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THE EFFECTS OF ONLINE BRANDING ON CONSUMER BASED BRAND EQUITY: A CASE STUDY OF SELECTED SHOPPING PRODUCT COMPANIES

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Abstract:-Brands play an increasingly important role in marketing as much as they represent one of the major assets firms hold. Furthermore, online media branding is growing at a very fast pace and is increasingly adopted not only by pure players companies but also by traditional firms. Researches on online branding of shopping products seem incomplete and there is still a lack of investigations. The present paper is an attempt to explore whether employing online media for branding leads to a significant increase in purchasing probability for shopping products associated with online media. For this purpose a survey was conducted among the selected three shopping product companies in the districts of Bangalore, Mysore, and Mangalore of Karnataka State of India with the help of a structured questionnaire and interview. Both primary and secondary data were used for the study. The 300 respondents were considered for collecting the data. Statistical and mathematical tools like percentages, cross tabulation table, t–test and ANOVA were used for data analysis. The study revealed that the online branding had a significant effects on consumer based overall brand equity in shopping products.

Keywords: Online Branding, Social Media, Overall Brand Equity, Shopping Products.

INTRODUCTION

The web has impacted on developed nations and the way we conduct business. The structure of commerce has changed significantly with the rise of infomediaries (Hagel, J., & Singer, M., 2008), and portals but one constant has been the need for the branding of goods and services in online and cross–media firms. Many web business failures are tied in with poor branding and as more of the world goes online, this area seems even more important to organizations. With the increased reach of the web, companies are finding proper branding more vital for international dealing. Similarly, branding has become more important in ensuring value for marketing dollars with numerous high–profile e–business failures (Yan, J., & et al., 2000), and the end of the late–1990s' online gold rush.

'Wired' consumers have been the target of these branding efforts. Since the mid–1990s, traditional firms going on to the web and web–only enterprises have tried to woo them using traditional and emerging branding models. In some cases, novelty, rather than long–term branding considerations was the initial and only attraction.

Today, we are live in a branded world and our product decisions are influenced by brand values. Brand name has been around for centuries as a means to distinguish one producer from another. In the present day world, brand not only represents the symbol of the company or a product but to a large extent it is a statement of one's personality. The American Marketing Association (2004) defines a brand "as a name, term, sign, symbol or design or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competition". These differences may be functional, rational or tangible–related to the performance of the brand. It may also be more symbolic, emotional or intangible – related to what the brand represents.

Brands vary in the amount of power and value they have in the market place. A powerful brand has high Brand Equity. Companies can leverage the equity of an established brand to enter other categories of products successfully and profitably. If the brand value of the product is considerably high, the company can launch other products under the same brand to gain

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1

advantage from the Brand Equity of the existing products.

Kapferer, J. N. (2008) stated that online branding is the process of using written, audio and video content to position yourself as an expert in your field so that qualified prospects will seek you out and be ready and willing to pay the price you want to charge with little or no resistance.

Online Branding can take several forms:

Articles
Blog Posts
Media Releases
Web page audio and video messages
Short videos posted to the various video sharing portals
MP3 audio "podcasts"
Teleseminars and webinars
Online seminars, workshops and clinics
Online video, MP3, CD, and DVD "how–to" programs
Internet radio programs

The formats we choose will depend on our objectives and our budget. Online branding is important because in today's digital world, it's the consumers and business buyers that have the power, not the advertisers. Online branding allows prospects to see and hear what you have to say in the comfort and privacy of their own environments. Online branding positions us as an expert who can solve the problems of our target market.

Kevin Keller (1993) coined a term called consumer based brand equity to define brand equity from customer's and consumer's perspective. The consumer based brand equity is defined as the "differential effect of brand knowledge on consumer response to the marketing of the brand" (Keller, 1998). Brand knowledge is defined in terms of brand awareness and brand image. A brand develops a strong equity with customers when the customers are familiar with the brand and have favorable, strong and unique brand association in their memory. Keller argued that a brand is said to have positive or negative brand equity when consumers react more or less favorably to an element of marketing mix for the brand than they do to the same marketing mix elements when it is attributed to an unbranded product. He also viewed that a brand is said to have brand equity, when customer is familiar with the brand and holds some favorable, strong and unique brand association in memory (Keller, 1993).

Yoo and Donthu (2001) were the first to develop a multi dimensional scale for measuring consumer based brand equity and report its psychometric property. The dimensions included in the scale were brand awareness and brand associations, perceived quality and brand loyalty, named as multi dimensional brand equity. For the convergent validity check of multi-dimensional brand equity, Yoo and Donthu (2001) developed a four–item uni–dimensional measure of brand equity called overall brand equity. They developed the brand equity measure following an etic approach in which a universal measurement structure across cultures using multiple cultures was employed simultaneously rather than an emic approach, in which a scale is first developed in one culture, and then validated or replicated in other cultures. Yoo and Donthu (2001) developed the consumer based brand equity scale which was later validated by Punj, N., Girish, and Hillyer, L., Clayton 2004).

Benefits of Developing an Online Branding

Zyman, Sergio (2009) identified the benefits of developing an online branding program are as follows:

Online branding is fast and easy to accomplish. It's possible to create and produce an online branding message in one business day.
Online branding conveys our personality and passion. Unlike static advertising, online branding messages can be a one–to–one communication – like one friend to another.
Online branding messages are easy and inexpensive to distribute. Once a message is produced, distribution can begin immediately using our proprietary syndication process. It's possible to see results in just a few hours to a few days.
Online branding is a preferred method of learning. Many busy people will not take the time to read sales materials but they will read short articles, blog posts, watch short videos or listen to podcasts on their MP3 or CD players. The easier we make it for people to consume our messages, the more likely they will be to buy from you.
Online branding messages can be packaged, bundled and even sold. Online branding messages can be recycled, reformatted and re–purposed. They can be presented as a series, or combined to make an information product that can generate ongoing passive income.
Online branding messages can be updated easily. Today's digital editing software allows for changing or adding to content with ease.
Online branding creates cutting–edge perception of us. Since online branding is still in its early stages, our messages will position us as an innovative industry leader and cause qualified people to take a look at what we offer first. Online branding

separates us from the crowd in a way that nothing else can.

Online Versus Offline Branding

As the internet and social media continued to develop rapidly, and as they continued to signi?cantly drive the concepts of identity and community, we believe that the continuum stretching between online and offline presence will be an important most de?ning dimension of a business communication. A key observation from Table 1 is that the low cost and global reach of online brand communications changes their nature (Hatch and Schultz, 2010). On the one hand, the online brand communication allows members to reveal little of their identity, only passively engage in relationships, and work minimally at sustaining rituals and traditions and only weakly develop consciousness of any kind that would lead them to carry a moral responsibility (Woisetschlager, et al., 2008). Although this weakens the community signi?cantly, the online feature also allows for much more active involvement relative to what may take place without such a convenient medium. It allows also for relationships to form between subgroups of the community that may not otherwise have opportunity to interact. Table 1 shows the key differences between purely online and purely offline communities to highlight the dissimilarities.

Table 1: Key Differences b/w Offline and Online Communities

Dimensions	Offline Brand Community	Online Brand Community
Main mode of Interaction	Face to face; Have social implications and members bring their true identity to the community and to the consciousness of kind and moral responsibility. Formal organizational structures are beneficial and roles such as president, treasurer, secretary often become necessary.	Virtual; Virtual identity possible, anonymity possible, possibly with less consciousness of kind, and less moral responsibility. Informal, less hierarchical structures are common, allowing for a variety of designs and modes of interaction. Interaction is unconstrained by location and time.
Geography and time dimensions	Geographically and time constrained; members typically have to be presented at the same location and same time to interact. Community can be global but requires a local chapter structure to facilitate face to face interaction where value creation takes place.	Community can be structured along any dimension besides geography.
Costs to community members (time, effort, and expenses)	Time and location constraints impose time and effort costs; location and hospitality requirements incur (financial) costs. Threshold costs cut off low involvement members from participating in the community	Low cost of joining and being part of the community; Low threshold and hence a wider range of engagement levels and forms of the members, possibly affecting consciousness of kind and moral responsibility.
Involvement with brand, firm and community	Brand often elicits high levels of involvement; loyalty and emotion among members are frequently motivated to help others. Intrinsic benefits (e.g. wanting to feel connected) tend to prevail.	Involvement can range from very low to very high. Many members may seek primarily functional benefits from getting help with using, maintaining and repairing a product. Many members may be passive and only access content but do not contributing.

Despite the fact that it is widely acknowledged that very few studies have been conducted to examine the effects of online branding on consumer based overall brand equity in shopping products of three selected companies. Thus, the present study has been initiated to provide evidence the effects of online branding on consumer based overall brand equity. The remainder of this paper is structured as follows. The second section presents a brief review of the previous literature on importance of online branding, online branding building strategies and measurement of consumer based overall brand. The third section follows with some explanation of the research methodology. In the fourth section, the study's results and ?ndings are presented. The ?nal section outlines the main conclusions of the study.

OBJECTIVE AND HYPOTHESES OF THE STUDY

The objective of the present paper is to explore whether employing online media for branding leads to a significant increase in purchasing probability for shopping products associated with online media
Based on the review of literature and past studies, it is hypothesized that the level of consumer based overall brand

equity is positively related to the online branding in shopping products.

METHODOLOGY

The dependent variable in the study, the consumer based overall brand equity, was measured by using the scale originally developed by Yoo and Donthu (2001) suitably modified to assure the reliability and other scale properties in the local context. The present research highly depends upon primary and secondary date. The secondary data has been collected from research published in journals, related articles in magazines, websites and newspapers. For collecting the primary data, 300 respondents from Bangalore, Mysore, and Mangalore of Karnataka State were selected on convenient basis from which data have been collected with the help of specially designed questionnaire. The responses from the respondents were edited and some of the responses were omitted as they were either not filled or filled incompletely or not done properly. The valid responses were then coded and entered into a spreadsheet of SPSS (Statistical Package for Social Services) software 16. Statistical software, AMOS was also used for checking the construct validity and reliability of the consumer based overall brand equity scale.

The study used a seven point Likert scale varying from strongly disagree (1) to strongly agree (7).The statistical tool 't' test was used to measure the effect of online branding on consumer based overall brand equity. NOVA tests were done to find out the most favorite brand (in the order of preference) among the brands by the population on the sources of consumer based brand equity. Summary statistics were computed and reported in the next section.

RESULTS OF DATA ANALYSIS

Sample Profile and Demographics

Responses were obtained from 300 respondents who were college teachers belonging to the Bangalore, Mysore, and Mangalore in Karnataka. The profile of the demographic variable is provided below:

Table 2: Sample Profile and Demographics

Sl. No.	Organization	Frequency	Gender	
			Male	Female
1	Arts and Science Collages	200	140	60
2	Engineering Colleges	60	40	20
3	Medical Colleges	40	30	10
4	Total	300	210	90

Out of 300 respondents, 210 were male and 90 are females contributing to 70 percent and 30 percent respectively.200 respondents belonged to arts and science colleges, 60 to engineering college and 40 to medical college teachers contributing to 66.6 percent, 20 percent and 13.4percent respectively.

Marital Status and Total Monthly Household Income

The marital status and total monthly household income of respondents in the shopping products category is given below:

Table 3: Marital Wise of Respondents

Marital Status	Frequency	Percentage
Single	60	20
Married	240	80
Total	300	100

Table 4: Total Household Income of Respondents

Monthly Household Income	Frequency	Percentage	Cumulative Percentage
<10,000	0	0	0
10,000 – 20,000	6	2.00	2.00
20,000 – 35,000	150	50.00	52.00
35,000 – 50,000	141	47.00	99.00
>50,000	3	1.00	1.00
Total	300	100	100

The marital status of the respondents shows that 80% are married. The average household income of the respondents was approximately. 16,500. More than half of them had salary between Rs. 20,000 – 35,000 and about 99percent had monthly income between Rs 20,000 – 50,000. It shows income –wise, the respondents were a homogeneous group, being college teachers.

Overall Brand Equity (Without Online Branding)

The respondents' perception on overall brand equity construct of consumer based brand equity scale without online branding is given in the following table.

Table 5: Overall Brand Equity (Without Online Branding)

Items Brands	Q_1		Q_2		Q_3		Q_4	
	Mean Score	Std. Deviation	Mean Score	Std. Deviation	Mean Score	Std. Deviation	Mean Score	Std. Deviation
LG	5.13	1.34	5.08	1.42	5.03	1.43	5.17	1.35
Samsung	4.88	1.48	4.84	1.55	4.75	1.59	4.79	1.58
Sony	5.72	1.27	5.70	1.24	5.61	1.32	5.68	1.34

Q_1*, Q_2*, Q3*, and Q_4* represent the four items in the consumer based brand equity scale corresponding to the overall brand equity construct. The questions corresponding to Q1*, Q_2*, Q_3*, and Q_4* are given below:

Q_1*It makes sense to buy my favorite brand instead of any other brand.
Q_2*Even if the other brand has the same features as my favorite brand, I would prefer to buy my favorite brand only.
Q_3*If there is another brand as good as my favorite brand, I prefer to buy my favorite brand only.
Q_4*If another brand is not different from my favorite brand in anyway, it seems smarter to purchase my favorite brand only.

Table 6: Overall Brand Equity (Without Online Branding)
Combined Mean and Standard Deviation

Brands	Combined Mean	Combined Std. Deviation
LG	5.10	1.39
Samsung	4.48	1.65
Sony	5.68	1.29

The result indicates that the respondents' most favorite brand is Sony followed by LG, and Samsung.

Table 7: ANOVA Table of Overall Brand Equity

Source of Variation	Sum of Squares	Degree of Freedom	Mean Sum of Squares	F–Value	P–Value
Columns	3.102	2	1.03		
Error	0.0305	12	0.002542	406.9	2.4859
Total	3.133	14			

The result indicates that in the dimension of overall brand equity construct of consumer based brand equity scale, the most favored brand Sony has a significant difference over other brands (LG, and Samsung), as the p–value is less than the significance level of 0.05.

Overall Brand Equity(With Online Branding)

The respondents' views on overall brand equity in the dimension of consumer based brand equity scale with online branding are depicted in the following table.

Brands	Combined Mean	Combined Std. Deviation
LG	5.31	1.48
Samsung	4.98	1.54
Sony	5.83	1.32

Q_1*, Q_2*, Q_3*, and Q_4* represent the four items in the consumer based brand equity scale corresponding to the overall brand equity construct. The questions corresponding to Q_1*, Q_2*, Q_3*, and Q_4* are given below:

Q_1* It makes sense to buy my favorite brand instead of any other brand.
Q_2* Even if the other brand has the same features as my favorite brand, I would prefer to buy my favorite brand only.
Q_3* If there is another brand as good as my favorite brand, I prefer to buy my favorite brand only.
Q_4* If another brand is not different from my favorite brand in anyway, it seems smarter to purchase my favorite brand only.

Table 9: Overall Brand Equity (With Online Branding)
Combined Mean and Standard Deviation

Items	Q_1		Q_2		Q_3		Q_4	
Brands	Mean Score	Std. Deviation	Mean Score	Std. Deviation	Mean Score	Std. Deviation	Mean Score	Std. Deviation
LG	5.32	1.45	5.33	1.48	5.34	1.50	5.24	1.51
Samsung	5.01	1.51	5.00	1.55	4.96	1.56	4.96	1.55
Sony	5.86	1.33	5.82	1.32	5.80	1.35	5.84	1.29

The result indicates that the effect of overall brand equity dimension of consumer based brand equity scale on brands is in this order: Sony, LG, and Samsung.

Table 10:'t' Test Overall Brand Equity

Dimension	N	Mean	Std. Deviation	t – Value	Sig.
Overall Brand Equity	300	–.1601	0.09191	4.007	0.00055

The 't' test statistics indicated that online branding affected the overall brand equity construct of consumer based brand equity scale significantly.

MAJOR FINDINGS

The objective of the research was to explore whether employing online media for branding leads to a significant increase in purchasing probability for shopping products associated with online media. Among the shopping products, Color TV was chosen as it is widely purchased and involves rational decision making in purchase behavior. The brands under study included LG, Samsung and Sony. Based on the study conducted among the respondents, numbering 300, the researcher was able to prove or disprove the hypothesis formulated before.
· Since the p–value is less than the significance level of 0.05, the null hypothesis (H0) is rejected and alternative hypothesis (H1) will be accepted. It means that online branding has significant effect on consumer based overall brand equity in the case of shopping products.
· Each respondent is having a favorite brand of his own and the most favored brand (Sony) has a significant difference over other brands (LG, and Samsung).

CONCLUSIONS

This research was undertaken with the primary objective of exploring whether employing online media for branding leads to a significant increase in purchasing probability for shopping products associated with online media. Several concepts and theories concerning the topic were reviewed for the study.
The level of overall brand equity construct in the consumer based brand equity scale was positively related to online branding in the case of shopping products of three selected companies. The result indicated that, in all shopping the dimension of overall brand equity got diluted as shown by the respondents shifting towards other brands abandoning their favorite brand when the online branding were on.

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