and to give a unique positioning. High brand parity scores can be observed within the product categories, where the purchase risk is very low, as the products have a low price. Low brand parity scores can be measured for product categories where the brands are charged with emotional values, like perfume and clothing etc. (BBDO Consulting 2005).

Purchase Intent

The intention to buy is something that is related to the customer's plan to buy a particular product, and how many units of product are needed in a certain period. The intention to make a purchase is a form of decision that studies why consumers buy a brand (Shah et al., 2012). Martinez and Kim (2012) state that purchase intention is the stage of the respondent's desire to behave before making an actual purchase. Purchase intention is a mental statement of consumers that reflects the plan to purchase a number of products with a particular brand. Purchase intention is measured by 3 (three) indicators referring to Barber, et al., (2012), Kudeshia and Kumar, (2017), Peng and Go, (2015), and Wang, et al., (2013) as- *Transactional interest*, namely the tendency of someone to buy the product, *Referential interest* that is a person's tendency to refer a product to others, and *Preferential interest* that is interest that describes the behavior of someone who has a primary preference for the product. Knowledge of purchase intentions is needed by marketers to find out consumer intentions towards a product and to predict consumer behaviour in the future. The intention to buy is formed by the attitude of consumers towards products and consumer confidence in the quality of products. The lower consumer confidence in a product will cause a decrease in consumer purchase intention.

Conceptual framework and Hypothesis

In order to provide a link between the research constructs under investigation, the study embarked on a conceptual framework. Jabareen (2009) defines a conceptual framework as a network, or “a plan,” of interlinked concepts that together provide a comprehensive understanding of a phenomenon or phenomena. Furthermore, drawing from the literature reviewed, the conceptual model (Figure 2) has been developed. A conceptual model is desirable as it describes the relationship between constructs of the study (Maziriri and Chuchu, 2017; Maziriri, Mapuranga & Madinga, 2018). The hypothesized relationships between the research constructs are subsequently discussed.

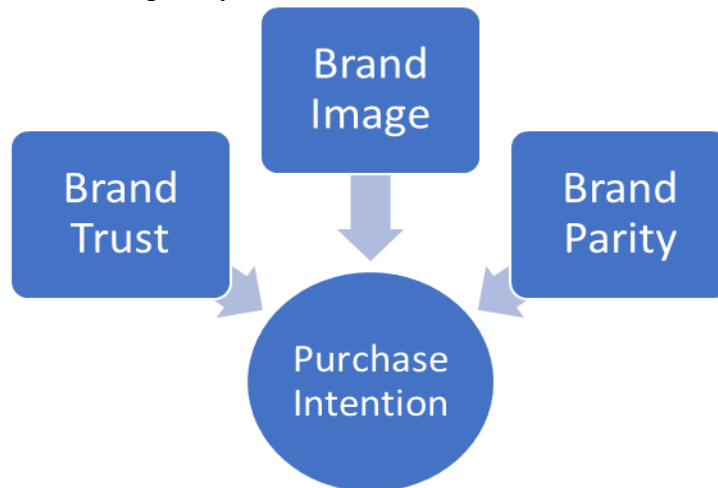


Figure 2: Proposed Research framework

Drawing from the literature and the empirical evidence, the study hypothesizes that:

- H1: Brand trust has a positive influence on purchase intent
- H2: Brand image has a positive influence on purchase intent
- H3: Brand parity has a positive influence on purchase intent

Methodology

The study utilized a quantitative research design using a structured questionnaire. To achieve the objectives in this quantitative study, a descriptive research design was adopted to collect responses from a sample of 300 respondents using structured questionnaires. Convenience sampling was used to gather responses. The construct measures used were drawn from pre-validated scale items of researchers and further checked for their reliability using the Cronbach alpha which was found to be >0.90 . The scale items related to items on brand trust, brand image, brand parity and purchase intention. The data was analyzed using the advanced statistical techniques for construct validation (CFA) and thereafter for testing the structural relationships modelling to prove the hypotheses of the study (SEM).

Analysis and Interpretation

Exploratory Factor Analysis, EFA

In the first place, EFA using the technique of Principal Component Analysis was first run to identify and group the factors as per the study. Prior to administering the data was checked for the data suitability through the measures of KMO (0.902) and the Bartlett test of sphericity (chi

square (210) =5626.832; $p < 0.001$). As expected, 4 factors were extracted that explained 69.024% variation. All the indicators (items) were loaded on their respective factors (constructs), thereby indicating construct validity. The factor loadings are illustrated in Table 2.

Table 1: KMO and Bartlett's Test

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.902
Bartlett's Test of Sphericity	Approx. Chi-Square	5626.832
	df	210
	Sig.	0

Table 2: Factor Analysis Result

Construct	Statement	Code	Factor Loading	Variance (%)	Reliability
Brand Image	Product Quality	VPPQ	0.927	38.854	0.936
	Benefits Delivered as Promised	VPBDP	0.862		
	Packaging of Products	VPPP	0.864		
	Value for Money	VPVFM	0.874		
	Innovative Product Range	VPIPR	0.775		
	Brand Image	VPBI	0.862		
Brand Trust	Selling just a Product	BTSP	0.903	6.104	0.836
	Deliver on my Expectations	BTDOE	0.777		
	Advt I Believe	BTAB	0.878		
Brand Parity	What to Expect	BTWE	0.585	15.205	0.89
	Brand Parity-Big Difference	BPBD	0.611		
	Brand Parity-Price	BPPR	0.738		
	Brand Parity-Basically the Same	BPBS	0.83		
	Brand Parity-Product Quality	BPPQ	0.762		
	Brand Parity-Delivers Benefits as Promised	BPBDP	0.815		
	Brand Parity-Packaging	BPPP	0.772		
Purchase Intention	Brand Parity-Product Range	BPPRR	0.844	8.861	0.817
	Try Again	PITA	0.681		
	Buy if see in Store	PIBSS	0.901		
	Actively seek the Brand	PIA	0.791		
	Even if Company is not Familiar	PIECF	0.713		

Confirmatory Factor Analysis, CFA

To confirm the factor structure obtained through EFA, we employed confirmatory factor analysis (CFA) using AMOS software. The measurement model comprising.

Table 3: Model Fit Measures

Measure	Estimate
CMIN	739.633
DF	182
CMIN/DF	4.064
CFI	0.9
SRMR	0.074

Table 4: Validity Analysis result

Validity Analysis

	CR	AVE	MSV	MaxR(H)	BI	BP	BT	PI
BI	0.937	0.713	0.294	0.95	0.844			
BP	0.892	0.543	0.205	0.899	0.321***	0.737		
BT	0.854	0.601	0.379	0.89	0.542***	0.440***	0.775	
PI	0.814	0.523	0.379	0.817	0.514***	0.453***	0.616***	0.723

Structural Equation Modelling (SEM)

This study used structural equation modeling statistical technique (SEM) to estimate the causal relationship among the constructs based on the conceptual model in Figure 1. The results are reported in Table 6. The model was acceptable in terms of overall goodness of fit. Acceptable model fit was indicated by χ^2 (df) values < 3 ; RMSEA values < 0.08 ; CFI values $> .90$. The results of the current study indicated that: χ^2 (df) (1.695); CFI (0.95) as well as RMSEA (0.05). This suggests that the model converged well and had a credible manifestation of the fundamental empirical data structures.

Testing of Hypothesis

The results of this study provide explanations for all the three hypotheses. The path coefficients for H1, H2, and H3 were: 0.31; 0.22 and 0.17 respectively. Hypothesis (H1) posited a positive relationship between Brand Trust and Purchase intention (p value =0.31). Hypothesis (H2) also posited a positive significant relationship between Brand image and purchase intention. The third Hypothesis (H3) also posited a positive relationship between Brand Parity and purchase intention (p value= 0.17). The values of the various relationships are shown using the beta (β) values in the modified diagram the path analysis is presented in Figure 4.

Table 5: Regression Weights (CFA)

			Regression Weights				Standardized Regression Weights
			Estimate	S.E.	C.R.	P	Estimate
VPPQ	<---	BI	1				0.94
VPBDP	<---	BI	0.66	0.03	20.24	***	0.75
VPPP	<---	BI	0.86	0.03	26.46	***	0.85
VPVFM	<---	BI	0.89	0.03	26.39	***	0.85
VPIPR	<---	BI	0.83	0.04	21.24	***	0.77
VPBI	<---	BI	0.9	0.03	29.84	***	0.89
BPPR	<---	BP	1				0.73
BPBS	<---	BP	1.14	0.08	15.11	***	0.78
BPPQ	<---	BP	0.97	0.07	14.7	***	0.76
BPBDP	<---	BP	1.04	0.07	15.64	***	0.81
BPPP	<---	BP	0.96	0.07	13.77	***	0.71
BPPRR	<---	BP	1	0.07	14.79	***	0.77
BTSP	<---	BT	1				0.88
BTDOE	<---	BT	0.92	0.05	18.71	***	0.79
BTAB	<---	BT	1.01	0.05	20.98	***	0.85
BTWE	<---	BT	0.69	0.06	11.12	***	0.53
PIA	<---	PI	1				0.74
PIBSS	<---	PI	0.95	0.07	12.88	***	0.75
PIECF	<---	PI	1.06	0.08	12.92	***	0.74
BPBD	<---	BP	0.69	0.06	10.95	***	0.57
PITA	<---	PI	1.09	0.1	11.44	***	0.66

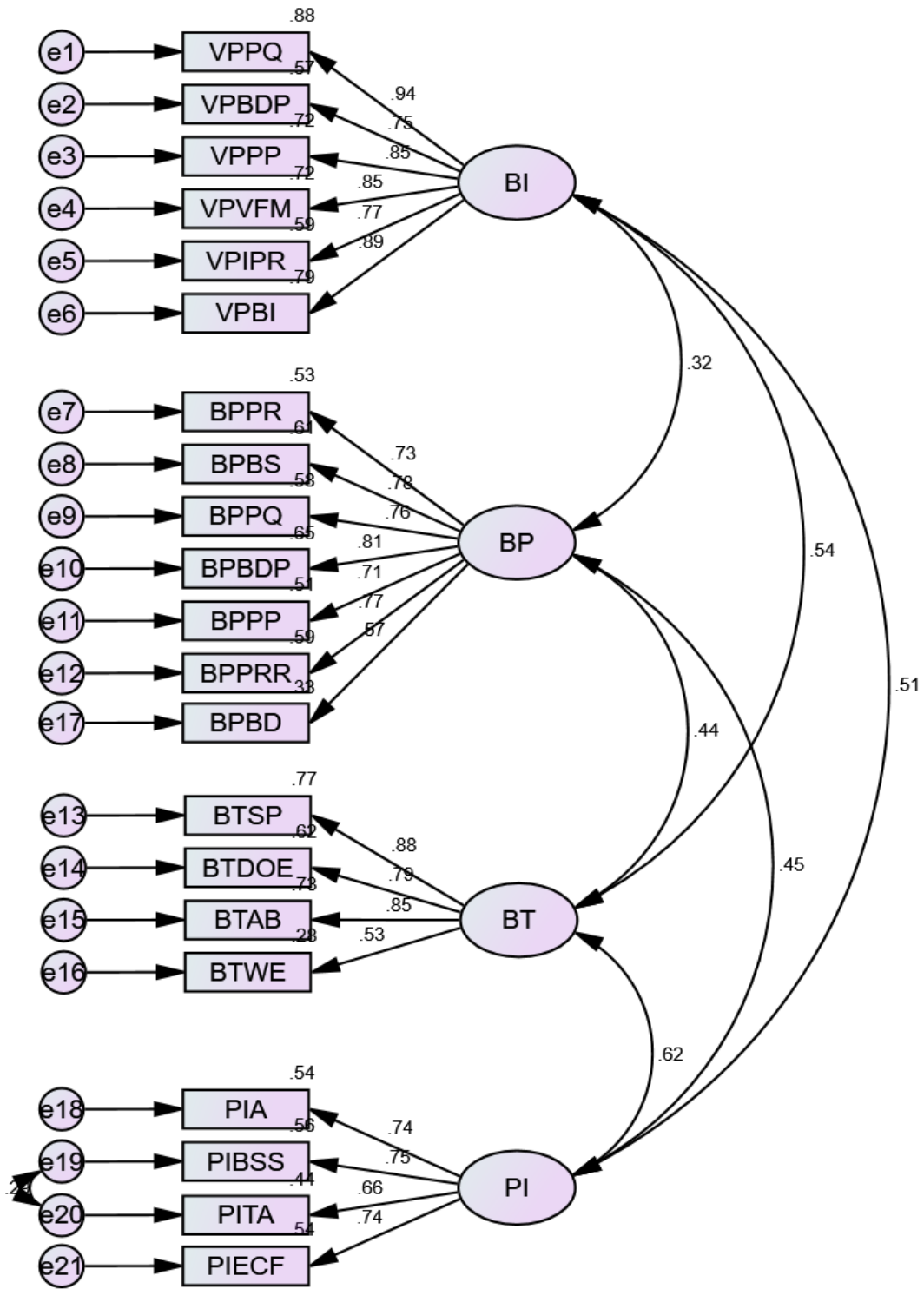


Figure 3: CFA Figure

Table 6: Regression Weights and Standardized Regression Weights

			Regression Weights				Standardized
			Estimate	S.E.	C.R.	P	Regression Weights
							Estimate
PI	<---	BI	0.22	0.04	5.35	***	0.28
PI	<---	BP	0.17	0.04	4.11	***	0.22
PI	<---	BT	0.31	0.04	7.44	***	0.44
VPPQ	<---	BI	1				0.94
VPBDP	<---	BI	0.65	0.03	20.33	***	0.75
VPPP	<---	BI	0.85	0.03	26.5	***	0.85
VPVFM	<---	BI	0.89	0.03	26.36	***	0.85
VPIPR	<---	BI	0.82	0.04	21.04	***	0.77
VPBI	<---	BI	0.9	0.03	30.12	***	0.89
BPPR	<---	BP	1				0.72
BPBS	<---	BP	1.16	0.08	14.99	***	0.79
BPPQ	<---	BP	0.98	0.07	14.45	***	0.76
BPBDP	<---	BP	1.05	0.07	15.41	***	0.81
BPPP	<---	BP	0.97	0.07	13.61	***	0.71
BPPRR	<---	BP	1.02	0.07	14.75	***	0.77
BTSP	<---	BT	1				0.88
BTDOE	<---	BT	0.92	0.05	18.54	***	0.79
BTAB	<---	BT	1	0.05	20.45	***	0.85
BTWE	<---	BT	0.67	0.06	10.68	***	0.52
PIA	<---	PI	1				0.67
PIBSS	<---	PI	1.05	0.09	12.22	***	0.78
PIECF	<---	PI	1.04	0.1	10.99	***	0.66
PITA	<---	PI	1.26	0.11	11.46	***	0.7
BPBD	<---	BP	0.69	0.06	10.8	***	0.57

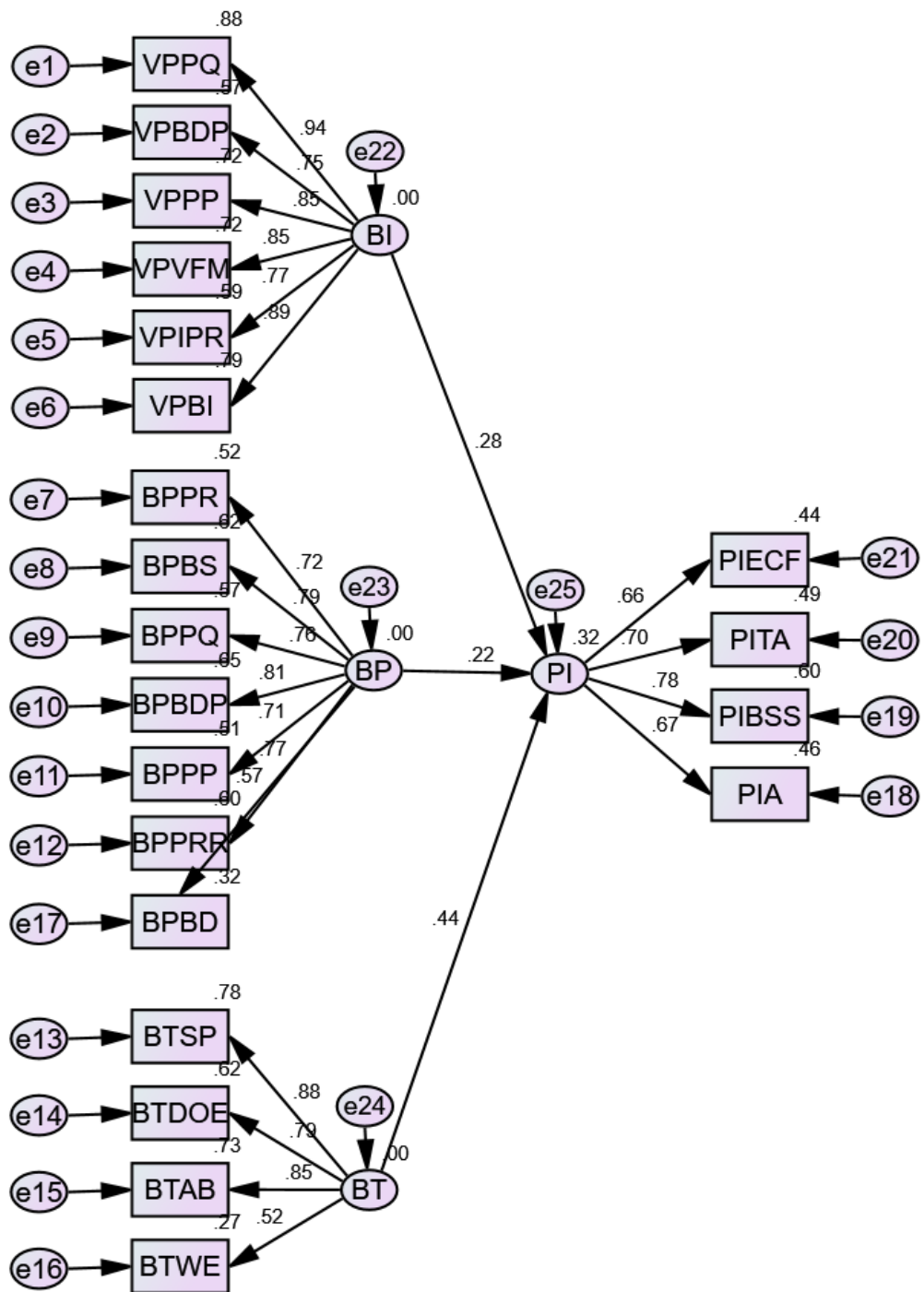


Figure 4: SEM Figure

Table 7: Hypotheses Results

Hypothesis			Weights	Result
Purchase Intention	<---	PBI	0.22	Supported
Purchase Intention	<---	PBT	0.31	Supported
Purchase Intention	<---	PBP	0.17	Supported

Conclusions and Recommendations

The results of the study indicate that the most dominant factor influencing purchase intention was Brand Trust, followed by product Brand image and Brand Parity. This leads to validation of the fact that Brand Trust is of significance to marketing practitioners. To customers, role of the Brand is to provide trust, knowledge and expertise while decision making for any needs. Brand Trust is earned, cultivated and nurtured through the activities accrued in the past and present. With virtually all firms seeking to grow their brands through new product development and the introduction of brand extensions, one potentially important corporate brand association is perceived brand innovativeness (Brexendorf et al., 2015). According to Keller (2008) brand trust is defined as a sense of security possessed by the product user, in their interaction with a brand based on the perception that the brand can be trusted and pay attention to the interests and welfare of consumers. Both the structure and investments choices by the corporations are shifting that is from treating brands as stand-alone entities to managing the branding ecosystems. Brands are no longer considered as individual responses to consumer demands, but rather as part of a whole. Hence all these 3 variables Trust, Image and Parity and very critical variables to be managed for a Product Brand. This research paper brings together disparate but highly relevant consumer-brand relationship theories to progress the literature and improve understanding of Brand architecture. This study will also contribute to the brand portfolio as a strategic lever for brand association and intend to brand purchase.

Limitations and Future research directions

There are some limitations of the study. In addition to the 3 variables covered in this study few more variable needs to be studied, such as brand awareness, brand association, and consideration. Second, we should investigate this study in consumer durable industries which has been pursuing Branded House architecture since long. Third, the slightly more bigger sample framework both respondent profile and geography. We should track this design for use cases and try to develop a simple RoI model

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