

**IMPACT OF BRAND EQUITY ON BRAND PREFERENCE
TOWARDS PURCHASE INTENTION: A CASE OF MOTOR
VEHICLE MARKET IN SRI LANKA**

by

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DECLARATION

I hereby declare that, this thesis has been compiled by me that is the record of work completed by me. I applied my every theoretical and practical knowledge which I gathered through my M.Sc. course as much as possible to make this study success. The work describe in this thesis was carried out by me under the supervision of Mrs. D.S.R.Samarasinghe/ Senior Lecturer, Department of Marketing Management and a report on this has not been submitted in whole or in part to any university or any other institution for another purpose.

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CLARIFICATION OF THE SUPERVISOR

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Accept as a partial fulfillment of requirements for the degree of Master of Science in Management course, Faculty of Graduate studies, University of Sri Jayawardenepura.



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CONTENT	Page No
Title	
Declaration	
Certificate of the Supervisor	
Content	i
List of tables	vii
List of figures	ix
Acknowledgement	x
Abstract	xi
Chapter 01- Introduction	01-13
1.1 Background to the Study	01
1.1.1 Car Market in Sri Lanka	04
1.2 Research Problem	06
1.3 Objectives of the Research	08
1.4 Significance of the study	08
1.5 Hypotheses	10
1.6 Research methodology	11
1.6.1 Sample Design and Data Collection Procedure	11

1.6.2	Data Analysis and Presentation	11
1.7	Organization of the Study	12
1.8	Scope of the Study	13
Chapter 02 – Literature Review, Conceptual framework and Hypotheses		14-45
2.1	Introduction of Marketing	14
2.2	Brand	15
2.3	Brand Equity	16
2.4	Definitions for Brand Equity	17
2.5	Measuring Brand Equity	19
2.5.1	Customer-Based Brand Equity	21
2.6	Brand Equity Models	21
2.6.1	Aaker Model	21
2.6.2	Keller’s Model of Brand Resonance	22
2.7	Identifying factors affecting on Brand Equity	24
2.8	Building Brand Equity	30
2.8.1	Relationship between Brand, Brand Equity, Branding	30
2.9	Conceptualization of Brand Equity on Brand Preference and Purchase Intention	32
2.10	Dimensions of Brand Equity	33
2.11	Impact Band Equity and Purchase Intension	39
2.12	Impact of Brand Equity on Brand Preference	41
2.13	Impact of Brand Preference and Purchase Intention	42

2.14	Mediation role of Brand Preference	43
2.15	Chapter Summery	45
Chapter 03 – Research Methodology		46-64
3.1	Introduction	46
3.2	Philosophy and Methodological Assumption	46
3.3	The Sampling Plan	47
3.3.1	Population	47
3.3.2	Sample Design	47
3.3.3	Sample Size	48
3.3.3	Sampling Procedure	48
3.3.4	Operationalization	48
3.5	Method of Data Collection	50
3.6	Data Collection	51
3.6.1	Secondary Data	51
3.6.2	Primary Data	51
3.7	Data Processing and Scales	52
3.8	Data Analysis and Presentation	53
3.8.1	Mediate effect	53
3.8.2	Correlation Analysis	54
3.8.3	Scatter plots and Regressions	55
3.8.4	Multiple Regression Analysis	56
3.9	Definition of the terms used in study	57
3.10	Chapter Summery	64

Chapter 04 – Data Analysis and Presentation	65-104
4.1 Introduction	65
4.2 Reliability & Validity of the Instrument	65
4.2.1 Reliability	65
4.2.2 Validity	67
4.3 The Sample	68
4.4 Type of Vehicle brands preferred in Sri Lanka	70
4.5 Analysis of Independent Variable	73
4.5.1 Main dimensions of Brand Equity	73
4.5.2 Analysis of Descriptive statistics of Brand Awareness and Brand Association as a dimension of Brand Equity	73
4.6 Analysis of Brand loyalty as a Dimension of Brand Equity	75
4.7 Analysis of Perceived Quality as a Dimension of Brand Equity	77
4.8 Overall Summery Statistics of Brand Equity Dimensions	78
4.9 Analysis of Dependent variable	80
4.9.1 Analysis of items of Brand Preference	80
4.9.2 Analysis of items of Purchase Intention	82
4.10 Summery of Dependant Variable	84
4.11 Scatter Plots and Regressions	84
4.11.1 Analysis of Brand Preference with Brand Equity Dimensions	85

4.11.2 Analysis of Purchase Intension with Brand equity Dimensions	87
4.11.3 Analysis of Purchase Intention with Brand Equity	89
4.11.4 Analysis of Brand Preference with Brand Equity	90
4.11.5 Analysis of Brand Preference with Purchase Intention	91
4.12 Correlation analysis	91
4.12.1 Correlation Coefficient of Brand Equity and Purchase Intention	93
4.12.2 Correlation coefficient of Brand Equity and Brand Preference	93
4.12.3 Correlation coefficient of Brand preference and Purchase Intention	94
4.13 Impact of Brand Equity and Purchase Intention	96
4.14 ANOVA Summery	96
4.15 Impact of Brand Equity on Brand Preference	98
4.16 Impact of Brand Preference on Purchase Intention	100
4.17 Mediation of Brand Preference on the relationship between Brand Equity and Purchase Intention	102
4.17 Summery of Hypothesis Analysis	103
4.18 Chapter Summery	104
Chapter 05 – Summary and conclusion	105-111
5.1.1 Introduction	105
5.2 Research Findings	105

5.2.1	Achievements of Objectives	106
5.3	Recommendation in Sri Lankan Context of Brand Preference on Purchase Intention	107
5.4	Managerial Implication	108
5.5	Recommendation to the Customers	109
5.6	Suggestions for Future Research	109
5.7	Limitations of the Study	110
5.8	Chapter Summary	111

Appendix

References

Questionnaire

Descriptive data analysis

LIST OF TABLES**Page No**

Table 2.1 -Conceptual Research on Customer Based Brand Equity	24
Table 2.2 - Research on Customer Based Brand Equity Measurement	26
Table 3.1 - Number of items to measure the each dimensions/variables	48
Table 4.1 - Reliability Analysis	66
Table 4.2 - Sample profile /Gender Distribution	68
Table 4.3 - Demographic Data of the study	69
Table 4.4 - Vehicle brands in Sri Lankan context	71
Table 4.5 -Summated scale of Brand awareness & Brand association	75
Table 4.6 - Descriptive statistics	76
Table 4.7 - Overall summery of Perceived Quality	77
Table 4.8 - Summery of Descriptive statistics of Brand Equity	79
Table 4.9 - Overall Summery of Descriptive statistics of Brand Equity dimensions	80
Table 4.10 - Summery statistics of overall Brand preference	81
Table 4.11 - Summaries of Descriptive statistics	83
Table 4.12 - Summery of tested hypothesis	92
Table 4.13 - Correlation Coefficient of Brand Equity and Purchase Intention	93
Table 4.14 - Correlation coefficient of brand equity and brand preference	94
Table 4.15 - Correlation Coefficient of Brand preference and Purchase Intensions	95
Table 4.16 -Model Summery	96
Table 4.17 - Coefficient Table	96

Table 4.18 -ANOVA Summery	97
Table 4.19 - Model Summery - Brand Equity on Brand Preference	98
Table 4.20 - Coefficient Table -Brand Equity on Brand Preference	98
Table 4.21 - ANOVA - Brand Equity on Brand Preference	99
Table 4.22 - Model Summery table - Brand Preference on Purchase Intention	100
Table 4.23 - Coefficient table Brand Preference on Purchase Intention	101
Table 4.24 - ANOVA Brand Preference on Purchase Intention	101
Table 4.25 - Sobel Test to calculate mediation effect	102
Table 4.26 - Summery of Hypothesis Analysis	103

LIST OF FIGURES	Page No
Figure 2.1- Keller's Model of Brand Resonance	22
Figure 2.2 –Brand, Brand Equity, Branding	30
Figure 2.3- Brand Equity Dimensions	31
Figure 2.4 - Conceptualization of Brand Equity on Brand Preference and Purchase Intention	33
Figure -2.5 -Systematic View of Brand Equity Model	39
Figure 4.1- Gender Distribution	69
Figure 4.2- Brand Distribution	72
Figure-4.3-Scatter plots analysis of Brand preference with Brand Awareness and Brand Association	85
Figure 4.4 - Scatter plots analysis of Brand preference with Brand Loyalty	86
Figure 4.5 - Scatter plots analysis of Brand preference with Perceived Quality	86
Figure 4.6 - Scatter plots analysis of Purchase Intention with Brand Awareness and Brand Preference	87
Figure 4.7 - Scatter plots analysis of Purchase Intention with Brand Loyalty	88
Figure 4.8 - Scatter plots analysis of Purchase Intention with Perceived Quality	88
Figure 4.9 - Scatter plots analysis of Purchase Intention with Brand Equity	89
Figure 4.10 – Scatter plots analysis of Brand preference with Brand Equity	90
Figure 4.11 - Scatter plots analysis of Brand preference with Purchase Intention	90
Figure 4.12- BE; Brand Equity Bp; Brand Preference PI; Purchase Intention	95

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ABSTRACT

This research has focused on ascertaining the impact of brand equity on brand preference and purchase intention in Motor vehicle market in Sri Lanka. Brand equity was selected as the independent variable and the dependant variables are brand preference and purchase intention.

To measure the impact of brand equity on brand preference and purchase intention primary and secondary level data were collected. Researcher was collected data through self administrated questionnaires from 125 respondents. The collected data were organized according to the chosen statistical criteria and analyzed by using scatter plots analysis, correlation coefficient and ANOVA test.

Finally it was concluded that, brand equity has a direct significant impact on brand preference and purchase intention in motor vehicle industry in Sri Lanka. It was also discover that brand preference also has a significant positive impact on purchase intention.

Chapter One

Introduction

1.1 Background to the Study

The invention of the “Wheel” has changed the entire world into new place by uplifting the life of human beings. Entire transportation industry, which was initially based on just animals (horse, bullocks etc) joined together with manmade carts, went to paradigm shift due to this invention. This phenomenon further aggravated by the invention of steam engine and thereafter introduction of motor vehicles. Motor vehicle industry enters the tenth year of its second century with the introduction of first motor vehicle in 1802. Furthermore, Henry Ford (1802) is recognized as the most pioneer in this industry with his innovative idea of mass production assembly line. Further, his contribution made car is affordable for many car owners. Initially the name Ford was very much familiar to everyone in the industry but this has changed due to the increased competition.

In other words customers were looking at more features other than the black car introduced by “Ford” and this phenomena lead the entire industry to be filled with new firms. Honda, Toyota, Chevrolet, Mercedes Benz, BMW are some of the world famous car brands perform in the motor vehicle industry at the moment. All these companies initially competed with each other in terms of product features, performance, quality, styling and efficiency. But these methods have been recognized as traditional means of competitive weapons in modern competitive environment. In other words due to