



**An Investigation into Brand Value Dimensionality and Its Effects  
on Loyalty: Evidence from the High-Tech Brandscape  
in Saudi Arabia**

A thesis submitted for the degree of Doctor of Philosophy

By  
**Ali Hussein AlMakrami**

Brunel Business School  
Brunel University  
June 2013

## **Dedication**

To *Tameem, Hussein and Mohammed.*

The little angles who have been patiently waiting for their father to finish this job.

---

## Acknowledgement

My thanks first go to the Almighty Allah for helping me to finish my thesis and giving me the strength and patience to achieve my dream. God be praised!

My thanks go to King Abdullah Bin Abdulaziz for providing generous opportunities for Saudi citizens including myself to pursue their studies in a wide range of scientific and management fields across the globe.

I would like to sincerely thank my first supervisor, Dr Dorothy Yen, who always believes in my thoughts and shows me what a great supervision is like. I will always remember the vast professional and personal advice she keeps generously giving to me. Thank you Dorothy! I thank my second supervisor, Professor TC Melewar, who constantly denotes time and resources whenever I ask for and who gives me several constructive comments about doing my thesis. I thank Professor Ying Fan for the advice and support provided during the time of his supervision on my project. I also thank (after the exam) Dr Maktoba Omar (Edinburgh Napier University) and Dr Maria Balta (Brunel University) for reading my work and for the recommended revisions given to improve the thesis. My special thanks go to faculty members, administrators and numerous PhD colleagues in Brunel Business School, for their professional and personal advice and great care. I am also indebted to many people in Saudi Arabia who generously provided full support during the stage of data collection.

Finally, I would like to thank my dad and mom for their love and support which allows me to come this far in my educational process. I am so proud of being your son. I also thank my brothers and sisters and all family members who show and prove all the way that they are part of my success, the first whose be awarded PhD degree in AlMakrami family. Most importantly, I thank my small family, my wife who has taken care of everything for me when I have to stay away from home, and for always being patient with me. I cannot forget to thank my kids, we had to stay away for long times, we had to miss numerous events, birthdays and even pizza meals. I wish when you grow up, you will understand why your dad has been coming home late and being unreachable at times you need him to be around. Thank you all, I am so happy to achieve this and I always remember how helpful you have been during the difficult times of carrying out my research.

## Abstract

This thesis investigates the dimensionality of brand value from the consumer perspective and tests how value dimensions relate to loyalty at the brand level. Firstly, a novel conceptualisation of perceived brand value is offered based on consumption values theory. Five dimensions are deployed to constitute the brand value scale; functional value, economic value, social value, emotional value and epistemic value. These dimensions are then tested in a holistic model to assess i) the reliability and validity of the scale, ii) the impact of brand leadership and corporate image on relative value dimensions, and iii) the segregated influence on value dimensions on repurchase intentions and positive word-of-mouth.

Qualitative and quantitative methods are used to collect data from the high-technology market segment in Saudi Arabia owing to the country's strong economic situation along with the accelerated penetration of high-tech brands into the Saudi market. First, four rounds of focus group discussions with university students conducted to confirm and enhance existing scales of brand value dimensions and developing new scale for the epistemic value construct at brand level. A self-administrated questionnaire was developed from both literature and focus groups and content and face validated by academics and subject matter experts. Then, 1020 questionnaires were distributed to several college-level schools in the city of Jeddah, 771 were returned, and 510 completed responses were used for final analysis.

Exploratory and confirmatory factor analyses used to validate the dimensionality and reliability of the integrated scale of brand value. Structural equation modelling techniques applied to test the conceptual model and research hypotheses. Twenty-one items are retained to represent five dimensions of brand value scale and fourteen out of sixteen hypotheses are accepted. Thus, findings of empirical research confirm theory in that i) consumers perceive value of brands from multiple perspectives, ii) brand associations significantly contribute to value of brands, and iii) value dimensions encourage brand loyalty at dissimilar levels.

At academic level, researchers can use the developed scales to study the mutual relationships between other brand associations and various dimensions of brand value. The newly developed measure of epistemic value can also be used to examine the impact of added high-tech features on aspects of consumer behaviour e.g. consumer-brand relationship. At managerial level, brand managers can use the developed scale to assess the strengths and weaknesses of their brands. According to the relevant importance of functional, economic, social, emotional and epistemic values to customers, loyalty programmes and customer relationship management can be tailored to match consumer needs. Finally, market segmentation can adapt value-based strategies to tap into new markets more successfully.

## Table of contents

<b>DEDICATION</b> .....	<b>I</b>
<b>ACKNOWLEDGEMENT</b> .....	<b>II</b>
<b>ABSTRACT</b> .....	<b>III</b>
<b>TABLE OF CONTENTS</b> .....	<b>IV</b>
<b>LIST OF TABLES</b> .....	<b>VII</b>
<b>LIST OF FIGURES</b> .....	<b>IX</b>
<b>CHAPTER ONE – INTRODUCTION</b> .....	<b>1</b>
1.1 INTRODUCTION.....	1
1.2 RESEARCH BACKGROUND.....	2
1.3 THE IMPORTANCE OF CONSUMER VALUE IN MARKETING.....	3
1.4 RESEARCH PROBLEM AND RESEARCH QUESTIONS.....	4
1.5 RESEARCH AIM AND OBJECTIVES.....	5
1.6 ANTICIPATED FINDINGS AND EXPECTED CONTRIBUTION.....	6
1.7 RESEARCH DESIGN AND THESIS STRUCTURE.....	8
1.8 CHAPTER CONCLUSION REMARKS.....	10
<b>CHAPTER TWO – LITERATURE REVIEW</b> .....	<b>12</b>
2.1 INTRODUCTION.....	12
2.2 THE CONCEPT OF VALUE AND ITS IMPORTANCE.....	13
2.2.1 <i>Various definitions of value</i> .....	14
2.2.2 <i>The importance of value</i> .....	18
2.3 CONSUMER EVALUATIONS OF PERCEIVED VALUE.....	22
2.3.1 <i>Value-as-price perspective</i> .....	25
2.3.2 <i>Value-as-net gain perspective</i> .....	26
2.3.3 <i>Value-as-multi-values perspective</i> .....	27
2.4 MODELLING APPROACHES OF VALUE.....	29
2.4.1 <i>Intravariabale approach</i> .....	29
2.4.2 <i>Intervariabale approach</i> .....	34
2.5 VALUE AT THE BRAND LEVEL.....	35
2.5.1 <i>Brands versus products</i> .....	36
2.5.2 <i>From product value to brand value</i> .....	40
2.5.3 <i>Brand value from managerial perspective</i> .....	41
2.5.4 <i>Brand value from customer perspective</i> .....	44
2.6 BRAND VALUE DIMENSIONS.....	50
2.6.1 <i>Functional value of brands</i> .....	51
2.6.2 <i>Social value of brands</i> .....	53
2.6.3 <i>Emotional value of brands</i> .....	55
2.6.4 <i>Epistemic value of brands</i> .....	56
2.6.5 <i>Conditional value of brands</i> .....	59
2.7 MACRO BRAND CONSIDERATIONS' INFLUENCE ON PERCEIVED BRAND VALUE.....	60
2.7.1 <i>Brand leadership</i> .....	62
2.7.2 <i>Corporate image</i> .....	64
2.8 LOYALTY AS AN EXPECTED OUTCOME OF PERCEIVED BRAND VALUE.....	67
2.8.1 <i>Repurchase intentions</i> .....	70
2.8.2 <i>Positive word-of-mouth</i> .....	72
2.9 LIMITATIONS OF PAST RESEARCH ON VALUE.....	74
2.10 CHAPTER CONCLUSION REMARKS.....	80

<b>CHAPTER THREE – MODEL CONCEPTUALISATION.....</b>	<b>83</b>
3.1 INTRODUCTION .....	83
3.2 THEORETICAL BLOCKS CONSTRUCTING THE CONCEPTUAL MODEL .....	83
3.3 CONCEPTUALISATION OF THE FOCAL CONSTRUCT: BRAND VALUE .....	87
3.4 ANTECEDENTS OF BRAND VALUE.....	93
3.4.1 <i>Antecedent effect of Brand Leadership</i> .....	93
3.4.2 <i>Antecedent effect of Corporate Image</i> .....	96
3.5 CONSEQUENCES OF BRAND VALUE .....	98
3.5.1 <i>Repurchase Intent: a consequence of brand value</i> .....	99
3.5.2 <i>Positive WOM: a consequence of brand value</i> .....	103
3.6 CHAPTER CONCLUSION REMARKS.....	106
<b>CHAPTER FOUR - RESEARCH METHODOLOGY.....</b>	<b>110</b>
4.1 INTRODUCTION .....	110
4.2 RESEARCH PHILOSOPHY .....	110
4.2.1 <i>Choosing a research approach</i> .....	111
4.2.2 <i>Deductive vs. inductive methods</i> .....	114
4.3 RESEARCH CONTEXT – SAUDI ARABIA .....	116
4.3.1 <i>Country review</i> .....	117
4.3.2 <i>The economy of Saudi Arabia</i> .....	119
4.3.3 <i>Population and purchasing power parity</i> .....	120
4.3.4 <i>University students in Saudi Arabia</i> .....	120
4.4 PHASE I: QUALITATIVE RESEARCH.....	124
4.4.1 <i>The choice of focus group methods</i> .....	125
4.4.2 <i>Sampling methods</i> .....	131
4.4.3 <i>The conduct of focus groups</i> .....	133
4.4.4 <i>Analysis of qualitative data</i> .....	134
4.5 FINDINGS OF QUALITATIVE RESEARCH.....	136
4.5.1 <i>The measurement of functional, economic, social and emotional values</i> .....	136
4.5.2 <i>The measurement of epistemic value</i> .....	141
4.5.3 <i>The measurement of leadership, image, repurchase intent and PWOM</i> .....	143
4.5.4 <i>Identification of major brands in the market</i> .....	144
4.6 PHASE II: QUANTITATIVE RESEARCH .....	144
4.6.1 <i>The choice of survey methods</i> .....	144
4.6.2 <i>Survey sampling methods</i> .....	146
4.6.3 <i>Data collection</i> .....	149
4.6.4 <i>Scale development and validation</i> .....	151
4.6.5 <i>Constructs measurements</i> .....	154
4.6.6 <i>Pilot study</i> .....	158
4.6.7 <i>Fieldwork</i> .....	160
4.7 CHAPTER CONCLUSION REMARKS.....	161
<b>CHAPTER FIVE – ANALYSIS AND RESULTS.....</b>	<b>163</b>
5.1 INTRODUCTION .....	163
5.2 PRELIMINARY AND DESCRIPTIVE ANALYSIS.....	164
5.2.1 <i>Manipulation of missing data</i> .....	164
5.2.2 <i>Sample demographics</i> .....	168
5.2.3 <i>Univariate and bivariate analyses</i> .....	170
5.2.4 <i>Analysis of variance</i> .....	172
5.3 ASSESSMENT OF THE BRAND VALUE MULTIDIMENSIONAL SCALE .....	174
5.3.1 <i>Data minimisation</i> .....	174
5.3.2 <i>Exploratory factor analysis</i> .....	175
5.3.3 <i>Confirmatory factor analysis</i> .....	182
5.3.4 <i>The measurement model</i> .....	187
5.3.5 <i>Validity and reliability tests</i> .....	194
5.3.6 <i>Multigroup analysis</i> .....	196

5.4	ASSESSMENT OF THE CONCEPTUAL MODEL .....	199
5.4.1	<i>Structural equation modelling</i> .....	200
5.4.2	<i>The measurement model</i> .....	201
5.4.3	<i>The structural (full) model</i> .....	204
5.4.4	<i>Hypotheses testing</i> .....	206
5.5	CHAPTER CONCLUSION REMARKS.....	207
<b>CHAPTER SIX –DISCUSSION .....</b>		<b>209</b>
6.1	INTRODUCTION .....	209
6.2	MEASUREMENT OF VALUE AT THE BRAND LEVEL.....	210
6.2.1	<i>Scale development</i> .....	211
6.2.2	<i>Brand value dimensionality</i> .....	212
6.2.3	<i>Construction of items and constructs</i> .....	214
6.3	THE CONCEPTUAL MODEL.....	217
6.3.1	<i>Path analysis results</i> .....	218
6.3.2	<i>Model superiority over rival models</i> .....	221
6.4	POSITIVE EFFECTS OF BRAND CONSIDERATIONS ON PERCEIVED VALUE.....	224
6.4.1	<i>Effects of brand leadership</i> .....	224
6.4.2	<i>Effects of corporate image</i> .....	228
6.5	DISSIMILAR IMPACTS OF BRAND VALUE ON LOYALTY .....	231
6.5.1	<i>Impacts on repurchase intentions</i> .....	231
6.5.2	<i>Impacts on word of mouth behaviour</i> .....	233
6.5.3	<i>Discussion of the unsupported hypotheses</i> .....	234
6.6	CHAPTER CONCLUSION REMARKS.....	238
<b>CHAPTER SEVEN – SUMMARY AND CONCLUSIONS .....</b>		<b>239</b>
7.1	INTRODUCTION .....	239
7.2	SUMMARY OF THE THESIS.....	239
7.2.1	<i>Research aim</i> .....	240
7.2.2	<i>Literature review</i> .....	240
7.2.3	<i>Model establishment</i> .....	243
7.2.4	<i>Data collection</i> .....	243
7.2.5	<i>Data analysis</i> .....	245
7.2.6	<i>Findings</i> .....	247
7.3	THEORETICAL CONTRIBUTIONS .....	248
7.4	MANAGERIAL IMPLICATIONS .....	252
7.5	RESEARCH LIMITATIONS.....	256
7.6	DIRECTION FOR FUTURE RESEARCH .....	259
7.7	CHAPTER CONCLUSION REMARKS.....	262
<b>REFERENCES.....</b>		<b>265</b>
<b>APPENDICES .....</b>		<b>295</b>
	<b>Appendix One: Previous studies on value-behaviour relationships.....</b>	<b>295</b>
	<b>Appendix Two: The survey questionnaire (English).....</b>	<b>297</b>
	<b>Appendix Three: The survey questionnaire (Arabic).....</b>	<b>300</b>

## List of tables

Table 2-1: Value definitions in marketing	17
Table 2-2: Types of consumer value	24
Table 2-3: Comparing approaches to the nature of value	29
Table 2-4: Value dimensions with respect to consumption values framework	33
Table 2-5: The product versus the brand	37
Table 3-1: Definitions of brand value dimensions in the present study	92
Table 3-2: Summary of research hypotheses	108
Table 4-1: Contrasting implications of positivism and interpretivism	111
Table 4-2: Philosophical assumptions of positivism	112
Table 4-3: Brand management research approaches	113
Table 4-4: Deductive vs. Inductive approaches	115
Table 4-5: Comparative demographic indices in Saudi Arabia	122
Table 4-6: Saudi Arabia population by age and sex	123
Table 4-7: Selection of students as the study sample	130
Table 4-8: Qualitative sampling techniques	132
Table 4-9: List of respondents in focus groups	137
Table 4-10: Focus group examples of perceived epistemic value	142
Table 4-11: List of college-level institutions	148
Table 4-12: Self-administrated questionnaire comparison	150
Table 4-13: Measures of brand value dimensions	156
Table 4-14: Measures of antecedents and consequences	158
Table 4-15: Constructs reliability from the pilot study	160
Table 5-1a: Participants' demographics	168
Table 5-1b: Past experience with laptop brands	169
Table 5-2: Correlation coefficients	171
Table 5-3: ANOVA table	172
Table 5-4: PCA results for the 26-item scale	178
Table 5-5: Rotated component matrix	180
Table 5-6: Items dropped from item minimisation stage	181
Table 5-7: Validated items in PCA	182
Table 5-8: AMOS Graphics: Summary normality statistics	186
Table 5-9: GOF indices for different model situations	189
Table 5-10: GOF indices for the 23-item scale	190
Table 5-11: GOF indices for the 22-item scale	192
Table 5-12: GOF indices for the 21-item scale	193
Table 5-13: Comparison between EFA vs. CFA results	194



---

Table 5-14: Descriptive statistics of the scale constructs	195
Table 5-15: GOF indices for baseline models	197
Table 5-16: GOF indices for configural model	198
Table 5-17: GOF indices for measurement model	199
Table 5-18: Scale purification for antecedents and consequences	202
Table 5-19: GOF indices for measurement model	203
Table 5-20: Descriptive statistics of SEM constructs	204
Table 5-21: GOF indices for the conceptual model	205
Table 5-22: Model comparisons of CFI values	206
Table 5-23: Hypotheses testing results	207
Table 6-1: Brand value scale and constructs reliabilities	216
Table 6-2: Strength of the hypothesised relationships	219
Table 6-2: GOF indices for the conceptual model and rival model	223
Table 7-1: The final scale of brand value	246
Table 7-2: Summary of Goodness-of-Fit for the conceptual model	247

---

## List of figures

Figure 1-1: The structure of the thesis	8
Figure 2-1: Theory of consumption values	31
Figure 2-2: Brand management paradigms	38
Figure 2-3: Brand portfolio	43
Figure 3-1: The research model and supporting theories	85
Figure 3-2: The conceptual model and hypotheses	107
Figure 4-1: Process of deduction approach	116
Figure 4-2: Map of Saudi Arabia	117
Figure 4-3: Sampling process	146
Figure 4-4: Questionnaire development process	149
Figure 5-1: A Four-Step approach for missing data processes	167
Figure 5-2: Students' perceptions of brands	170
Figure 5-3: Item-to-total correlations plot for epistemic value	175
Figure 5-4: Scree plot	179
Figure 5-5: Summary model statistics	184
Figure 6-1: Path analysis results of the conceptual model	218
Figure 6-2: A rival model	222
Figure 7-1: The research process	240
Figure 7-2: The research model	244

---

## CHAPTER ONE – INTRODUCTION

### 1.1 Introduction

Brands represent a phenomenon in the global arena wherein their presence became inevitable in contemporary markets and consumption styles. Since the establishment of brand management as an important marketing strategy for creating and maintaining unique identities for firms in the 1980s, the discipline has grasped increasing attention among researchers and practitioners alike (Johansson & Holm, 2006). Moreover, studying implicit meanings of the brand and associated conception of perceived value from the customer perspective has been a central argument in marketing research in the last two decades (Keller, 1993; Feldwick, 1996; Yoo, et al., 2000; Vazquez, et al., 2002; Koçak, et al., 2007; Broyles, et al., 2009; Keller, 2012).

According to extant research, the value for brands can be considered from two perspectives; financial e.g. brand as an asset in balance sheet and behavioural e.g. brand strength resides in customers' minds (O'Reilly, 2005; Berthon, et al., 2007). Of the second, more dominant research (Keller, 2006; Schroeder, 2009), customers' perceptions of brand value have been conceptualised from either economic or psychological viewpoints, whereby little studies examine both perspectives simultaneously (Sweeney & Soutar, 2001; Tsai, 2005; Pihlström & Brush, 2008; Koller, et al., 2011). Those authors point out that conceptualising value in a multifaceted perspective has great potential in developing customer loyalty and helping marketing managers to implement informed policies by understanding consumer value constituents.

The present study aims to discuss value at the brand level in order to provide a comprehensive measurement that constitutes salient aspects of consumer value. This chapter sets out the key elements of the research. First, theoretical background to the research topic is provided. The statements of research problem, aim and objectives are then discussed. Next, anticipated theoretical and managerial contributions are highlighted. This is followed by outlining research design along with the structure of the thesis and chapters' contents. Conclusion of the chapter is presented in the last section.

## 1.2 Research background

Consumer perceptions of value received by using products and brands are of utmost importance because the output of these perceptions often drives market choices and buying decisions. Consumers, though, use different criteria to evaluate the benefits of consumption (Holbrook, 1994; Tsai, 2005). In general, as implied by utility theory, humans are often limited in their financial resources and thus strive to optimise the return of marketing transactions (Zeithaml, 1988). This ‘return’ is known in marketing discipline as *customer* or *consumer value* and when it relates to perceptions rather than measurable facts it is termed *consumer perceived value* or, shortly, *perceived value*.

Despite the presence of the term ‘value’ in classical marketing theories (e.g. Kotler, 1972), little academic literature exists to discuss the broader domain of value and test its potential effects on consumer behaviour. In particular, the process of which consumer evaluations of perceived value are formed has received little consensus in pertinent literature. As a testimony for this argument, a number of diverse models have been developed to describe the content, process and consequences of buying decision-making (Sheth, et al., 1991a). Therefore, the need for more research on understanding value and its impact upon consumer decisions has been frequently cited in the literature (Gallarza, et al., 2011).

Firstly, it is argued that the concept of value is originated from economics theory which considers the product price as the key factor of evaluating the merchandise value and making choices (Dodds & Monroe, 1985). Further progress carried by rational value studies extended the value domain to count for other costs given (e.g. time and effort) and benefits received (quality and service) into the evaluation formula (Zeithaml, 1988; Christopher, 1996). Taking a more holistic approach, value has been discussed as a multidimensional concept that constitutes both rational and psychological facets of consumption (Sheth, et al., 1991a; Pura, 2005; Pihlström & Brush, 2008). The last view is considered more integrative than the previous two approaches and thus is adapted to develop the discussion in the present study.

The realm of 'brand value' has similar concerns of complexity. In effect, the brand holds intangible values for customers in addition to the fact it is being a physical product that serves certain needs (Keller, 1993; de Chernatony & Riley, 1998a; Fournier, 1998; Chaudhuri & Holbrook, 2002; Berthon, et al., 2007; Albert, et al., 2012). The imagery effects of branding therefore arbitrate expectations about product capabilities and its overall perceived value. This hybrid level of interrelated meanings necessitates detailed understanding of other factors that could drive customer choices from both rational and non-rational perspectives. The present study considers studies that deal with value as a multifaceted construct from the consumer perspective and bases conceptualises of value at the brand level from similar point of view.

### **1.3 The importance of consumer value in marketing**

Value plays a crucial role for both firms and customers. From a firm's perspective, creating market offerings that deliver superior value to customers is of the utmost importance because higher levels of retention are most likely to occur (Zeithaml, 1988; Oh, 2000; Koller, et al., 2011). On the customer side, value perceptions are omnipresent throughout the whole consumption process. Value drives customer satisfaction and overall convenience with shopping experiences (Carpenter, 2008). Therefore, Woodruff (1997) asserts that value orientation is a substantial source of competitive advantage.

Another major source of consumer value's prominence is the unanimous interplay between value orientations and consumer behaviour. Thus, anchoring consumer value into consumer research can extend the existing knowledge of consumer behaviour theory. Furthermore, Christopher (1996) and Gallarza, et al. (2011) suggest that determining the underlying components along with value drivers can help in refining marketing programs by ways that include:

- Offering maximal consumer value by combining costs and benefits in designing differential advantages strategies in brand-positioning context.
- Creating themes of communication (i.e. advertisements) that match desired benefits or specific unmet value dimensions for various consumer segments.

- Developing new brand concept to design products with superior features to meet lacked consumer needs.
- Building loyalty programs (consumer development) whereby offered services can be tailored based on personal preferences.

The importance of orchestrating value at brand level is also documented in trade publications. For instance, in a recent report by the renowned *Forbes*, ‘value is the deal’ was on the top list of branding matters in the upcoming decade (Forbes, 2011). For instance, it is recently reported that Pampers have boosted their sale from \$3.4 billion to \$9 billion by switching their value positioning strategy from high-quality, functional brand to more emotional, helpful and care-about-baby brand (Stengel, 2011). This provides evidence that understanding value orientations and what dimensions of value that mostly appreciated by customers in, for instance, specific markets can lead to a magnificent turnover in brand positioning and associated figures of preference and sale volume.

#### **1.4 Research problem and research questions**

A major issue facing businesses today is the decline of loyalty amongst customers. The fact as discussed in academic and trade literature indicates that consumers have developed to be more educated, attentive, selective and proactive (McCracken, 2005; Broyles, et al., 2010; Tifferet & Herstein, 2010), and alongside that development has come a growth in the production and delivery of goods and services. The emergent consumption culture (Arnould & Thompson, 2005) entails consumers to continually search for the best offered value in the market which leads at the end of the day to a general decline in consumer retentions and downturn in brand sales (Christopher, 1996; Bergvall, 2006). Brand managers are therefore confronted with difficult circumstances and a pressing need to answer the question of what truly drives consumer retentions and brand loyalty (Aaker, 2010).

In an effort to answer this question, it has been claimed that value affects loyalty to a large extent (Heskett, et al., 1997; Patterson & Spreng, 1997; Cronin, et al., 2000; Parasuraman & Grewal, 2000; Oh, 2003; Tam, 2004; Grace & O’Cass, 2005; Lin, et al., 2005; Cengiz & Yayla, 2007; Koller, et al., 2011). Therefore, well-received value is more likely to promote a long-term relationship between the brand and the

consumer. However, so far, limited empirical research has been carried out to capture what constitutes value as a holistic multidimensional construct at the brand level (Sweeney & Soutar, 2001). It would be then unreasonable to secure a great consumer loyalty without first discovering the corresponding dimensions that are harmonised under this term. Moreover, the existing accounts of research on value have not treated market factors that can promote better perceptions about brand value in much detail (Yoo, et al., 2000; Broyles, et al., 2009).

Therefore, this study attempts to investigate about these research issues by providing an analytical view on how the concept of consumer value at the brand level (in short brand value) can be assessed, and how value can contribute to brand loyalty and consumer commitment. In particular, a conceptual model that involves multiple dimensions of brand value along with antecedents and consequences is developed and tested to assess the interrelationships between these variables. A main research question followed by sub questions is stated as follows:

***RQ: How consumer value at the brand level can be conceptualised by means of consumption values theory and how that impact upon brand loyalty?***

- 1. What are the underlying dimensions that constitute the construct of brand value?*
- 2. How can brand associations contribute to consumers' perceptions of brand value?*
- 3. How do various dimensions of brand value impact on brand loyalty?*

### **1.5 Research aim and objectives**

The central argument of current study is to integrate a comprehensive measurement for the brand value construct and discuss it within a number of antecedents and consequences. Therefore, brands in the high-tech sector will be used to conduct the study owing to the drastic escalation of interest in technological products in the present-day markets (Aaker & Jacobson, 2001; Hamann, et al., 2007). Saudi Arabia is chosen as the context for this research because it represents a strong potential market for global brands, given the presence of an exceptionally young population and the associated purchasing power capabilities (Bhuian, 1997; Sohail, 2005). Moreover, recent calls for research point out the significance of conducting branding

research in under-researched markets for the sake of knowledge expansion (Whitelock & Fastoso, 2007). In summary, this research aims to:

*Develop a comprehensive measurement for the brand value from the consumer perspective and develop a conceptual model that assesses how brand associations impact brand value through its various dimensions and how these dimensions influence brand loyalty.*

In order to achieve this aim, the following research objectives are proposed:

1. To utilise consumption values theory to develop a multidimensional scale for the brand value construct. This involves the collection of qualitative and quantitative data on laptop brands from university students in Saudi Arabia.
2. To build through reviewing literature a hybrid model that involves the interrelationships between brand value dimensions, antecedents and consequences.
3. To assess how brand leadership and corporate brand image impact upon the relevant dimensions of brand value, which include functional, economic, social, emotional and epistemic brand values.
4. To assess the distinct influence of brand value dimensions on repurchase intent and positive word-of-mouth.

## **1.6 Anticipated findings and expected contribution**

This research intends to make an academic and practical contribution to knowledge in the brand value research streams. Instead of looking at the brand value from a particularistic perspective, developing a comprehensive scale in a real setting of competitive markets offers new insights to the concept of value and its evolution. The research findings are expected to help broaden extant understanding of value perceptions in post-consumption context of high-tech brands. Based on the validity of the scale, an arguable statement of its applicability and generalisability across different sectors of markets can be enlightened. It is thus an ultimate contribution of the current study to introduce an all-inclusive, applicable scale to be used by both academics to advance research on value and by marketers to assess the value of their brands in the marketplace.



Specifically for academics involved in studying brand value creation and assessment, the research will provide useful scales for measuring the key constructs of significance in a high-tech brand industry. Furthermore, a new construct termed ‘epistemic value’, which represents an opportunity to expand the current measurements of brand value, will be introduced to the brand value research for the first time. Moreover, with the intention to empirically examine the dimensionality of brand value through the implications of consumption values theory, this research provides unusual contribution to the field through inducing brand value in multiple perspectives. In contrary to previous research legitimise value mainly from economic perspectives, the proposed study measures value in a number of sub-values. Hence, it will become more attainable for researchers to investigate the distinct effects of each dimension of value on, for instance, other behavioural constructs.

Several implications could also appeal to brand managers who are keen to develop more persuasive brand communications by focusing on customer value. Firstly, the development of a practical scale is essential to facilitate the assessment of current offers and for the development of more desirable products in associated local and international markets. Furthermore, the study attempts to present explanation about how brand associations (e.g. brand leadership and corporate image) can leverage the perceived value of brands. Such exploratory would give another realistic guidelines for marketing managers on the manner their individual products impacted by intangible associations.

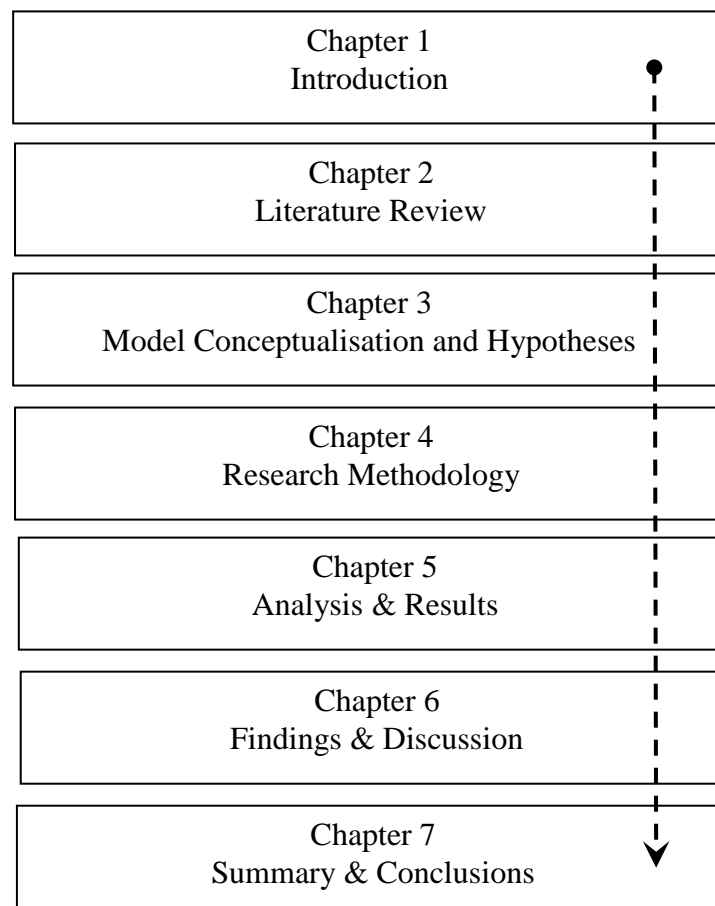
In parallel, the study seeks to examine whether dimensions of value exert an equal influence upon variant aspects of brand loyalty including repeat purchases and positive word-of-mouth. Therefore, suggestions derived from the research findings can help brand managers understand the type(s) of value that are more likely to attract loyalty than others in a given market. Thus, marketing implications such as customer relationship management and other loyalty programs can be developed appropriately. Finally, this research is also expected to be of use to marketing managers of global brands who wish to identify segments of customers based on value orientations in both local and international markets and help them to adjust their customer portfolio accordingly. For instance, a guideline could be offered to

designate clusters of ‘microtargeted’ markets according to market preferences of value, such as social-value seekers, emotional-value seekers, etc. and thus successfully implement customisation and ‘glocalisation’ strategies.

### 1.7 Research design and thesis structure

The current research follows the epistemological philosophy of positivism wherein most of social understanding comes from existing theory and an established body of knowledge (Saunders, et al., 2009). Therefore, pertinent literature on value is firstly screened, in order to formulate a critical review of the value concept at both product and brand levels. The results of such exploratory stage, once conducted in systematic approach, will also help to address potential gaps in the existing knowledge and supply foundation to research questions (Tranfield, et al., 2003). By doing so, the discussion on brand value dimensionality presented in this research will be based on well-established frameworks to invent a holistic scale for the construct. Upon completion of data collection, the proposed conceptions are then (dis)confirmed and further discussion is provided to enrich the extant body of research.

**Figure 1-1: The structure of the thesis**



Specifically, the argument in this thesis is presented in seven chapters (Figure 1-1). These represent chronological stages that are put in logical order to achieve the overall research objectives. Chapter One presents key information about the thesis and its conduct. A review of the literature follows in Chapter Two, whereby extensive revision of existing research relating to consumer value both at product and brand level is presented. Justification is also provided from modern marketing management perspective on the significance of studying value and researching brands rather than generic products. Summary of key literature as well as limitations of existing research on brand value measurement are also presented.

The conceptual model is discussed in Chapter Three. An explanation is provided for the focal theory, Theory of Consumption Values (Sheth, et al., 1991a; 1991b), and its implications on brand level which leads to conceptualise a five-dimensional scale for the brand value construct which constitutes functional value, economic value, social value, emotional value and epistemic value. Supported by previous research findings, sixteen hypotheses are developed and discussed as they link two antecedents of brand value(s), i.e. brand leadership and corporate, and two consequences, i.e. repurchase intent and positive word-of-mouth.

Chapter Four describes the research philosophy and methodology. It introduces the research context of Saudi Arabia and explains the methods used in this study. The chapter proceeds with an illustration of a range of important methodological issues concerning the selection of focus group methods along with its objectives and findings. This will be followed by a description of the measurement of the model constructs as integrated from literature review and qualitative findings. Sampling methods, questionnaire development, pilot study and the main survey procedures are then described.

The statistical analyses and results obtained from the survey data are documented in Chapter Five. A brief description of the sample demographics and brand usage along with ANOVA tables and findings are presented. Then, the chapter proceeds by detailing statistical procedures conducted to validate the brand value scale and examine its psychometric properties by means of exploratory and confirmatory factor

analyses. An account of the conceptual model's assessment along with hypotheses testing results is presented based on structural equation modelling techniques.

Chapter Six overviews key findings of the statistical analyses in accordance with research objectives. The applicability of the brand value scale and the resulted constructs are illustrated. The validity of the conceptual model testing and supported theoretical relationships between brand value dimensions and their antecedents and consequences are discussed. The findings of the hypotheses testing are revisited and contrasted against previous literature on brand value whereby a focused attention is paid to rejected hypotheses, thus making the specific contributions of this thesis more explicit.

Finally, Chapter Seven provides a summary of the project. Based on the findings discussed and their reflection of the research aim and objectives, the theoretical contributions of the study are demonstrated. Guidelines for marketers and brand managers are then presented in the form of managerial implications. The study concludes by outlining the research limitations and suggesting directions for future research.

### **1.8 Chapter conclusion remarks**

The research aims to develop a comprehensive measure for brand value from the consumer perspective and tests the construct along antecedents and consequences. This chapter has highlighted key facts and procedures to be followed to achieve the research aim. A background to the research problem which stems from the need for a thorough understanding of the perceived value of brands is firstly presented. Then, major research questions are stated which are related to the development of a multidimensional scale for brand value and the assessment of how brand value dimensions interact with brand level considerations (brand leadership and corporate image) as well as two loyalty constructs (repurchase intention and positive WOM).

Theoretical and managerial contributions of the study are then highlighted. In effect, the investigation of this thesis is considered to be of relevance to academics and practitioners alike. It will broaden the existing knowledge about approaches

concerning the consumer-based brand evaluations and open a window for further research by providing an integrative scale that combines scattering endeavours measuring aspects of brand value in one particular scale. The findings are likely to be also appreciated by brand managers who are keen to assess their current offers and improve their brand value as perceived by consumers' to achieve high levels of retention and loyalty.

Finally, an explanation of the research design is presented. It is noted that this study adopts the approach of positivism to discuss and analyse the gathered facts and provide answers for predefined research questions. The discussion is thus broken down into seven chapters that documents both conceptual and empirical investigations of the study.

---

## CHAPTER TWO – LITERATURE REVIEW

### 2.1 Introduction

This chapter demonstrates literature on the concept of value with a primary focus on the deliberate conceptualisation of the construct at both product and brand levels. In fact, since the concept became a major topic of research in marketing in the mid-1980s (Gallarza, et al., 2011), there has been an increasing interest in discussing the elements of value along with its drivers and outcomes (Dodds & Monroe, 1985; Zeithaml, 1988; Anderson, et al., 1993; Oh, 1999; Sweeney & Soutar, 2001; Petrick, 2002; Tsai, 2005; Ruiz, et al., 2008). However, a critical review of the literature is required to outline the major contributions in the field and discover related gaps in the existing body of knowledge.

The chapter starts by introducing the concept of value and its significance as a research topic for marketing community. This is followed by reviewing the various definitions of value as introduced by relevant schools of thought. A further discussion is offered regarding previous endeavours in modelling value at intra- and inter-variable levels of analysis. The following sections are then devoted to discuss the value construct at the ‘brand’ level. What is the brand and how does it differ from the product? Why discussing the value of brands is more relevant nowadays? What are the considered approaches in valuating and measuring the value of the brand? The answers for these questions are presented next.

In the penultimate section, theoretical and empirical investigations of various dimensions of brand value including functional, social, emotional, epistemic and conditional values are revisited according to the framework of consumption values theory (Sheth, et al., 1991a; 1991b). Moreover, literature on antecedents of brand value i.e. brand leadership and corporate image as well as potential outcomes i.e. repurchase intent and positive word-of-mouth is further reviewed. Finally, limitations revealed upon the scrutiny of the value literature at both product and brand levels are discussed before concluding remarks are noted in the last summary section.

## 2.2 The concept of value and its importance

Marketing is a discipline that concerns a lasting, positive relationship between the seller and the buyer via the provision of sought after needs and wants such as superior value. This concept is emphasised in the latest definition of marketing as declared by the American Marketing Association (AMA, 2004): “*Marketing is an organizational function and a set of processes for creating, communicating, and delivering **value** to customers and for managing customer relationships in ways that benefit the organization and its stakeholders*” (emphasis added). For instance, several studies, including Dodds, et al. (1991), Sheth, et al. (1991a), Holbrook (1996), Woodruff (1997), Sweeney and Soutar (2001) and Gallarza, et al. (2011), amongst others, have demonstrated the inevitable role of understanding, creating, delivering and maintaining a superior value in building sustainable businesses.

The promising influence of value, though, is increasingly emphasised in present-day business environment, whereby firms strive to survive with struggling markets and increasing requirements for competitiveness (Christopher, 1996; Kainth & Verma, 2011) as well as the continuously changing pace of consumers’ wants and needs (Roth, 1995; Arnould & Thompson, 2005).

Value has been considered from singular perspectives such as economic/rational customer choices and also from wider viewpoints to embrace other psychological and sociological factors (Kainth & Verma, 2011). Moreover, value has been conceptualised from different perspectives, usually with reference to the consumer’s subjective evaluations of what are the benefits gained from the purchasing process (Sanchez-Fernandez & Iniesta-Bonillo, 2007). It is, by and large, acknowledged that voluminous numbers of studies have been conducted to investigate how value perceived by individual customers; however, Gallarza and colleagues (Gallarza, et al., 2011) point out following a systematic review of value literature that more research is yet needed to understand the concept. In particular, what value stands for from the consumer perspective and whether consumption is a function of utilitarian drivers or far beyond remains a key question in relevant literature.

Furthermore, how the concept relates to other marketing and consumer behaviour constructs is another crucial argument addressed in the previous studies of

consumption values (Cronin, et al., 2000; Day & Crask, 2000; Petrick, 2002; Gallarza, et al., 2011). Therefore, the significance of value stems not only from its prominence as key needed market choice, but also because value can drive, predict and explain other consumer perceptions and purchasing decisions (Sheth, et al., 1991b). For instance, value has been developed in pertinent literature as a prominent driver of loyalty intentions and willingness to generate a positive word-of-mouth (Oh, 2000; Johnson, et al., 2006; Pihlström & Brush, 2008). Therefore, research on value (e.g. Chiu, et al., 2005; Gallarza, et al., 2011; Koller, et al., 2011) asserts that exhaustive understanding of value should advance the knowledge on what value means to customers and how it can explain consumption outputs such as loyalty.

Of important note, a thorough understanding of what value represents in the research context is a prerequisite, given the wide use of the term in the marketing literature. For instance, Payne and Holt (2001) explain how consumer value literature has focused on the nature of value from the perspective of firms and customers and thus identify key domains of value research. The dichotomy they develop breaks value-centred research down into nine core streams; consumer values and consumer value; the augmented product concept; customer satisfaction and service quality; the value chain; creating and delivering superior customer value; the customer's value to the firm; customer perceived value; customer value and shareholder value; and relationship value (Payne & Holt, 2001). As the present research focuses on idiosyncratic perceptions of consumptions, forthcoming discussion is confined to analyse value as perceived by individual customers.

### **2.2.1 Various definitions of value**

Value has several sources of origins and meanings in marketing, and has been approached from many different perspectives (Payne & Holt, 2001). Although, in a consumption context value refers to what customers find valuable in a product or brand, the word 'value' indicates diverse meanings for various disciplines.

According to the Oxford English Dictionary, there are six definitions in the English language as far as the term 'value' is concerned (Oxford English Dictionary, 2012). Value can be defined as "*the regard that something is held to deserve; the importance, worth, or usefulness of something*". For mathematicians, value is "*the*



*numerical amount denoted by an algebraic term; a magnitude, quantity, or number*". In linguistics, it is *"the meaning of a word or other linguistic unit"*. For musicians, value refers to *"the relative duration of the sound signified by a note"* and for artists, value means *"the relative degree of lightness or darkness of a particular colour"*. Moreover, when put in the plural form, the entire meaning changes. 'Values' refer to *"principles or standards of behaviour; one's judgement of what is important in life"* (Oxford English Dictionary, 2012). Within marketing research, the first definition mentioned, which relates to *'something is held to deserve..'*, is apparently the most relevant relative concept (Gallarza, et al., 2011), although the algebraic term, *'a magnitude, quantity, or number..'*, has a somewhat traditional application of customer value as expressed by Day (1990) and Christopher (1996).

Referring to marketing literature, researchers have provided various definitions for customer value, or consumer perceived value (CPV), constructs. Initially, the pioneering work of Zeithaml (1988) contends that value conceptually transfers the notion of trade-off between what is received (benefits) and what is given (sacrifices) in a marketing transaction. Four diverse meanings of value are: value is low price; value is whatever one wants in a product; value is the quality that the consumer receives for the price paid; value is what the consumer gets for what he or she gives (Zeithaml, 1988). Nonetheless, value has been defined with further consideration to other factors of consumption in addition to Zeithaml's price perspective. Table 2-1 summarises, in chronological order, key definitions of the concept as described in previous studies on value.

As is evident from Table 2-1, the theme most frequently mentioned by value authors is the tradeoff concept. For example, terms such as net gain (Urbany & Bearden, 1989), surplus (Day, 1990) and ratio (Dodds, et al., 1991) are used synonymously to simplify the tradeoff process. According to this view, a consumer gives up some sorts of sacrifices (e.g. money, time, effort, risk) and gets some benefits in return and the difference between them represents perceived value. This rational perspective of consumer judgement reassembles the classic notion of 'value-exchange' that argues that each party is willing to give up something of value in return for something of greater value (Kotler, 1972).

A close look at Table 2-1 indicates that the definitional framework of value has also developed from other disciplines beyond the tradeoff implications. Some of other ways in which value is described include relating it to a combination of countable (e.g. price paid) and uncountable factors (e.g. quality, satisfaction, pleasure) (Lichtenstein, et al., 1990; Monroe, 1990), interaction of subject and object (Holbrook, 1996), and as a part of consumer decision-making highly affected by competitive available offerings (Anderson, et al., 1993; Gale, 1994; Johnson, et al., 2006).

As the concept further expands, other psychological benefits such as emotional and social benefits are added to the frameworks of value meanings (Sheth, et al., 1991b; Butz & Goodstein, 1996). The opponents in this multidimensional perspective believe in that customers evaluate consumption experiences from variant points of interest, including price, passion and self-identity projects (Arnould & Thompson, 2005; Tsai, 2005). In short, this summary of value definitions illustrates that the concept of value is, to a large extent, cognitive, situational, preferential, comparative and perceptual.

**Table 2-1: Value definitions in marketing**

Source	Definition of value
Zeithaml (1988)	Value is the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given.
Urbany and Bearden (1989)	Perceived acquisition value is the buyers' net gain (or trade-off) from acquiring the product or service.
Day (1990)	Perceived customer value is the surplus between customer's perceived benefits and customer's perceived costs.
Monroe (1990)	Buyers' perceptions of value represent a tradeoff between the quality and benefits they perceive in the product relative to the sacrifice they perceive by paying the price.
Lichtenstein, et al. (1990)	Perceived transaction value is the perception of psychological satisfaction or pleasure obtained from taking advantage of the financial terms of the price deal.
Sheth, et al. (1991b)	Consumer choice is a function of five consumption values: functional value, social value, emotional value, epistemic value, and conditional value.
Dodds, et al. (1991)	Perceived customer value is the ratio of perceived benefits relative to perceived sacrifice.
Bolton and Drew (1991)	Perceived value is a customer's overall evaluation of what he or she receives compared with what he or she gives up or pays.
Anderson, et al. (1993)	Value in business markets is the perceived worth in monetary units of the set of economic, technical, service and social benefits received by a customer firm in exchange for the price paid for a product, taking into consideration the available suppliers' offerings and prices.
Gale (1994)	Customer value is market perceived quality which is adjusted for the relative price of the products. It is your customer's opinion of your products/services as compared to that of your competitors.
Christopher (1996)	Customer value is created when the perceptions of benefits received from a transaction exceed the costs of ownership.
Holbrook (1996)	Value is an interactive relativistic preference experience. Value is interactive because it involves an interaction between some subject and some object. It is relativistic because it is comparative (among objects), personal (across consumers), and situational (specific to the context in which the evaluative judgment occurs).
Butz and Goodstein (1996)	Customer value is the emotional bond established between a customer and a producer after the customer has used a salient product or service produced by that supplier and found the product to provide an added value.
Cronin, et al. (1997)	Perceived service value is the combination of the service quality and its benefits (functional, social, and economical) and the sacrifices (time, effort, money) that the individual has to make to obtain the service. It is also based on some experiences from the services obtained.
Woodruff (1997)	Customer value is a customer's perceived preference for, and evaluation of, those products' attributes, performance and consequences arising from the use that facilitates (or blocks) achieving the customer's goals and purposes in use situations.

**Table 2-1: Value definitions in marketing**

Patterson and Spreng (1997)	Value is based on cognition, and is the difference between benefits and sacrifices which gain from expected and perceived performance.
Payne and Holt (2001)	It is this perception of the customer's view of what is created and delivered that should be determined and taken into account when the organisation defines its value offering.
Sirdeshmukh, et al. (2002)	Customer value is the consumer's perception of the benefits minus the costs of maintaining an ongoing relationship with a service provider.
Chiu, et al. (2005)	Definitions of value vary according to context. Value is an outcome of consumption experiences.
Johnson, et al. (2006)	Perceived value is a broad construct that encompasses perceptions of quality given price and inputs versus outputs relative to the competition.
Chen and Tsai (2007)	Perceived value is the visitor's overall appraisal of the net worth of the trip, based on the visitor's assessment of what is received (benefits), and what is given (costs or sacrifice).
Ryu, et al. (2008)	Value is the customer's overall appraisal of the net worth of the service, based on the customer's assessment of what is received (benefits provided by the service), and what is given (costs or sacrifice in acquiring and utilizing the service)
(He & Song, 2009)	Value could also be any things other than price that a customer wants in a product or service.
(Gallarza, et al., 2011)	the value construct helps to explain different facets of consumer behaviour that occur both before and after the purchase itself

### 2.2.2 The importance of value

Value has several implications in marketing and research. In effect, the importance of the concept stems from various sources, most of which have moved the topic to the forefront of marketing research and management (Butz & Goodstein, 1996; Christopher, 1996; Woodruff, 1997; Petrick, 2002; Gallarza, et al., 2011). Value orientation research has found its footprint in marketing literature in the previous three decades, as more researchers acknowledge the role of value in understanding motivation and outcomes of consumption experiences (Chen & Tsai, 2007; Lee, et al., 2007). Although the concept of value and its implications are applicable to business markets (Anderson, et al., 1993) as well as consumer markets (Christopher, 1996), this research nonetheless is concerned with business to consumer (B2C) context and thus forthcoming discussion is confined to consumers' perspective.

As far as consumer perspective is concerned, it is argued that the concept of value has its root in two pivotal aspects of consumer behaviour: the economic/utilitarian view, i.e. value-for-money, and the psychological view, which refers to cognitive and affective feedback associated with buying choices (Gallarza & Saura, 2006; Gallarza, et al., 2011). As those consumer aspects are vital to understanding attitudinal and behavioural intentions, anchoring consumer value into consumer research can extend the existing knowledge of consumer behaviour. Against this, Zeithaml (1988), Sheth, et al. (1991a), Slater (1997) and Parasuraman (1997), amongst others, point out the ‘exploratory’ and ‘explanatory’ power of value in understanding consumer behaviour.

Prior studies in marketing also exposed the inextricable link between value and other relevant concepts. Perceived value helps identify multiple facets of consumer behaviour that accumulate before, during and after the purchase itself (Zeithaml, 1988), such as product selection and brand choice (Sheth, et al., 1991b; Arvidsson, 2006). Moreover, value is found to relate to at least four major marketing constructs. These include perceived price and perceived quality as antecedents whereby customer satisfaction and behavioural intentions are potential consequences (Duman & Mattila, 2005). Understanding the underlying relationships between these variables and perceived value is suggested to help implement marketing activities appropriately (Park, et al., 1986).

Firstly, value helps sales departments to determine pricing strategies, e.g. ‘what’ are the reasonable and acceptable prices, and ‘who’ are the related segments, such as ‘low-price seekers’, ‘value seekers’ and so on (Monroe & Krishnan, 1985). That is because perceived value can be judged based on the consumer’s perceptions of the offered price, e.g. what is cheap and what is expensive (Dodds & Monroe, 1985). Based on this economic conception of value, seasonal sales and promotional strategies can also be developed properly. A relevant concept to price is the perceived quality. General rule in consumer value is that better quality perceptions lead to greater perceived value (Zeithaml, 1988).

Value also has a significant role towards a systematic understanding of customer satisfaction (Bolton & Drew, 1991; Joseph & Taylor, 1992; Ostrom & Iacobucci,

1995; Tam, 2004). Indeed, satisfaction has been prevalent in relevant research as key outcome of value (Ryu, et al., 2008; Hutchinson, et al., 2009). Finally, perceived value can significantly explain behavioural intentions. Several studies have revealed that it is not just satisfaction that results from perceived value. These studies have provided consistent evidence of the influential role of well perceived value on other consumer decisions such as willingness to buy (Dodds & Monroe, 1985), repeat purchase (Nilson, 1992) and word-of-mouth communication (Oh, 1999). Similar findings are reported even when value is conceptualised as a multi-dimensional construct with social, emotional and functional subdimensions (Pihlström & Brush, 2008; Koller, et al., 2011). These strands of research suggest that value possesses practical validity towards predicting consumer outcomes.

At marketing management level, understanding value orientations help managers develop long-term value-based programs to keep their firms successful and profitable. The prominence of consumer value has triggered a remarkable shift in marketing management and strategy, owing to the indisputable role of value in drawing new clients and maintaining a loyal customer base (Nilson, 1992; Gale, 1994; Day, 1999; Koller, et al., 2011). Against this, marketing scholars such as Martin Christopher observe the “*transformation from a narrow set of functional skills based on a conventional 4Ps marketing mix to a broader business orientation where the delivery of superior customer value becomes the key objective*” (Christopher, 1996, p. 64).

In general, four major marketing principles are identified by existing research as prospective areas in consumer value implementation: market segmentation, product differentiation, brand positioning, and customer relations (Ravald & Grönroos, 1996; Oh, 2003; Gallarza, et al., 2011).

First, Tellis and Gaeth (1990) suggest that market segments can be grouped according to needed value structure in a single or across markets. Christopher (1996) terms this ‘fragmentation of consumer markets’ and reasoned it to the “*transition from the old idea of a uniform, homogeneous, ‘mass market’ to much smaller segments where consumers seek individual solutions to their buying needs*” (p. 57). Second, product differentiation strategies, also based on value perceptions, might be

pursued. It is claimed that better design of products with outstanding returns is more likely to succeed if it was led by consumer preferences (Heskett, et al., 1997). The third marketing strategy influenced by value is brand positioning. Related management decisions on how to position the brand in a given market should be taken based on co-existing systems of value (Gale, 1994; Roth, 1995; Arvidsson, 2006), in order to match brands' position with local needs of the markets.

A fourth marketing concept that benefits from value implications is the concept of CRM, or customer relationship management (Ravald & Grönroos, 1996; Payne & Holt, 2001; Çifci & Koçak, 2012). CRM has emerged as a crucial marketing tool in keeping existing customers, along with attracting new ones. Ravald and Grönroos (1996, p. 19) state that *“value is considered to be an important constituent of relationship marketing and the ability of a company to provide superior value to its customers is regarded as one of the most successful strategies for the 1990s.”* The concept of Relationship Marketing was first introduced by Christopher, et al. (1991) to point out that the key factor for gaining long-term competitive advantage necessitates the creation of differential value because consumers are more willing to engage with those companies that are capable of supplying superior value (Christopher, 1996).

Overall, whether the concept is considered from the perspective of segmentation, fragmentation or differentiation, the strategic point of view entails marketers and brand developers to position their value offerings in a determined manner and cater to unmet needs in the target market and go beyond customer expectations to build more effective relational bonds with customers. Against this, Slater (1997, p. 166) contends that *“the creation of customer value must be the reason for the firm's existence and certainly for its success”*. Once implemented properly, firms can differentiate their businesses and brands and benefit from a considerable source of competitive advantage (Ravald & Grönroos, 1996; Woodruff, 1997; Arvidsson, 2006).

Owing to the abovementioned viewpoints on the significance of value, marketing researchers have maintained an enduring interest in the perceived value concept (Payne & Holt, 2001; Sanchez-Fernandez & Iniesta-Bonillo, 2007; Kainth & Verma,

2011). Value seems to grasp *a priori* attention in marketing management nowadays, perhaps more than ever before, due to the foreseen slow sales growth affected by the gradual decline of consumer loyalty (Kotler & Keller, 2009). Christopher (1996) observes that:

*“In a world where the customer has become ever more sophisticated and experienced, where competition comes from new global players, alternative technologies and lower priced generics and me-toos, the focus of marketing strategy must be on differentiation through superior customer and consumer value”.* (Christopher, 1996, p. 64)

In short, the notion of ‘value has become a fundamental issue in every marketing activity (Holbrook, 1996) and the role of value is of major and increasing concern to consumers, businesses, and marketers (Zeithaml, 1988; Sheth, et al., 1991a; Christopher, 1996; Sweeney & Soutar, 2001; Ryu, et al., 2008). As these management and research findings speculate, the creation of value based on a thorough understanding of perceptions, attitudes and beliefs held by individual consumers has become a strategic imperative in building and sustaining a differential and competitive advantage in the marketplace and thus it is worth researching the topic.

### **2.3 Consumer evaluations of perceived value**

Past studies have frequently attempted to develop frameworks representing value phenomenon in various consumption settings. These endeavours have in general exemplified value in a number of conceptual levels: lower versus higher; simple versus complex; and single versus multidimensional (Sanchez-Fernandez & Iniesta-Bonillo, 2007). Indeed, acknowledgement of value types, indicators and dimensions is of paramount importance in forming more nuanced understanding of the sources and implications of value (Sheth, et al., 1991a) and exploring how it relates to other marketing constructs.

In an initial effort to deconstruct the value concept, Holbrook (1994; 1996; 1999) developed a typology to reflect different consumption experiences: extrinsic versus intrinsic; self-oriented versus other-oriented; and active versus reactive. Extrinsic and



intrinsic types relate directly to the consumption trail itself and whether it is driven by cognition, emotion or logic. When products are viewed as instrumental devices or just as means to a desirable end, this type of value is termed 'extrinsic'. In contrast, intrinsic value occurs when the consumption experience is lived as an end in itself, wherein emotions play a crucial role in moderating consumers' evaluations. In a similar perspective, Mattsson (1991) developed a hierarchical conceptual model for value categories. These include emotional, practical and logical values. Emotional value refers to consumers' feelings about the purchase decision and is assumed to be greater than practical value, which relates to functional and physical aspects of products. In turn, practical value is posited in the model as being greater than logical value, the notion of rational characteristics of a consumption experience.

Self-oriented versus other-oriented value relates to choice motivations. When a product or a brand is chosen because it is valued for the decision-maker's own sake, this posits a self-oriented valuation. On the other hand, if a product choice is made to gain a social acknowledgment, this referred to as other-oriented value. Arnould and Thompson (2005) argue, within the consumer culture framework, that there exist two overriding theoretical issues: consumer identity projects and sociohistoric patterning of consumption. The former relates to "*coconstitutive, coproductive ways in which consumers, working with marketer-generated materials, forge a coherent if diversified and often fragmented sense of self*" (Arnould & Thompson, 2005, p. 871) and this apparently relates to Holbrook's self-oriented type of value. However, there are certain situations where families, households, social class hierarchies and ethnicity can play a greater role in an individual's consumption choices and therefore the sociohistoric setting would push consumers towards other-oriented type of value.

Active versus reactive value approach refers to the way that people use and interact with the experienced products and services. Value is active when an individual makes something with the product (e.g. playing a musical instrument). In practice, this would entail some physical handling or mental manipulation of a given product. Conversely, when things act upon an individual, reactive value is discussed. Therefore, appreciating or responding to the experience in question means that reactive value can be achieved.

Table 2-2 presents illustrative examples on all the abovementioned types of value. As a result, a matrix of eight types of value can be produced from combining the three types of value (intrinsic vs. extrinsic, self-oriented vs. other-oriented, and active vs. reactive) as shown in Table 2-2. Holbrook (1994) argues in a subsequent volume (Holbrook, 1999) that these listed types of value tend to be ‘compresent’ in that they tend to occur together at varying degrees in the specific context of usage. According to Sanchez-Fernandez and Iniesta-Bonillo (2007), this typology of value is one of the prevailing frameworks illuminating the complexity of value domain. Although this complex framework has received partial support in the literature, Sanchez-Fernandez and Iniesta-Bonillo (2007) declare that issues of measurements have hindered the use of Holbrook’s framework at empirical levels.

**Table 2-2: Types of consumer value**

		Extrinsic	Intrinsic
Self-oriented	Active	Efficiency (convenience)	Play (fun)
	Reactive	Excellence (quality)	Aesthetics (beauty)
Other-oriented	Active	Status (success, impression)	Ethics (justice, morality)
	Reactive	Esteem (reputation, materialism)	Spirituality (faith, ecstasy)

NB examples in brackets  
Source: Holbrook (1994)

Taking further the customer perspective, other conceptualisations of value can be identified more with benefits of purchasing e.g. post consumptions rather than ways of consumption. The classification in the benefit/value approach is usually based on individual, subjective perceptions to examine what value means to customers (Malai & Speece, 2005). In this respect, prior studies can be categorised into three core research strands: (i) price-based perspective (Monroe & Krishnan, 1985; Dodds & Monroe, 1985; Dodds, et al., 1991); (ii) benefits-versus-sacrifices (net value) perspective (Zeithaml, 1988); and (iii) holistic perspective (Sheth, et al., 1991a; Sheth, et al., 1991b). In each area of research, scholars refer to the conceptualisation of value to relevant fields of established research such as economics and utilitarianism as well as psychology, sociology, marketing and consumer behaviour.

### 2.3.1 Value-as-price perspective

A conventional consideration of defining consumer value has its origin in pricing theories (Duman & Mattila, 2005). An influential body of research has been devoted at earlier stages of developing value models to the notion of price as the ‘ultimate’ reference driving consumer choices (Sanchez-Fernandez & Iniesta-Bonillo, 2007), whereby neoclassical theories of economics and pricing strategy helped in building the relevant value frameworks (Gallarza, et al., 2011). Consumers according to this approach are ‘rational thinkers’ who believe that mounted value results from getting the best or cheapest price in the market so as a good amount of money is saved in purchasing transactions (Zeithaml, 1988).

Thaler (1985) argues that consumers’ value perceptions could result from contrasting various price structures, including internal reference price, advertised reference price and advertised selling price. Monroe and colleagues (Dodds & Monroe, 1985; Monroe & Chapman, 1987; Monroe, 1990) also propose that overall value is manipulated as a weighted sum of acquisition and transaction value. While transaction value reflects the gap between the reference price and actual price, acquisition value focuses on the difference between the maximum price (e.g. the highest price that the customer would pay for the product) and actual selling price. Thereafter, similar concepts have emerged in subsequent studies including ‘internal reference price’ (Grewal, et al., 1998; Al-Sabbahy, et al., 2004), ‘price fairness’ (Oh, 2003; Na, et al., 2007) and ‘worth what paid for’ (Brodie, et al., 2009).

Heding, et al. (2009) refer to principal assumptions of the *economic man* to provide an explanation of why consumers evaluate cheap products preferably. The economic man principles assume that human beings are basically guided by rational thinking and thus tend to evaluate, compare and choose the best available offerings in terms of price reasonability. Therefore, better value is inherent in lower price products. Further, because consumers are usually financially constrained, they strive to optimise their purchases by getting cheaper products whereby non-functional benefits are left aside while making purchasing decisions (Yelkur, 2000). In short, consumers’ in the price-based approach evaluate marketing choices based on economic criteria and consider money to be at the core of evaluations.

### 2.3.2 Value-as-net gain perspective

Broadening the value domain further, another key strand of research has considered more factors than price that could steadily contribute to consumer perceptions of consumption. Zeithaml (1988) proposes that two types of consumer perceptions can determine consumer value: benefits and sacrifices. This ‘*most common conceptualisation of value*’ (Duman & Mattila, 2005, p. 312) paradigm conceptualises value as the difference perceived by the consumer to reside between ‘given’ sacrifices e.g. money, time and effort and ‘received’ benefits e.g. quality, satisfaction and self-interest (Zeithaml, 1988). Indeed, amongst the earliest definitions of marketing reflecting the notion of ‘exchange’ is one proposed by Kotler (1972): “*The core concept of marketing is the transaction. A transaction is the exchange of values between two parties.*”

Therefore, when compared to the previous approach (price-based studies) which refers to objective attributes (i.e. actual price), this approach is based more on self-reported criteria. For instance, Zeithaml’s (1988) model concerns the consumer’s subjective evaluation of the overall consumption experience. To simplify Zeithaml’s (1988) framework, a mathematical form of value was proposed by Day (1990):

$$\text{Customer value} = \text{customer's perceived benefits} - \text{customer's perceived costs}$$

Later, Christopher (1996) expressed this conceptualisation of perceived value as a ratio in the following formula:

$$\text{Customer value} = \frac{\text{perceptions of benefits}}{\text{total cost of ownership}}$$

By maximising the numerator (benefits) and/or minimising the denominator (costs), the magnitude of value increases. Cronin, et al. (1997) mention that such geometric specification, although lacking empirical support, dominated the value literature for a long time. The notion of net value is hence described as the surplus between costs and benefits whereby value is perceived more positively when received benefits exceed given sacrifices and vice versa. Even though in this approach more factors are considered for customer judgements, the criteria used are still mainly rational as consumers need to translate sacrifices and benefits to an imagined amount of money in order to decide about the worthiness of products.

### 2.3.3 Value-as-multi-values perspective

This strand of research has provided a broader view than previous ‘utilitarian-based’ approaches (Sanchez-Fernandez & Iniesta-Bonillo, 2007) by incorporating further facets of consumption to the domain of customer value. This relatively new school of thought argues that value is a complex construct that should constitute more representative dimensions than economic and cognitive aspects (Gallarza & Saura, 2006; Sanchez-Fernandez & Iniesta-Bonillo, 2007). A wide array of disciplines drawn from psychology, sociology, cultural studies and marketing and consumer behaviour are brought together in this perspective to develop value in a multifaceted manner.

Based on the multidimensional conception, Woodruff and Gardial (1996) utilised the means-end theory to classify value in hierarchical levels, given that the theory itself portrays how consumers categorise and memorise information about products (Gutman, 1982). Woodruff and Gardial’s (1996) framework suggests that value can be broken down into three levels of significance to customers; attributes lead to consequences which in turn lead to desired end-states. Although this model affirms the multiplicity of value, its dimensions do not interact at the same level of importance.

Another well-established theory that combines the divergent approaches of value in a single framework is one developed by Sheth and colleagues (Sheth, et al., 1991a; Sheth, et al., 1991b) and known as Consumption Values Theory. It implies that the value of consumption as judged by individual consumers is a function of multiple set of received values. Consumers, therefore, are more inclined to evaluate their buying decisions before and after consuming products and brands from several angles which are related to both cognitive and emotional elements of consumption (Sweeney & Soutar, 2001). According to the theory assumptions, the more benefits received in each dimension, the greater overall value found in a product experience. Hence, value is not merely judged by using rational criteria, but also further psychological and social factors are considered in the evaluation process (Pura, 2005).

Recent contributions suggest that the multiple conception of value is gaining growing interest from perceived value researchers (Pihlström & Brush, 2008; Koller, et al.,

2011). The consumer today is more ‘sophisticated’ and ‘selective’ and hence further psychological benefits are sought before and at the choice-making level (Kotler & Keller, 2009). Salient literature of consumer research focuses on social and emotional aspects of consumptions as indispensable components of value (Holbrook & Hirschman, 1982; Sweeney & Soutar, 2001; Tsai, 2005). Value became more complex in this approach whereby consumers do not consider monetary costs to be the key driver for consumption decisions and, for instance, other benefits such as novelty value (Manning, et al., 1995) and personal desire for knowledge (Sheth, et al., 1991b) have entered the value formula.

However, to decide which approach – price, net value or multifaceted – to follow in empirical settings, contradictory viewpoints are found in relevant value literature. Some authors believe the reliance on a singular dimension of value to be ‘*narrow*’ (Mathwick, et al., 2001) and ‘*traditional*’ (Sweeney & Soutar, 2001). Other value researchers, though, argue that each paradigm has a distinct but accumulative contribution to the overall understanding of value concept and its impact on other consumption features (Gallarza, et al., 2011). Table 2-3 documents a comparative view that contrasts the features, pros and cons for each approach.

**Table 2-3: Comparing approaches to the nature of value**

	Utilitarian approach	Holistic approach
Origin	Economic theory and cognitive psychology	Consumer-behaviour psychology
Conception	Utilitarian and economic	Behavioural
Theme	Cognitive	Cognitive-affective
Level	Simple	Rich and complex
Direction	Knowledge of how value is evaluated	How to improve value
Structured	Lack of agreement regarding the antecedents of value	Lack of agreement regarding the components of value
Interrelationship	Confusion about the relationship among the antecedents	Confusion about the relationship among the components
Observation of value	Direct	Through value components
Publicity	Widely embraced in the literature	Hardly embraced in the literature

Source: adapted from Sanchez-Fernandez, R. & Iniesta-Bonillo, M. A., 2007. The concept of perceived value: A systematic review of the research. *Marketing Theory*, 7(4), pp. 427-451.

## 2.4 Modelling approaches of value

As mentioned earlier, value is an important marketing concept that can interact, explain and predict parts of other consumption behaviour and buying decisions. Against this, researchers propose two approaches when developing the value construct in related marketing models. These referred to as intravariabe and intervariable (Gallarza & Saura, 2006; Gallarza, et al., 2011). The intravariabe approach focuses on the assessment of the structure and dimensionality of value whereas the intervariable approach concerns with interlinks between value and other constructs in, for instance, causal or relational models.

### 2.4.1 Intravariabe approach

In order to explain the structure of value and how the concept is typically presented, several frameworks are offered by previous research. Recent critical reviews of value literature reveal that, however, there is a lack of general consensus about what are the underlying components of value that can provide a full explanation of the contents and process of value (Sanchez-Fernandez & Iniesta-Bonillo, 2007; Gallarza, et al.,

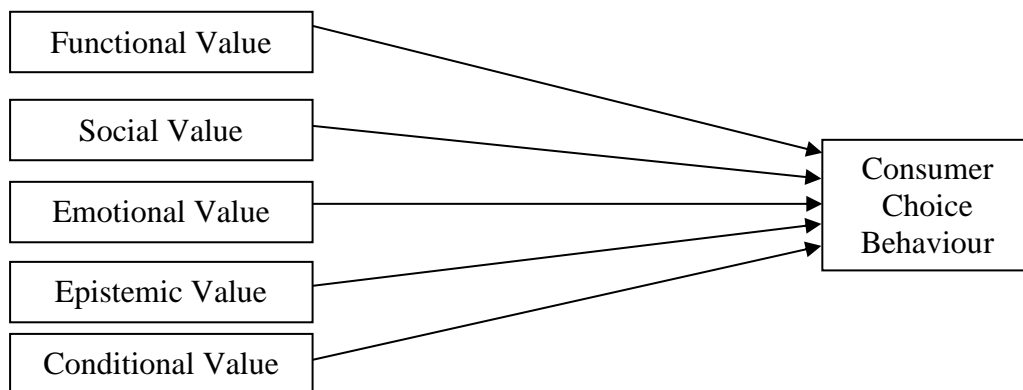
2011; Kainth & Verma, 2011). Despite this, some attempts have been conducted to deconstruct value to manageable number of facets or components.

In fact, it is not uncommon that researchers argue for the multidimensional perspective of value structure in order to “*increase the construct’s usefulness*” (Sweeney & Soutar, 2001, p. 204). However, neither extant conceptual frameworks nor subsequent empirical studies have reached a consensus with regard to the specific structure of elements illustrating the complex nature of value. In previous research, the number of representing dimensions of value have ranged from two at a basic level, to five or more in more complex models.

Thaler’s (1985) pioneering work on the function of value was based on two perspectives: economic and cognitive psychology. Later, Babin, et al. (1994) developed a bi-dimensional scale to assess the value of shopping experience along the dimensions of utilitarian (instrumental and rational) and hedonic (experiential and affective) aspects. Mattsson (1991) introduced tri-dimensional scale by constructing emotional, practical (physical) and logical (abstract characteristics) value components. Similarly, Tsai (2005) asserts that three consumer approaches should be combined to develop a proper understanding for value; utility, cultural symbolism and emotions. These efforts point out the hybrid conceptualisation of value as a concept needed to be assessed from multiple perspectives.

In a seminal effort, Sheth, et al. (1991a; 1991b) developed a more comprehensive framework argues that consumer value can be defined from five sub-values, including functional value, social value, emotional value, epistemic value and conditional value. The framework implies that each dimension can contribute distinctly and collectively to particular buying decision process (Sheth, et al., 1991b). Further, to build up the framework, many of marketing’s parent disciplines, including economics, sociology, consumption economics, clinical psychology, social psychology and experimental psychology, as well as about 650 studies conducted in relevant consumer research, were analysed to eventually propose the five dimensions of value. Another salient assumption of the theory is that the proposed dimensions possess both explanatory and exploratory power in predicting behavioural outcomes as shown in Figure 2-1.



**Figure 2-1: Theory of consumption values**

Source: Sheth, J. N., Newman, B. I. & Gross, B. L., 1991b. Why We Buy What We Buy: A Theory of Consumption Values. *Journal of Business Research*, Volume 22, pp. 159-170.

**Functional value** is defined by the theory as the “*perceived utility acquired from an alternative’s capacity for functional, utilitarian, or physical performance*” (Sheth, et al., 1991b, p. 160). Examples of this dimension are utilitarian attributes such as physical performance, reliability and price. **Social value** refers to the “*perceived utility acquired from an alternative’s association with ... stereotyped socioeconomic or cultural-ethnic groups*” (p.161). In this sense, social value is driven by the influence of group membership and surrounding social networks. **Emotional value** is the “*perceived utility acquired from an alternative’s capacity to arouse feelings or affective states*” (p.161). A cluster of feelings associated with the product or the parent brand such as comfort and personal liking could motivate the perceived emotional value for the consumer.

**Epistemic value** refers to the “*perceived utility acquired from an alternative’s capacity to arouse curiosity, provide novelty, and/or satisfy a desire for knowledge*” (p.162). This type of value is more associated with products that furnish users with new insights of knowledge and problem-solving. Finally, **conditional value** is defined as the “*perceived utility acquired by an alternative as the result of the specific situation or set of circumstances facing the choice maker*” (p.163). When a consumer receives situational or specific benefits, that help with choice contingencies, then conditional value is said to be achieved.

A further description of the theory and the proposed dimensions is offered, owing to its spacious applicability in consumer value research (William & Soutar, 2000; Sweeney & Soutar, 2001; Sanchez-Fernandez & Iniesta-Bonillo, 2007; Pihlström & Brush, 2008). A number of empirical studies have provided evidence of the theoretical framework's validation across different product types such as buying a particular make of car (Koller, et al., 2011) or using mobile entertainment services (Pihlström & Brush, 2008). The theory was applied also in both pre- and post-consumptions (Sweeney & Soutar, 2001) as well as in cross-cultural settings (Park & Rabolt, 2009). According to recent reviews, the theory of consumption values provide one of the most comprehensive frameworks to conceptualise consumer value (Sanchez-Fernandez & Iniesta-Bonillo, 2007; Kainth & Verma, 2011).

With accordance to the dimensional framework of consumption values theory, prior studies in the field are grouped in Table 2-4 with respect to the applied constituents of value. It is revealed by this review that functional, social and emotional constructs appear more frequently than epistemic and condition values (refer to Table 2-4). It also shows other elements of value not identified by focal theory such as spatial and instrumental values (Heinoen, 2004) and ecological value (Koller, et al., 2011). Nevertheless, this account of research clearly shows the commonality of the five components suggested by the theory of consumption values since they are constantly used by previous research to illustrate the dimensionality e.g. intravariability structure of value.

**Table 2-4: Value dimensions with respect to consumption values framework**

Source	FUNC	SOCI	EMOT	EPIS	COND	Others
( Sheth, et al., 1991a)	X	X	X	X	X	
(Dodds, et al., 1991)	X					
(Babin, et al., 1994)	X		X			
(Groth, 1995)	X	X	X			
(Holbrook, 1996)	X	X	X			Active, reactive
(Kantamneni & Coulson, 1996)	X	X	X			Market value
(Grönroos, 1997)	X		X			
(de Ruyter, et al., 1997)	X		X			Systematic value
(Sweeney, et al., 1999)	X	X	X			
(Hall, et al., 2000)	X	X	X			
(William & Soutar, 2000)	X	X	X	X		
(Parasuraman & Grewal, 2000)	X					
(Sweeney & Soutar, 2001)	X	X	X			
(Petrick, 2002)	X		X			Reputation
(Woodall, 2003)	X					Marketing value, derived value
(Heinonen, 2004)	X					Temporal value, spatial value
(Tsai, 2005)	X	X	X			
(Chiu, et al., 2005)	X		X			
(Sánchez, et al., 2006)	X	X	X			Professionalism
(Ruiz, et al., 2008)	X					Confidence Benefits
(Park & Rabolt, 2009)	X	X	X	X	X	
(Pihlström & Brush, 2008)	X	X	X	X	X	
(Koller, et al., 2011)	X	X	X			Ecological value

FUNC: Functional Value; ECON: Economic Value; SOCI: Social Value; EMOT: Emotional Value; EPIS: Epistemic Value; COND: Conditional Value

### 2.4.2 Intervariable approach

Instead of studying the dimensionality of value, this perspective investigates how value along its underlying dimensions interplay with other marketing constructs. Against this, the concept has been discussed and tested as being an independent (predictor), as well as a dependent (outcome) variable (Gallarza & Saura, 2006).

With regard to antecedents e.g. value as a dependent construct, a salient body of research affirms the relationship between perceived quality and value. In a series of consequential studies, Monroe and colleagues (Monroe & Krishnan, 1985; Dodds & Monroe, 1985; Monroe & Chapman, 1987) emphasise the role of quality on enhanced superior consumer value. Quality-value link has then continued to receive substantial support during the 1990s (Li & Monroe, 1994; Sirohi, et al., 1998) and 2000s (Teas & Agarwal, 2000; Yuan & Wu, 2008; Brodie, et al., 2009). The other prevailing antecedent to perceived value is the perceived value-for-money dimension, which has been reflected in a parallel account of research (Chang & Wildt, 1994; Oh, 2000; Brodie, et al., 2009).

For value outputs e.g. value as a predictor variable, satisfaction has been positioned in relevant models as a constant potential outcome of value, which harmonises marketers' interest in customer satisfaction in the 1990s (Gallarza, et al., 2011). A considerable number of studies provide evidence on the value-satisfaction link (Fornell, et al., 1996; Sweeney, et al., 1999; Chen & Tsai, 2007; Hu, et al., 2009). In this strand of research, surveyed customers indicate that the greater value found in products and services, the more they are satisfied with service providers and thus hold stronger intentions to rebuy.

Paradoxically, another argument exists showing that perceived value can be a sequence of probably the same constructs. Value can be an outcome of satisfaction (Oliver, 1999; Petrick, et al., 2001; Petrick & Backman, 2002) and loyalty (Wakefield & Barnes, 1996; Petrick, et al., 2001). Following a systematic review of pertinent literature, Appendix One documents key studies on value-behaviour link to clarify how value has been positioned in previous consumer behaviour models. For

the majority of reported studies, value is conceptualised as a direct antecedents to customers' behavioural intentions such as customer satisfaction and loyalty.

## **2.5 Value at the brand level**

Earlier discussion has focused on the general connotation of value and how it evolves at individual perceptions of consumption experiences. However, the analysis of value at the brand level is somewhat more complex than the product level (Kotler & Keller, 2009); not least because of the soft, intangible value of brands which builds their equity i.e. value in consumers' minds (Feldwick, 1996; O'Reilly, 2005). Nonetheless, as the case with customer value structure at the product level, no such agreement among brand equity or brand researchers coexists to define value at the brand level. Theoretical foundation of perceived value at brand level is yet to be developed.

Understanding how consumers interpret their needs and wants in relation to their perceived life circumstances is by and large a critical marketing issue in the current business climate, where global competition necessitates more nuanced clarifications of market clusters (Day, 1990; Brown, 1995) and lifestyle groups (Holt, 1997). For instance, Brand Concept Management (Park, et al., 1986) is amongst the pioneering works suggested to analyse brand performance from different perspectives. The authors contend that brand managers should follow one of three positioning strategies: functional, sensory and social, based on what the brand stands for in the target context/segment.

In a subsequent volume, Roth (1995) draws on the work of Park, et al. (1986) to conduct a multiple product study and examine how brand value is being managed in different contexts, and how related strategies affect brand performance and market share in multi-cultural markets. The study concludes that a need-based strategy is most influential in brand successes across the surveyed markets. Therefore, the goal of brand marketing is to determine what criteria consumers use in evaluating products so that favoured brand value can be matched to production, design, communication and promotional efforts.

### 2.5.1 Brands versus products

At a fundamental level of analysis, a product is “*anything that can be offered to a market to satisfy a want or need, including physical goods, services, experiences, events, persons, places, places, properties, organizations, information, and ideas*” (Kotler & Keller, 2009, p. 358), whereas a brand is a product with “*a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or groups of sellers and to differentiate them from those of competition*” (AMA, 1960). These definitions highlight the preliminary role of both concepts and that the basic role of brands can be exemplified to the identification of goods and services by relating them to their source of invention.

With regard to the concept of value, Kotler and Keller (2009) propose in their *customer-value hierarchy* that the product has five levels which consumers can benefit from at each level. ‘Core benefit’ level reflects the fundamental and real benefit a customer is buying e.g. rest and sleep in hotels’ sector. ‘Basic product’ level refers to physical features making a product more sophisticated e.g. providing towels and dresser in a hotel room. ‘Expected Product’ level stands for normal benefits of a product e.g. quietness at hotel stays. ‘Augmented product’ level encompasses intangible features that exceed customer expectations e.g. after-sales services and feedback. Final level is the ‘Potential product’ which includes novel and future benefits that can be provided to the customer e.g. frequent stay flyer.

Building on large volume of business and trade contributions, de Chernatony and Riley (1998a) have emphasised that a brand-as-a-product is a concept that yields multiple levels of analysis (tangible/ intangible; cognitive/affective; functional/psychological). Compared to products, a large and growing body of literature has investigated the conceptual domains of brands. Indeed, more radical issues are related to what the brand really is and how to accurately differentiate brands from generic products (de Chernatony & Riley, 1998a). The analysis of value in relevant research is nonetheless dependant on the position of both the marketer and the consumer which determine value connotations as depicted in Table 2-5.

**Table 2-5: The product versus the brand**

Brand definition	Features	Direction
Legal instrument	Mark of ownership. Name, logo, design. Trademark.	Product (tangibles/ managed by firms)  ↓
Logo	Name, term, sign, symbol, design. Product characteristics.	
Company	Recognisable corporate name and image. Culture and employees define corporate personality.	
Shorthand	Firm stresses quality, not quantity, of information.	
Risk reducer	Confidence that expectations are being fulfilled.	
Identity system	More than just a name. Holistic, structured with six integrated facets, including brand's personality.	
Image	Consumer centred. Image in consumers' mind is brand "reality".	
Value system	Consumer relevant values imbue the brand.	
Personality	Psychological values, communicated through advertising and packaging, define brand personality.	
Relationship	Person has attitude to brand. Brand as person has attitude to consumer.	
Adding value	Non functional extras. Value satisfier. Consumers imbue brand with subjective meaning they value enough to buy.	

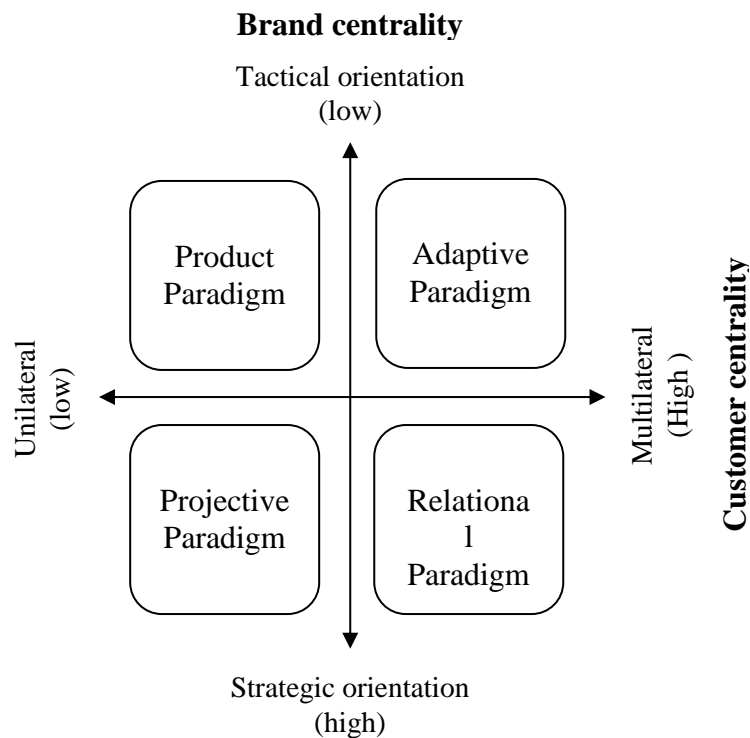
Source: Adapted from de Chernatony, L. & Riley, F. D., 1998a. Defining a "Brand": Beyond the literature with experts' interpretations. *Journal of Marketing Management*, Volume 14, pp. 417-443.

Louro and Cunha (2001) provide another intersectional perspective over product versus brands understanding in the Brand Management Paradigms framework. To propose ideal approaches of brandings, Louro and Cunha (2001) use two discriminators: the role of the consumer in the branding process (customer centrality) and whether the brand should hold a tactical or strategic position in the company (brand centrality). These two dimensions provide four paradigms to brand management as depicted in Figure 2-2.

The product paradigm presents an approach to branding where the customer is perceived as a passive player in the branding process and the brand is a low strategic priority. The projective paradigm is discussed when the brand strategy is seen as central for the overall strategy of the firm, but with the same conception of the marginal role of the customer. If the brand possesses a low strategic priority and the

customer is understood as an active co-creator of value, Louro and Cunha (2001) label it an adaptive paradigm. The fourth and last brand paradigm is the relational paradigm, wherein the brand is key factor in relation to the overall firm strategy and customers are assumed to be active co-creators of the brand and its underlying perceptions of value.

**Figure 2-2: Brand management paradigms**



Source: Louro, M. J. & Cunha, P. V., 2001. Brand management paradigms. *Journal of Marketing Management*, Volume 17, p. 849–75.

Value is hence argued to pose variant levels at product and brand levels. Even though it is often agreed that product provides functional utility and brand provides symbolic utility (Kocak, et al., 2007), some authors point out that both products and brands could possess dual set of benefits to customers (Park & Srinivasan, 1994; Vazquez, et al., 2002). For instance, Vazquez, et al. (2002) propose four dimensions to create a measure for product/brand utilities. These include functional utility of the product, symbolic utility of the product, functional utility of the brand and symbolic utility of the brand.



At product level, functional utilities refer to physical attributes such as comfort, resistance and performance because consumers mainly appreciate products with high levels of functionality and serviceability. Further, product symbolic utilities are related to an individual's needs in his or her social environment, which includes attractive attributes such as style, colour and design that help improve users' image. According to Escalas and Bettman (2003), consumers use products to represent parts of their self-images to surrounding people or to themselves.

At brand level, functional utilities are related to utilitarian needs sought after by consumers and not provided by generic products. Guarantee is an example of this type of utility (Vazquez, et al., 2002). Eventually, brand symbolic utilities are these utilities meet psychological needs and mainly used for self-expression. Brands may offer consumers symbolic benefits because of brand's association with a particular image, which can be a lifestyle or set of values (McCracken, 2005). Consumers may value the prestige, exclusivity and sense of fashion of a brand because of how it relates to their self-concept.

Hence, it is acknowledged by previous research that analysis at the product level is different than brand level. At a basic level, the brand is a product augmented with higher level of values since the brand is a "*complex multidimensional construct whereby managers augment products and services with values and this facilitates the process by which consumers confidently recognise and appreciate these values*" (de Chernatony & Riley, 1998a, p. 436). With this in mind, Banerjee (2008, p. 314) states that the brand is a more holistic term because "*product delivers certain tangible benefits but a brand offers both tangible and intangible benefits.*" Moreover, a brand is "*a perceptual entity rooted in reality but reflecting the perceptions and idiosyncrasies of consumers*" (Kotler & Keller, 2009, p. 278). These two definitions draw another implicit line between actual and perceptual propositions of products versus brands.

Furthermore, Timmerman (2001) develops the Inventory of Brand Representation Attributes (IBRA) theory, stressing the rationality of multiple brand representation and supporting the holistic approaches to brand value management. According to IBRA theory, brand representation is the brand's specific configuration of salient

attributes related to the product, the brand, and the consumer. This should embrace any conscious and unconscious knowledge, feelings and attitudes towards a brand, that co-create the imagery of the brand in consumer's mindset.

From empirical examinations of various product categories, it is discovered that most probably underlying the representation of brands is an inventory of ten main types of attributes: product characteristics, product usage, price and quality, brand identifiers, brand personification, market, origin, advertisement, attitudes and purchase behaviour and lastly, personal reference. According to Tsai (2005), the representation of any brand configures some or all of the attributes listed in the IBRA, which usually are intertwined and interrelated no matter whether the brand product is in a utilitarian, affective or expressive category. Hence, a brand does not necessarily include each particular attribute per se, nor does it exclude at first hand an attribute as building block of its representation (Timmerman, 2001).

In short, the difference between products and brands is more likely reflected in consumers' perceptions about the kind of value expected from buying and consuming either branded or unbranded products. For branded products, a greater consideration is given to personal beliefs and prior knowledge about the parent brand which mediate expectations of individual products' performance. The present study aims at quantifying customers' perceptions about the value of brands through a deliberate movement from discussing value at the product level to the brand level.

### **2.5.2 From product value to brand value**

The main objective of this doctoral thesis is to develop a new measurement scale for consumer value at brand level. Brands, as well as the discipline of brand management, have attracted increasing awareness from the marketing and research communities (de Chernatony & Riley, 1998a; Askegaard, 2006; Heding, et al., 2009), reflecting not only the continuing role of brands in enhancing a firm's competitive advantage (Aaker, 1991; Koçak, et al., 2007), but also the inevitable presence of brands in contemporary consumptions (Thompson, 2004; Keller, 2012). *"By the end of the twentieth century, the brand had become a much accepted hallmark of contemporary society. Virtually everything is branded in this society, including water and dirt"* (Muñiz & Schau, 2005, p. 737).

Branding, by definition, helps firms identify with a legally protected name and logo to provide safe investment and secured intellectual property rights (Kotler & Keller, 2009). Brands also synthesise company sales and profitability by means of facilitating releasing new products and encouraging repeated purchases through intense promotions (Berthon, et al., 2007). According to Keller (2008), companies with strong brand names benefit from heightened levels of loyalty and elastic pricing strategies with less vulnerability to competition and economic downturns. Krueger and Nandan (2008) describe the role of brands in the global arena as a key factor for developing positive images in the minds of international consumers. Brands are also intangible assets that could be worth large sums of money at market mergers and acquisitions (Lindemann, 2004), and thus research on how brands are evaluated has been on the increase since the brand became a strategic marketing tool in the 1980s (Johansson & Holm, 2006).

Indeed, the diffusion of information, new technology and mass media subsidises the elemental integration of brands in modern lifestyles (Johansson & Holm, 2006; Simeon, 2006). The witnessed proliferation on national and international scales has led researchers to study brands in most of modern marketing management as well as other issues like post-modernism (Holt, 2002), politics (Thompson, 2004), theology (Muñiz & Schau, 2005), democracy and power (Heilbrunn, 2006) and globalisation (Cayla & Arnould, 2008). This necessitates research on understanding how value of brands is translated in consuming societies.

### **2.5.3 Brand value from managerial perspective**

As far as the value of a brand is concerned, it should be first declared whether the intended value to be measured is a marketer- or consumer-centric. Indeed, past research has shown growing attention paid to brand research and its role in marketing, both from firm perspective (Aaker, 1991) and customer perspective (Feldwick, 1996; Keller, 2008). Therefore, brand proponents have provided several frameworks to capture the value structure of brands from various points of departure. For instance, McEnally and de Chernatony (1999) summarised the brand concept (developed by management) and the brand image (developed by consumers) into six stages. The first four – unbranded goods, brand as reference, brand as personality and

brand as icon – represent the classic marketers’ approach to branding whereas the last two – brand as company and brand as policy –represent the post-modern approach.

However, by and large, two overriding perspectives are maintained to determine the value of the brand; financial and behavioural (Keller, 1993; Kocak, et al., 2007; Berthon, et al., 2007; Broyles, et al., 2010). By equating brand intangibles to monetary value in the balance sheet, this type of value is financially driven. Several different methods are proposed to estimate a brand’s monetary worthiness (Keller, 1993; Kocak, et al., 2007). Accountant-based brand valuation organisations such as Brand Asset Valuator and EquiTrend use multiple measures, including perceived quality, brand knowledge and user satisfaction, to assess the brand value for firms (Aaker, 1996).

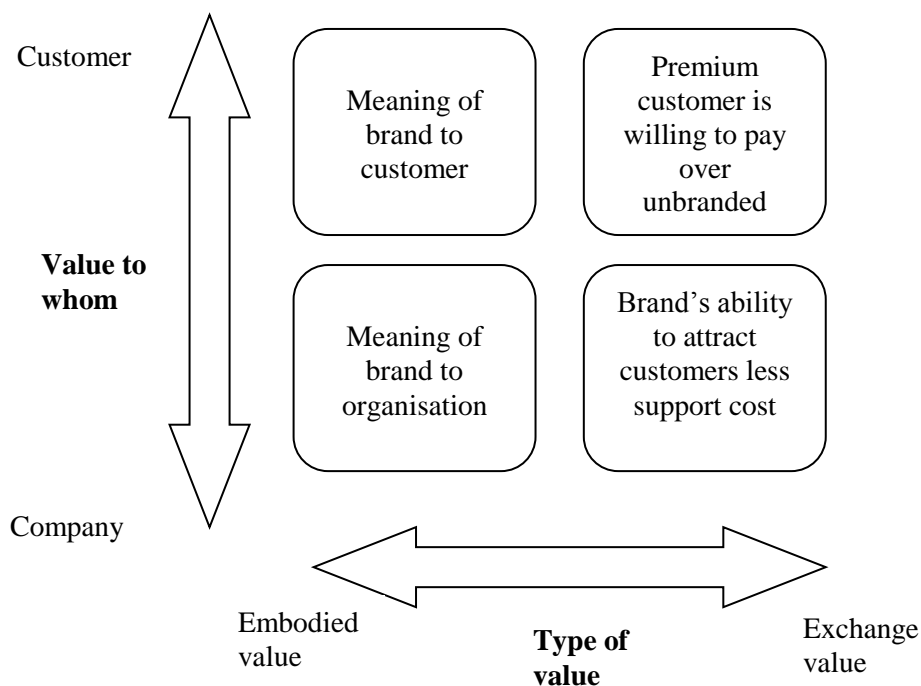
With this regard, Interbrand Group follows seven subjective performance indicators in its estimation of brand’s economic value, including leadership, stability, market stability, internationality, trend, support and protection (Keller, 1993). In their latest *Top 100 Global Brands 2012*, brands like Coca-Cola, Apple, IBM, Google and Microsoft were estimated to be worth \$77, \$76, \$75, \$69 and \$57 billion, respectively (Interbrand.com). These figures reflect the tremendous value of intangible assets compared with times when physical properties such as plants and buildings were the most valuable assets of business value (Lindemann, 2004). Thus, it has been observed that “*the gap between market capitalization and net book value has increased to enormous proportions, driven largely by the importance of intangible assets. Key elements of these so-called ‘soft’ assets are a company’s brands*” (Berthon, et al., 2007, p. 38).

The behavioural perspective, in turn, is customer-focused. The value of brands is determined by its strength in customers’ minds and the level of response to brand’s marketing efforts (Keller, 1993). Stronger brands are then evaluated more positively, on their own or in comparison to their rivals, which endows favourable brands with better position in the market e.g. strong brand equity. For Keller (1993, p. 1): “*marketers need a more thorough understanding of consumer behaviour as a basis for making better strategic decisions about market definition and product*

positioning.” Keller and other opponents of consumer-based brand valuation (Feldwick, 1996; Yoo & Donthu, 2001; Vazquez, et al., 2002) argue that this approach help firms improve effectiveness and optimise marketing and communication expenses.

In a more recent study, Berthon, et al. (2007) revisit the two dimensions (customer and management) and discuss brand meanings with respect to ‘value to whom’ and ‘type of value’ axes. As depicted in Figure 2-3, Brand Manifold model terms consumers’ perceptions of a brand as ‘brand equity’ and the monetary value of the brand as ‘value of equity’. According to Berthon, et al. (2007), consumer perspective is the one considered in analysing brand value rather than the financial approach.

**Figure 2-3: Brand portfolio**



Source: Berthon, P., Holbrook, M. B., Hulbert, J. M. & Pitt, L. F., 2007. Viewing brands in multiple dimensions. *MIT Sloan Management Review*, 48(2), pp. 37-45.

It is acknowledged that financial-based brand valuation holds paramount benefit for firms, especially with the remarkable tendency by global businesses towards embarking on deals of mergers and acquisitions (Lindemann, 2004; Raggio & Leone, 2009). However, recent research evidence suggests that marketing community has growing interest in the consumer-centric approaches (Keller, 2002; Heding, et al., 2009; Schroeder, 2009). This has shifted the authoritarian role of marketers who used to engineer consumer culture to be more responsive to consumers' needs and wants (Holt, 2002). According to Feldwick (1996), this represents a fundamental shift to marketing paradigm from a traditional focus on short-term sales plan to a philosophy of long-term marketing that is driven by generating new and keeping existing customers.

#### **2.5.4 Brand value from customer perspective**

When the consumer perspective is taken into consideration, definitions of brand value become more consumer-centric. For instance, Aaker (1991) argues brand equity to be an associated set of assets and liabilities. These include the brand name and other brand symbols that add to, or subtract from, the value provided to brand customers. Yoo and Donthu (2001, p. 1) redefine consumer-based brand equity as *“consumers' different response between a focal brand and an unbranded product when both have the same level of marketing stimuli and product attributes.”* In the definition of Vazquez et al. (2002, p. 28), it is *“the overall utility that consumer associates to the use and consumption of the brand; including associations expressing both functional and symbolic utilities”*.

Consumers, then, on their own or through the interaction with each other, co-create the postmodern meaning of consumption experiences (Fournier, 1998; Muñoz & Schau, 2005; Thompson, et al., 2006). Consumers nowadays *“own the brand”* (Berthon, et al., 2007, p. 45) and their perceptions, beliefs and attitudes become a potent source of perceived brand value (Keller, 2006; Broyles, et al., 2010). Owing to it is being critical for companies to develop successful brand marketing strategies, consumer-based brand equity (i.e. value) has been a remarkable research topic for several decades (Keller, 1993; Askegaard, 2006; Koçak, et al., 2007).

Brands can provide fruitful advantages for consumers. High levels of quality, durability and reliable performance are presumed characteristics of branded products (Murase & Bojanic, 2004). Brands therefore facilitate ‘piece of mind’ purchasing decisions by offering convenient services such as no-questions return policy and extended guarantee periods (Vazquez, et al., 2002). Well-established brands can also save consumers’ time and search efforts (Feick, et al., 2003). Moreover, the value of brands can be widened to further psychological benefits as they act as symbolic devices in forming parts of the consumer identity, “*both individually and in groups*” (Askegaard, 2006, p. 100). Brands, then, carry both tangible and intangible types of value for consumers using them, which are eventually assessed based on the received goodwill.

Measuring brand equity from the consumer perspective is vital for firms because marketing management is often designed according to the value of the brand to the customers. As Keller (1993) puts it, a high level of consumers’ buying into the equity of a brand leads firms to achieve greater revenue, lower cost and more effective marketing mix strategies, not least because “*the brand constitutes a primary locus of meaning whereby the typical (consumer-goods) company forges lasting exchange relationships with its customer base*” (Chaudhuri & Holbrook, 2002, p. 34).

The literature has provided further reasons behind the strategic movement to consumer-oriented branding strategy, as Ryu, et al. (2008, p. 460) describe: “*value is typically described from the consumer’s perspective*”. O’Reilly (2005) debates that brands are objects which are co-constructed by both managerial and consumer-centric propositions and that the role of the consumer in this process is undeniable. Moreover, consumers today are savvy, sophisticated, more attentive and powerful (Christopher, 1996; Urban, 2005) and that ‘the voice of the customer’ has become at the centre of marketing management (Arnould & Thompson, 2005). Consumers’ empowerment has been largely leveraged by other forces such as widespread technology, mass production and diminishing trade barriers (Kashyap & Bojanic, 2000; Duman & Mattila, 2005).

Keller (1993) defines consumer-based brand equity as the differential impact exerted by brand knowledge on consumer response to a marketing stimulus of the brand.

According to this viewpoint, comparing consumer response to the marketing of a brand with the response to unnamed versions of the product could determine the brand equity i.e. value. Keller (1993) also defines brand knowledge in terms of brand awareness and brand image. According to Keller (1993, p. 2), “*consumer-based brand equity occurs when the consumer is familiar with the brand and holds some favourable, strong and unique brand associations in memory*”. Finally, Yoo, et al. (2000) debate that perceived quality, brand loyalty, and brand awareness with strong brand associations are the most common dimensions of consumer-based brand equity.

From these definitions and conceptualisations, it is obvious that the consumer has become the primary locus of interest in brand equity research and thus consumers’ feedback and interaction with brands are at the core of brand development and overall marketing efforts (Heding, et al., 2009). Hence, an enhanced understanding of consumers’ perceptions, beliefs and attitudes is inevitable should brand value creation be formed and marketed efficiently (Berthon, et al., 2007; Broyles, et al., 2009). In relevant research approaches, as far as marketing terminology is concerned, perceived brand value transfers the same meaning of brand equity from a consumer perspective (Roth, 1995; Chaudhuri & Holbrook, 2002; Murase & Bojanic, 2004). For instance, Broyles, et al. (2010, p. 160) explain brand equity as “*an individual’s perception of the value of a branded product to her/himself.*” In the present study, the consumer’s perceived value of a brand— **brand value**, in brief — is the focal construct that will be adapted from various sources of brand value as well as from the consumer-based brand equity literature.

There are different approaches to conceptualising the value of brand at individual consumer level (Koçak, et al., 2007). Kamakura and Russel (1993) propose an approach to modelling and measuring brand equity based on information taken from a single-source scanner data encompasses actual purchase choice. Two measures of brand value are constructed by this approach: i) perceived quality, the value created that accounts for accounting paid price and recent exposures to brand advertising; ii) brand intangible value attributed by the consumer to a brand based on her or his associations of the brandname and other perceptual distortions. Swait, et al. (1993) develop a method that is based on consumer utility functions that consider effects of



brandname, price, product attributes, and brand image. Their model expresses the received utility as a monetary value, assigned by the consumer to a brand.

Park and Srinivasan (1994) develop a survey-based method for measuring brand equity from the consumer perspective by using a survey procedure to obtain each individual's overall brand preference and multi-attributed brand preference based on objectively measured attribute levels. The method provides an indication of the source of brand equity in terms of its attribute- and non-attribute-based components. Lassar, et al. (1995) propose a scale to measure brand equity that constitutes five dimensions: performance, social image, value, trustworthiness, and attachment. Erdem and Swait (1998) discuss brand value from a more economic perspective that is based on signalling theory of information economics. This entails that the content, clarity and credibility of a brand, as a signal of the product's position, may increase perceived quality and decrease information costs and the risk perceived by consumers and, as a result, increase overall expected utility.

In Morgan's (1999/2000) approach, brand equity consists of two groups of components. The first group constitutes functionality and performance. The second group is defined as affinity and this has three subdimensions: i) authority: the trust and respect commanded by the brand and perceived by the customer; ii) identification: the degree to which the brand is regarded as having personal relevance; iii) approval: meeting a person's perceived needs in a social sense.

Crimmins (2000) suggests that value added by a brand is an abstract one that can be determined through three dimensions: the amount of added value, the breadth and the content. This conception was based on Farquhar's (1989) notion which considers the brand as a mark that fortifies the value of products beyond their functional purposes. Therefore, the brand value is the difference of value accumulated by comparing identically manufactured generic and branded products. In a study that investigates the differential perceived value amongst global and local brands, Steenkamp, et al., (2003) use purchase likelihood as a proxy for measuring brand value. Malai and Speece (2005) propose perceived quality and brand name value as components of brand value measurement in a service context. Last but not least, Zhou, et al. (2010) assume brand value as a higher order construct of brand quality, brand leadership and

brand social signalling value. These studies show the lack of consensus among researchers on how a brand value is empirically measured.

Different from previously mentioned approaches, another research strand bases brand value as measured by individual consumer's evaluations. Biel (1992) points out that these evaluations are mainly based on tangible and functional attributes which are referred to as hard benefits, and emotional or psychological benefits which are termed soft benefits. Utilities that customers expect from physical attributes of a brand are considered as functional utility. These satisfy certain instrumental needs for consumers and are related to motives (Keller, 1993). Soft benefits are symbolic utilities that relate to the consumer's societal situation, facilitate emotive experiences and help communicate certain social values and personal features (Biel, 1992). The effect of symbolic utilities on consumer choice is raised from environmental influences that impact upon individual purchasing decisions (Bhat & Srinivas, 1998; Jamal & Goode, 2001; Kim & Drolet, 2003).

Keller (2002) concludes that three major approaches should be adopted in order to conceptualise and measure brand perceived value. Firstly, a psychology-based approach drives a consumer's cognition and information-processing to the extent that s/he can recognise easily and memorise deeply the concept and value of brands thorough associative network memory in the individual's mind. Secondly, an economic-based approach relies on the fact that the value of brand can be leveraged only if the consumer builds trust with the company behind the brand and thus uncertainty about the brand value is minimised. Thirdly, a sociology-based approach realises that brands do not operate in a vacuum and therefore surrounding variables such as society, interpersonal and other social conditions can moderate the perceptions of brand value.

In concurrence with Keller (2002), several studies have attempted to conceptualise the value of brands as a function of utilitarian and psychological benefits for consumers. For instance, Chaudhuri and Holbrook (2002) propose a 'hedonic/utilitarian value ratio' perspective to measure how emotional and functional risks impact upon brand choice, brand affect and brand trust. They argue that all products are perceived along a utilitarian-hedonic scale but what matters is the

relative importance or balance between these dimensions. Na, et al. (2007) affirm that consumer decisions result from both utilitarian and hedonic perceptions. They propose that utilitarian brand perceptions can be broken down into brand performance, quality and credibility, whereby hedonic brand perceptions include feelings, experience, symbolic imagery and usage imagery.

Broyles and colleagues (Broyles, et al., 2009; Broyles, et al., 2010) argue that brand functional utility constitutes perceived quality and perceived performance, and brand experiential utility constitutes brand resonance and brand imagery. However, more recently, Danes, et al. (2012) have a different take by proposing that brand value can be understood through 'brand connections' which can be separated into functional connections (exchange: rational and value for money) and personal connections (communality: emotional, warm and personal relationship with brand).

Further progress suggests that brand value should be conceptualised using more holistic perspectives to grasp the richness of the value concept. Hence, Sweeney and Soutar (2001) demonstrate a new and more comprehensive view in development of perceived value measurement. They draw on the theoretical framework of consumption values theory (Sheth, et al., 1991a) to develop a perceived value measurement scale which constitutes functional, social and emotional dimensions of value. However, their model diverges from prior approaches in that the factor of functional value was found to be better represented by two subdimensions: quality and price (Sweeney & Soutar, 2001). The measurement scale was developed, tested and showed consistent results in multiple products. The findings confirm that each dimension proposed has a high level of reliability and discriminate validity as well as creating distinct impact when examined against other constructs (Sweeney & Soutar, 2001), which suggests that the brand value is better treated as a complex rather than a simple concept.

In the study conducted by Tsai (2005), a model of brand value that covers primary dimensions of consumptions is proposed. These dimensions represent three theoretical approaches of economic utilitarianism, socio-cultural symbolism and emotional/ affective marketing. In contrast with Sweeney and Soutar (2001), Tsai (2005) tested the scale by means of structural equation modelling and proved the

applicability of the measures by using a variety of products. In building the model, Tsai (2005) debates that brand purchase value can be measured by three factors: symbolic value, affective value and trade-off value which are preceded by perceived image, emotional experience, perceived quality and price acceptability. Tsai (2005) asserts that:

*“To conclude, it is recommended that researchers and practitioners look upon each of economic utilitarianism, socio-cultural symbolism and emotional/affective marketing approaches with a balanced attitude and take precaution against getting too immersed in or alienating from any single one. Either adhering to or disregarding a particular approach is unadvisable; wisdoms gleaned from these schools of thoughts do not have to turn out to be exclusive of one another”* (Tsai, 2005, p. 289).

Therefore, it can be argued that a fairly established literature exists to account for the general development of brand value construct from consumer perspective. Moreover, most of previous conceptualisations of brand value appeared to be normative and atheoretical and researchers have followed variant perspective to measure the construct. In this context, the multi-faceted perspectives provided by Sweeney and Soutar (2001) and Tsai (2005) in defining the value of brands are compelling examples of the growing body of literature devoted to developing a holistic measurement for brand value. However, it seems from reading pertinent literature that there still lacks a rigorously examined model that triggers actual components of brand value by, for instance, unifying multiple dimensions of customers' sought after wants and needs in a single measurement scale.

## **2.6 Brand value dimensions**

A main objective of this research is to develop a theoretically sound measure for brand value as perceived by customers. Whilst the discipline of brand management has only become a strategic marketing activity in the 1980s (Askegaard, 2006; Johansson & Holm, 2006), scholars have recommended incorporating theories derived from various literatures on consumer behaviour, psychology and sociology

as well as other disciplines to grasp the multiple facets of consumption and brand experiences (McEnally & de Chernatony, 1999; Keller, 2003; Tsai, 2005; Brakus, et al., 2009).

The framework provided by the theory of consumption values, the authors argue, can be applied in widespread implications of individual and collective consumption experiences at product and brand level (Sheth, et al., 1991a). The authors argue that the theory is superior to other consumer behaviour models in that:

- (1) It has more of predictive status than process-orientation models
- (2) Consumer choice is determined by consumption values, not purchase conditions
- (3) The theory can be empirically tested as it provides operational constructs
- (4) It is less descriptive and more managerial, and
- (5) The unit of analysis is the individual choice maker

As laid out earlier in this chapter, the theory of consumption values implies that the consumer's overall evaluations of a consumption experience can be determined by five prominent components of value, which include functional, social, emotional, epistemic and conditional values. Although the framework has been widely deployed in product-level studies (Sweeney, et al., 1996; Sweeney, et al., 1999; William & Soutar, 2000; Wang, et al., 2004; Pura, 2005; Pihlström & Brush, 2008; Koller, et al., 2011), far little research, if any, has utilised the multidimensional perspective when consumer choices made at the brand level. Nevertheless, it can be said that elements of these dimensions have been examined in extant brand value research. Therefore, previous studies are revisited in the subsequent subsections to discuss the meanings of each dimension at the brand level.

### **2.6.1 Functional value of brands**

Functional value is a fundamental dimension in almost all perceived value models analysed in the pertinent literature. This type of value represents primary sought-after need in products and brands. It is easily understood as instrumental, utilitarian and cognitive (Chandon, et al., 2000) which relates to consumers' preference for higher standards of quality and reliable performance (Broyles, et al., 2009).

For consumption values theory, the conceptualisation of this dimension has been influenced by theory and research of such disciplines as economics, psychology, political science, and marketing and consumer behaviour. Sheth, et al. (1991a) summarise research orientations in these fields into utility, attributes and needs. In utility research, the perceived ability of physical products to perform their functions is the fundamental driver of customer satisfaction. Indeed, utility theory postulates that choices are made by consumers so as to maximise the total utility received. With regard to research on functional attributes, the concept relates to salient characteristics that help products to perform. For Myers and Shocker (1981), product referent attributes refer to the objective, physical properties of products. Finally, the concept of needs refers to two basic standpoints: biogenic needs, which represent the physical proportion of human needs (e.g. hunger and thirst) and the psychogenic needs that refer to the psychological state (e.g. success and respect).

In this context, quality and performance are major terms of functional value which have been used interchangeably, whereas the former is seen as a more holistic term than performance (Na, et al., 2007). Moreover, there are two definitions of quality proposed in the literature: manufactured quality and perceived quality (Vargo & Lusch, 2004). Manufactured quality is an objective standard achieved by producers and certified by a third party (i.e. ISO 9000, etc.). Previous researchers identify this type of quality as ‘objective quality’ (Garvin, 1983; Jacoby & Olson, 1985). The other is based on consumers’ ‘subjective’ perceptions and it is widely known in marketing research as ‘perceived quality’. Furthermore, quality was referred to in another stream of research as the difference between expected and perceived quality (Howcroft, 1993; Caruana, 2002). As this study is concerned with consumer perspective, perceived quality is the concept that is considered henceforth and considered as determinant of brand functional utility (Sweeney & Soutar, 2001).

Zeithaml (1988, p. 3) defines perceived quality value as “*the consumer’s judgment about product’s overall excellence or superiority.*” Perceived quality is thus a relative concept that is linked to one’s past experience about defining what ‘superior’ quality is, which might be different from the actual facts. From brand perspective, the concept of the brand itself transfers initial ‘signals’ of quality for purchasers (Rao

& Monroe, 1989; Yip, 1995), to the extent that quality has become an expected 'commodity' with branded products (Murase & Bojanic, 2004).

Nevertheless, economic utility theory emphasises the intervening role of market prices on ultimate evaluations of perceived utility. Because monetary resources are often limited, individuals' perception about the value of an alternative will be constrained by product prices. In this spirit, Sheth, et al. (1991a) assert they "*consider price to be a salient attribute contributing to functional value*" (p. 34). This view has received empirical support from Sweeney and Soutar (2001), wherein, in turn, the functional value dimension was split into two sub-constructs, quality and price. Indeed, numerous models in consumer value literature acknowledge the differentiated roles played by both constructs of functional value e.g. perceived quality and the economic value e.g. value for money (Dodds & Monroe, 1985; Dodds, et al., 1991; Chang & Wildt, 1994; Sirohi, et al., 1998; Kashyap & Bojanic, 2000; Lin, et al., 2005; Gallarza & Gil Saura, 2006).

Although perceived quality and price are dominant consumer values in perceived value research, it has been argued also that brands hold more than such 'economic' perspective (Tsai, 2005; Cayla & Arnould, 2008). The benefit-driven branding paradigm has been criticised because "*it is readily emulated, particularly when the benefits are tied to technological and product design features*" (Thompson, et al., 2006, p. 51). The most important of these criticisms is that further psychological and social aspects could have been neglected by solely focusing on utilitarian benefits (Heding, et al., 2009).

### **2.6.2 Social value of brands**

Sheth, et al. (1991b, p. 161) discuss the social value as "*association with positively or negatively stereotyped demographic, socioeconomic, and cultural-ethnic groups*". By this definition, external players would stimulate perceived value of experienced products and the choice process will be, to a great extent, influenced by personal tendency for social identification through acquiring the membership of one or more desired groups. Hence, individuals will often consider the opinions of those around them during the process of making buying decisions or while using the product. Related theoretical fields pertaining to the social domain of value are social

psychology, sociology, communications and anthropology. Furthermore, social class, symbolic value, reference groups, opinion leadership, conspicuous and compensatory consumption and normative attitude are all relevant research (Sheth, et al., 1991a).

The mutual relationship between materialistic objects and people living in the same society is also documented by anthropologist views of consumptions (McCracken, 1988; McCracken, 2005) so as “*symbolic qualities of products are often determinants of product evaluation and adoption*” (Solomon, 1983). McCracken (1988) provides several cases of how buying certain brands can enhance one’s social importance and self-importance. For instance, when a person buys a luxury car (e.g. BMW), people’s perceptions about his or her social status might change dramatically.

In harmony with Sahlins (1972), Muñiz and Schau (2005, p. 737) comment “*there has never been a society in which material objects did not possess meaning beyond the utilitarian and necessary*” and thus “*consumption does not occur in a vacuum: products are integral threads in the fabric of social life*” (Solomon, 1983, p. 319). The social dimension of value is also exemplified by consumers’ tendency toward symbolic meanings provided by products and brands to enhance the self-concept (McCracken, 1988; Escalas & Bettman, 2003). The social brand perspective therefore has been introduced to brand management whereby value is created in socio-cultural settings (Brown, et al., 2003; Heding, et al., 2009) or, as Holbrook (1996) advocated, ‘other-oriented’ value.

In empirical settings, concepts of social identification and well-being of others as well as self-construal and self-enhancement are exemplars of perceived social benefits stated in the relevant wave of research (de Chernatony & Riley, 1998a; Vazquez, et al., 2002). For instance, individuals would use brands to pursue self-identity projects (Holt, 2002) and express themselves (Tifferet & Herstein, 2010). Furthermore, the influence of friends, family and peers is also expected to affect individuals’ perceptions of brand value (Yoo & Donthu, 2001; Simeon, 2006; Park & Rabolt, 2009). These intrapersonal and interpersonal levels of impacts could be related to Elliot and Wattanasuwan’s (1998) proposition that consumers use brands as resources to construct parts of their identities.



### 2.6.3 Emotional value of brands

Consumption value that is evoked by feelings or affective states rather than social or cognitive desires is termed emotional value. Sheth, et al. (1991a) refer in their development of this dimension to theory and research developed in several fields of psychology, including clinical, environmental and experimental psychology. Consumers might search for specific or desired emotions by using products as means to satisfy themselves (Holbrook & Hirschman, 1982). Some classical definitions of customer value suggest that value is emotionally driven and thus consumer value is *“the emotional bond established between a customer and a producer after the customer has used a salient product or service produced by that supplier and found the product to provide an added value”* (Butz & Goodstein, 1996). Motivation research, personality, promotions and nonverbal processing are amongst key research areas related to the emotional perspective of value (Sheth, et al., 1991a).

The role of emotions and feelings in the consumer’s evaluation of marketing choices can be dated back to Holbrook and Hirschman’s (1982) study, wherein it is claimed that most human behaviour is intrinsically pleasure-seeking, and consumers often desire a feeling of pleasure from a consumption experience (Carbone & Haeckel, 1994). The hedonic consumption paradigm suggests that in many situations, consumers seek *“fun, amusement, fantasy, arousal, sensory stimulation and enjoyment”* (Holbrook & Hirschman, 1982). Indeed, such affective benefits have been a chief component of consumer value, as evidenced in the pioneering work of Kotler (1972) when he clarifies that *“the things-of-value need not be limited to goods, services, and money; they include other resources such as time, energy, and feelings.”*

Recent discussions of value thus suggest that the influence of emotional responses on post-purchase evaluation processes can be vigorous. These new frameworks are not constrained by utilitarian or social aspects of value as they also integrate experiential or hedonic aspects of consumption experiences (Babin, et al., 1994; Holbrook, 1999; Sweeney & Soutar, 2001). Babin, et al. (1994, p. 645) mention that they *“consider value from this experiential perspective, recognizing that it is related intimately to hedonic responses as well as other more tangible consequences.”* They also argue

that “*emotions associated with consumer activities may provide value directly*” (p. 651). Affective responses are thus an integral part of perceived overall value.

At brand level, brands that are associated with passion, emotion and feelings and being able to build affective bonds with consumers are perceived favourably at this dimension of value (Albert, et al., 2012). The approach of ‘emotional branding’ is substantially noted in the literature as a market differentiation tool aimed at forging enduring emotive bonds between consumers and brands (Roberts, 2004), and thus it came to the fore of brand management since the 1990s. According to Holt (2004), emotional branding, mind-share, viral branding and cultural branding are the four branding models most widely used by practitioners. Holt views emotional brands as interactive and augmenting interpersonal connections and lasting relationships with customers.

Although emotional branding has been considered a fundamental approach in brand management research (Holt, 2004; Roberts, 2004; Heding, et al., 2009), it has been subjected to other researchers’ criticism. Gobe (2001, p. xxi) writes: “*consumers today not only want to be romanced by the brands they choose to bring into their lives, they absolutely want to establish a multifaceted holistic relationship with that brand, and this means they expect the brand to play a positive, proactive role in their lives.*” In a similar point of view, Christopher (1996) and points out that brand managers should not entirely depend on brands’ intangibles and they have to help consumers to achieve their desired goals by responding to their daily needs and wants.

#### **2.6.4 Epistemic value of brands**

The fourth dimension introduced by consumption values theory is the epistemic value. Epistemic value is a dimension value that relates to benefits gained by the consumer by experiencing new concepts or novel products provided by the brand (Sheth, et al., 1991a). As stated in Sheth, et al. (1991b), epistemic value is “*the perceived utility acquired from an alternative’s capacity to arouse curiosity, provide novelty, and/or satisfy a desire for knowledge.*” The pertinent disciplines of theory and research in this domain include personality and educational and environmental psychology.

Therefore, the aforementioned theorists relied on consumer research concerned with variety and novelty seeking, curiosity and optimal arousal, innovativeness and complexity to put forward the epistemic value dimension and discriminate it from other types of value (Sheth, et al., 1991b). The authors claim that the notion of this consumption value is evident in variant aspects of modern lifestyle including the desire for gaining new knowledge and learning new experiences.

Duman and Mattila (2005) argue that Berlyne's (1950) has advocated novelty-seeking in psychology and suggested that novelty may hold the key to the true understanding of human motivation and associated complex levels of choice making. Accordingly, novelty (escape, thrill, adventure, surprise or simply change from routine) could basically drive the search for new and different experiences (Unger & Kernan, 1983 ). This might be also related to earlier speculation that the future competitive advantage will be knowledge-based e.g. 'Knowledge Economy' as expressed by Drucker (1969) and that "*technology is likely to be a (if not the) major force in shaping buyer-seller interactions in the future*" (Parasuraman & Grewal, 2000, p. 170) .

The relationship between consumption and innovations has been also discussed in the 'diffusion of innovation' theory in the 1980s (Arnould, 1989). In these waves of research, several models on how consumers respond to innovation are presented and proved that innovation is a trigger of consumption choices at variant levels of involvement. The progression of technologies has helped in the production of innovative products to cater to ever-changing consumption patterns and thus:

*Technological innovation often leads to new and better ways of solving old problems. These innovative new products may offer greater functionality at lower costs and can displace existing products (e.g., compact discs replacing cassettes; camcorders replacing 8mm movie cameras), thus providing opportunities for new entrants that may not have been otherwise available. Innovations sometime provide additional opportunity for complementary products (e.g., simplified programming devices for VCRs) (Shocker, et al., 1994, p. 151).*

Nevertheless, a paucity of literature has been found on the notion of epistemic value (or parts of it) in the consumer behaviour domain. For instance, Steenkamp and Baumgartner (1992) define variety-seeking as a “*means of obtaining stimulation in purchase behavior by alternating between familiar choice objects (e.g., brands, stores) simply for a change of pace*” (p. 435). Moreover, according to Pihlström and Brush (2008), epistemic value embraces novelty value and the value derived from gaining knowledge of how to do new things. It also entails curiosity for new content and knowledge gained through testing new services. In the psychology literature, novelty-seeking has also been referred to as experiential behaviour, which entails, for example, browsing the Internet without a specific reason in mind (Novak, et al., 2003).

From a brand perspective, Holt (2002) mentions that brands are associated in consumers’ minds with novelty and innovation. Brands are more expected to initiate and launch state-of-the-art knowledge, especially those leading the market (Aaker, 1996) and thus “*branding works as an innovation engine, to drive significant new domains of customer value.*” (Heding, et al., 2009, p. 236). Therefore, Friedman, (1990) as well as Alden, et al. (1999) propose that consumers will become, in an era of accelerated technological changes and rapid innovation, more inclined to brands that help them to integrate themselves to a more sophisticated lifestyle.

Innovation is considered as ‘utility’ sought by individuals and can be facilitated by brand’s capability to respond to the associated needs (de Chernatony, 1993; Ambler, 1997). However, previous research has shown that as technology develops, the degree to which a brand is perceived as innovative may change (Davis, 1989). Nonetheless, it is argued that innovation will remain a crucial factor in the success of differentiation strategies exercised by brands to cater to consumers’ changing environment in the battle of maintaining and communicating a unique selling point (USP) in the relevant markets (Hamann, et al., 2007; Rindova & Petkova, 2007).

Interestingly, the brand value literature has failed to develop an appropriate measurement for this needed market place value at brand level (Sweeney & Soutar, 2001). Hence, there exists little knowledge about how this aspect of value interacts with other value dimensions as well as other consumer behaviour constructs.

### 2.6.5 Conditional value of brands

Finally, a value obtained by specific situation or set of circumstances is identified by the focal theory as a conditional value. Situational factors might motivate consumption desires on specific occasions (Park & Rabolt, 2009). For instance, the occasion of consuming popcorn at the movies would have a subtle condition value on its own (Sheth, et al., 1991b). To theorise the dimension, research on situational contingencies and characteristics, antecedent states, physical and social surroundings, task definition and temporal perspective were consulted (Sheth, et al., 1991a).

Conditional value refers originally to temporary or situational needs which impact choice. Such situations may be seasonal, once in a lifetime events or unplanned, emergency situations. For Holbrook (1994), conditional value relates to ‘contextual’ factors in which evaluation of consumption exists and occurs only within a specific situation. However, when discussing or defining conditional or situational value, previous research relate to conventional consumption of goods in specific events e.g. at Christmas (Pura, 2005).

Although this dimension of value was tested at product level in some quarters (e.g. Park & Rabolt, 2009), the conditional value component is usually exempted in brand value studies due to doubt as to whether it is “*of the same order as other dimensions*” (Sweeney & Soutar, 2001, p. 217). Hence, it is suggested that conditional value poses a moderating impact on other values. Indeed, in Sheth, et al.’s (1991a, p.69) words: “*The conditional value of an alternative is derived from its capacity to provide temporary functional or social value.*” Further, there does not exist a specific domain to define the conditional value of a brand as this dimension might relate to several different situations e.g. entertainment, seasonal occasions, weather, etc. which make the formation of a cohesive measure non-feasible (Sweeney & Soutar, 2001). Since this research aims at developing an enduring scale to operationalise the brand value construct, the external influence of conditional value is beyond the scope of this research.

## 2.7 Macro brand considerations' influence on perceived brand value

The increasing interest of the value concept has been universally acknowledged in both marketing research and practice (Gallarza, et al., 2011) and it can be assumed that exploration of its sources may have a similar scope of importance. Understanding the process of how and why consumers perceive the value of brands is of the utmost importance, not least because it is seen as the “*most fundamental prerequisite for sustainable competitive advantage*” (Jensen, 1996, p. 62). Further, a holistic understanding of value orientations at brand level should consider interrelated underlying factors that contribute to consumers' evaluations of brands e.g. those associations that are linked in consumers' minds about the overall imagery of the brand.

However, the drivers of brand value are miscellaneous and might impact consumers' perceptions in different ways, i.e. directly or indirectly. Yoo, et al. (2000) affirm that brand value perceptions can be affected by any brand-related activity. For instance, Simon and Sullivan (1993) suggest advertising expenditures, sales force and marketing research expenditures, age of the brand, advertising share, order of entry, and product portfolio as sources of brand value. Other marketing activities such as the use of public relations, slogans or jingles, symbols, and packaging (Aaker, 1991), warranties (Vazquez, et al., 2002); company image, country of origin, and promotional events (Keller, 1993); as well as brand-naming strategy (Keller, 2008) have all been suggested by existing literature to influence consumer perceived brand value. Further, other brand considerations such as brand personality and brand likeability might influence people's attitude to brand identity and communication which will eventually impact on their perceptions of the brand (de Chernatony & Riley, 1998a; Heding, et al., 2009).

For Yoo, et al. (2000), “*any marketing action has the potential to affect brand equity because it represents the effect of accumulated marketing investments into the brand*” (p. 196). In their modelling of consumer-based brand equity, Yoo, et al. (2000) use a cluster of traditional marketing mix activities, including store image, distribution intensity, advertising expenditures and brand promotions in order to test their impact on brand value perceptions. Overall, these marketing efforts, with the

exception of promotional discounts and frequent sales, were found to contribute positively to brand value and were grouped under 'brand-building' strategies.

Other researchers propose that brand value can be leveraged in a consumer's mind-eye by positioning the brand as being 'global' (Aaker, 1991; Shocker, et al., 1994). Steenkamp, et al. (2003) provide evidence that brand globality can positively influence the value of brands compared to local rivals. In a parallel study, Zhou, et al. (2010) report that young consumers in developing countries consider brand foreignness and confidence in brand origin identification to be related positively to overall perceived value. Dimofte, et al. (2008) conclude in an ethnographic setting that the value of global brands, however, is not constant and that general attitude towards the concept of the brand can moderate the consumer's cognitive and affective perceptions. These studies indeed confirm the systematic effects of brand-related impressions on the perceived value of the brand itself.

The findings of Tsai's (2005) study on brand purchase value show that perceived image, emotional experience, perceived quality, and price acceptability are juxtaposed antecedent to overall brand perceptions. Past research provides evidence that not only individual brands signal better value perceptions, but also the company and people behind the brand can initiate similar effects. Therefore, Souiden, et al. (2006) examine the influence of various corporate branding constructs on the consumer's evaluations of brands in the automotive industry. Corporate brand name, corporate image, corporate reputation and corporate loyalty were found to trigger a differential order of impact on consumers' perceptions of the focal brand. Danes, et al. (2012) propose that both satisfaction and trust can affect functional and emotional connections and thus the brand valuations. Furthermore, brand leadership, brand luxury and brand fit are empirically proved as three direct antecedents of brand value in fashion context, whereas brand innovativeness has indirect impact through brand leadership and brand luxury (Miller & Mills, 2012).

Another substantial source of brand value suggested in brand literature originates from the assumptions of brand associations (Keller, 1993). Keller (1993) emphasises in his consumer-based brand model that depending on the types of brand associations, a brand may hold functional, experiential and symbolic utilities. These

associations relate to any information received by consumers (Grimes & Doole, 1998) whereby the strength of these associations derives the power of brands in the consumer's mindset (Feldwick, 1996; Broyles, et al., 2010).

According to Keller (2006), there exist two typical variables of brand associations: Micro brand considerations that include characteristics which adhere to the brand itself, such as brand awareness, brand personality, and so forth, and Macro brand considerations which relate to an individual's general perception about the brand such as market leadership and firm image. In this context, Heding, et al. (2009) comment:

*“Brand value creation takes place by moulding the brand associations held in the consumers' minds. Understanding the consumer is hence central in this take on brand value creation; but it is important to notice that the approach implies a specific view on the consumer. The consumer is analysed by means of theories adopted from cognitive psychology and the information-processing theory of consumer choice.”* (p. 85)

These research findings suggest that antecedents of brand value are diverse and apparently uncontrollable. However, past studies in the field e.g. Yoo, et al. (2000); Tsai (2005); and Broyles, et al. (2009) demonstrate that amongst an extensive list of drivers of brand value, a manageable number of variables might be more feasible and suggest workable models for marketers and brand managers. This study will focus on two under-researched, but influential, brand marketing constructs as antecedents of brand value, which are brand leadership and corporate image.

### **2.7.1 Brand leadership**

The concept of brand leadership is relatively new in brand management literature, although it has potential for brand successful strategies. According to Aaker (1991), leadership is a marketing strategy that comes to the fore in the brand management paradigm. For instance, market leadership has been cited as a fundamental criterion in estimating the financial value of brands that are used by brand valuation organisations e.g. InterBrand Group (Keller, 1993). Brands are termed 'leaders'



when they accomplish a number of objective criteria such as global reach and long-term stability. Gelder (2005) proposes leadership, together with creativity and strategy, to be the key success for global brands in the coming decades, and comments that brand leadership “*entails setting a context and a culture within which employees live the brand and stakeholders perceive the brand*” (Gelder, 2005, p. 398). Indeed, it has been proved that consumers form a pivotal element of company stakeholders (Jones, 2005).

Treacy and Wiersema (1993) identify three value tactics which can afford competitive advantage: operational excellence, product leadership and customer intimacy. Operational excellence is gained through a focus on systems, cost-effectiveness and speed so that customers are supplemented with the service they need, but at less cost. Customer-intimate companies are those that centre on building long-term relationships with customers particularly through a focus on premium service. Product leadership as a strategy necessitates a commitment to continuous innovation, high intensities of research and development, and a readiness to take risks. While these schemes are not mutually exclusive, successful companies tend to follow primarily one or other of these value approaches.

In his Brand Equity Ten model, Aaker (1996) offers a measurement system for brand equity whereby price premium, satisfaction/loyalty, perceived quality, perceived value, brand personality, organisational association, brand awareness, market share, price and distribution as well as brand leadership are 10 indices used in the valuation of brand equity. He observes that market leadership has three manifestations (Aaker, 1996):

1. It reflects in part the No. 1 syndrome. The logic is that if enough customers are buying into the brand concept to make it the sales leader, it must have merit.
2. Leadership can also tap innovation within a product class – that is, whether a brand is moving ahead technologically.
3. Leadership taps the dynamics of customer acceptance, reflecting the fact that people want to be on the bandwagon and are uneasy going against the flow.

In this connection, Heding, et al. (2009) have a different take on the importance of leadership by linking it to public relations (PR) and the media, whereby more expenditure is invested and they affirm that: “*PR can be estimated by analysing the brand’s position in the market place measured by competitive effectiveness and market leadership*” (p. 56). Na, et al. (2007) mention that it is commonplace to identify different tiers (e.g. first-tier, second-tier) in most markets and that to attain a leadership position, ubiquitous competitive advantage should be achieved. Sales volume, consumer awareness and consumer attitudes are salient indicators of leading brands (Na, et al., 2007).

Of the sporadic research that has been conducted, consumer behaviour literature indicates that market leadership has a positive impact on consumer perceptions about brands. For instance, Doyle (1998) asserts that leadership coincides with innovation and it is more likely to be appreciated by consumers and thus heighten their perceived value of products on offer. Miller and Mills (2012) find that brand leadership significantly impacts perceived brand value in luxury brand consumption. Na, et al. (2007) report how acquiring leading brands can supplement purchasers with superior utilitarian and hedonistic benefits. Other brand value researchers, including Steenkamp, et al. (2003) and Dimofte, et al. (2008), provide evidence that brand leadership, as indicated by global market reach, has a significant impact on perceived quality and accordingly is able to elevate consumers to a position of prestige and prominence in their society.

Furthermore, Na, et al. (2007) conclude that positive affect is a natural output gained by purchasing leading brands. In short, it sounds as though researchers have not treated brand leadership in much detail and that much of the research up to now has been descriptive in nature (Aaker, 1991; Aaker, 1996). Previous studies have not dealt with, for instance, the role of brand leadership in forming consumers’ perceptions of brand value or how the concept affects different dimensions of value in a single framework.

### **2.7.2 Corporate image**

This dimension tackles the aggregated impacts of the organisation and people behind the brand, rather than the brand itself. A variety of definitions are offered in the

relevant literature for the firm's corporate image concept (Omar, et al., 2009). For instance, corporate image is defined as "*the perception that different audiences have of an organisation which results from the audiences' interpretation of the cues presented by an organisation*" (Fill, 1999, p. 567) or it is "*the overall impression made on the minds of the public about a firm*" (Souiden, et al., 2006, p. 830). Therefore, whatever firms do in public might impact on consumers' perceptions, either in a negative manner (i.e. crisis, strikes or financial problems) or a positive manner (i.e. business ethics, good customer service, innovation). This assumes that the 'total experience of a company' could be extended to products and brands produced by that company, and hence firms are advised to maintain and manage their image to the public.

Aaker (1996, p. 113) states that brand-as-organisation "*represents more than products and services*" and favourable image is extremely useful in distinguishing products of similar instrumental benefits. Corporations become more aware about the mutual relationships between how they perform in the market and how their image is perceived by consumers. As a result, multinationals have moved from branding products towards branding the corporate (Olins, 2000; Kowalczyk & Pawlish, 2002). Nonetheless, corporate branding is mainly approached from three dimensions; corporate identity, corporate reputation and corporate image (Heding, et al., 2009; Omar, et al., 2009). These dimensions have different roles depending on the nature of the stakeholder in question i.e. owners, managers, customers, etc. For instance, it has been claimed that corporate reputation can add 8-15% to the company's share price in the stock market (Fan, 2005). Among corporate brand dimensions, corporate image is one that relates directly to consumer perceptions.

Other researchers have extended the domain of corporate branding to embrace corporate brand name and corporate loyalty/commitment (Souiden, et al., 2006) or corporate personality (Omar, et al., 2009). In all approaches, the key point is that corporate communications should all be integrated to send a unified message about 'who' is the company and 'what' it stands for and thus building an attractive and positive image for its audience (Heding, et al., 2009). Furthermore, credible companies maintain their brands' strength by showing consumers that they are good

at what they do, are responsive to consumers, and are “*just plain likable*” (Keller, 2012, p. 188).

Schultz, et al. (2005) summarise the importance of branding at corporate level in four points. First, corporate branding is oriented by long-term brand idea rather than short-term advertising ideas, as in the case of product branding. Second, by branding the corporate, the parameters of differentiation e.g. corporate heritage can be utilised to create strong brands. Third, the whole organisation e.g. management, employees, buildings’ design can be evolved to create successful and strong corporate brands. Fourth, corporate branding is an integrative move towards connecting internal and external stakeholders such as top management, employees, customers and other stakeholders.

As reported by Keller and Aaker (1997), a favourable corporate image can be used to elevate communication effectiveness. Additionally, some researchers assert that a corporate image builds the reputation of the company and that a strong corporate image leads to a positive corporate reputation in the public minds (Alessandri, 2001) and vice versa (Omar, et al., 2009). The importance of the corporate image is also reported in the study of Shapiro (1982), who claims that a healthy corporate image can positively leverage a firm’s sales and market share.

Previous research findings provide evidence a healthy corporate image has influence on consumer’s perception of the firm’s products and his or her buying decisions. For instance, Souiden, et al. (2006) report that corporate image can impact consumer perceptions of a branded product directly, or even indirectly through other corporate brand dimensions such as corporate reputation. Chen and Tsai (2007) show that images, in a tourist destination context, can also generate direct and indirect influence on behavioural intentions. More recently, Çifci and Koçak (2012) give proof of corporate image’s positive impact on consumers’ evaluations in service brands extensions.

Likewise, Andreassen and Lindestad (1998) state that corporate image serves as an important factor influencing loyalty. Supporting this view, de Ruyter and Wetzels (2000) affirm that the corporate image is an information cue that is used by

consumers to judge matters such as credibility and buying intentions. Bhattacharya and Sen (2003) also claim that a good corporate image helps in making the consumers more attached to the company. A favourable image can also affect consumer preferences as well as the establishment and maintenance of lasting relationships with customers (Nguyen & Leblanc, 2001; Weiwei, 2007).

In short, corporate can add much to its individual products and brands through maintaining a favourable image in the market (Aaker, 1996; Keller & Aaker, 1997; Andreassen & Lindestad, 1998), simply because “*borrowing the equity occurred by the corporate.., product lines become an extension of the corporate personality*” (de Chernatony & Riley, 1998a, p. 419). It is apparent too that most studies in the field of corporate image have mainly focussed on its role in augmenting the consumer’s trust and confidence in the company (Keller, 2012), which reflect the economic mechanisms of branding effects that assume credibility as a primary indicator of perceived value (Erdem & Swait, 1998).

However, a paucity of research on corporate image’s effect on consumer behaviour has tested or discussed the mediating effect of perceived value of product brands on their respective behaviour. This lack of empirical research has been also noted by, for example, Souiden, et al. (2006). For instance, in de Ruyter and Wetzels’s (2000) study, corporate image has been found to impact perceived quality (e.g. brand functional value) and purchase intentions at the same time. One question that needs to be asked, however, is whether the consumer perceptions of the brand value (i.e. functionality, quality, satisfaction, etc.) should intervene the relationship between corporate image and consumer buying and loyalty decisions, especially in a post-consumption context. Therefore, although Hsieh, et al. (2004) report that corporate image has a direct impact on consumer behaviour, the mediating effect of individual products’ perceived value is yet to be discussed.

## **2.8 Loyalty as an expected outcome of perceived brand value**

In spite of the previously designated importance of creating and delivering superior customer value to firms’ success and profitability (Albrecht, 1992; Slater, 1997; Woodruff, 1997), perceived value has also been considered as an antecedent

construct in many consumer buying models (Sirohi, et al., 1998; Oh, 1999; Johnson, et al., 2006; Ryu, et al., 2008). In particular, marketing literature has reported that value is a substantial driver for enlarging customer base, by keeping existing clients and drawing on new ones (Koller, et al., 2011) and, therefore, Christopher (1996) argues that successful organisations will focus on the provision of superior customer value in both business and consumer markets.

In theoretical essence, it is more likely that enhanced value will generate positive consumer reactions (Sheth, et al., 1991a). Against this, value is considered a substantial predictor of consumer intentions whereby a considerable number of conceptual and empirical studies support the inevitable relationship between value and consumer behaviour (Gallarza & Saura, 2006; Koller, et al., 2011). Various elements of consumer behaviour have been determined as consequences of perceived value; including product choice (Zeithaml, 1988), willingness to buy (Dodds & Monroe, 1985) and repeat purchasing (Tsai, 2005). This concurs with Babin, et al. (1994) who state that in a general model of consumption experiences, consumers' decisions should be the key outcome. Generally speaking, the literature of perceived value's impacts on consumer behaviour can be summarised into two research strands, value-satisfaction link and value-loyalty link (Lin, et al., 2005; Lee, et al., 2007).

Customer satisfaction has long attracted the interests of many researchers because of its significance in influencing post-purchase behaviour (Tarn, 2000). Indeed, fairly established research has provided consistent evidence, mainly in service literature, on the mutual relationships between some dimensions of value and overall satisfaction. For instance, functional value (quality and price) has been reported by several students to impact customer satisfaction positively (Yang & Peterson, 2004; Duman & Mattila, 2005; Ryu, et al., 2008). Tarn (2000) finds that service functional value, in terms of quality and monetary value, has a direct impact on customers' evaluations of satisfaction. Churchill and Surprenant (1982) were among the first to examine the effects of perceived performance e.g. functional value on customer satisfaction and reported that performance is a substantial determinant of satisfaction among all tested types of products including plant products and video disc player.

Furthermore, Oh (1999) provides evidence supporting the mutual relationship between perceived value (for money) and customer satisfaction wherein repurchase intention was the ultimate consequence for both constructs using samples of luxury hotel customers. Nonetheless, across a wide variety of services, Cronin, et al. (2000) demonstrate that perceived quality, rather than perceived value for money, precedes feelings of satisfaction. More recent studies, however, shed light on other value dimensions' impact on customer satisfaction, such as emotional needs (Lee, et al., 2007), hedonic shopping value (Carpenter, 2008) and social value (Gallarza, et al., 2009).

The second established outcome of value is customer loyalty; the fact that is believed to be a prominent driver for an organisation's success (Cronin, et al., 2000; Snoj, et al., 2004; Koller, et al., 2011). For instance, Parasuraman and Grewal (2000) claim that value is the leading indicator of brand loyalty. For instance, based on several findings from previous services orientation research (Heskett, et al., 1994; Reichheld, 1996; Patterson & Spreng, 1997; Tam, 2004), value is assumed to be the key determinant of loyalty aspects such as intentions to rebuy and word-of-mouth recommendations (Lin, et al., 2005; Cengiz & Yayla, 2007; Pihlström & Brush, 2008). The conclusion that shows perceived value leads to favourable response from consumers is commonplace in value-loyalty studies (Koller, et al., 2011). As a result of those and other studies, a value-loyalty link is noted by Koller, et al. (2011) whereas appreciated value is considered fundamental for any business success through maintaining existing consumers and drawing a new customer base.

However, as far as the consumer loyalty construct is concerned, progress in the field has suggested that consumer loyalty is a complex concept. Specifically, Zeithaml, et al. (1996) suggest that favourable behavioural intentions or brand loyalty are associated with a service provider's ability to get its consumers to 1) say positive things about them, 2) recommend them to other consumers, 3) remain loyal to them (i.e., repurchase from them), 4) spend more with the company, and 5) pay price premiums (Cronin, et al., 2000).

Oliver (1999) offers four ascending brand-loyalty phases according to the cognition–affect–conation chain. The first stage is cognitive loyalty wherein consumers are

loyal to a brand based on their information on that brand. The next phase is affective loyalty. Consumers here start to like and build positive attitudes toward a brand. The third step is conative loyalty or behavioural intention, which reflects a deeply held commitment to rebuy – a “good intention.” The last stage is action loyalty, where consumers translate intentions into actions. This series of consumer-brand relationships reflect the incremental stages of loyalty as an expected outcome as long consumers find desired value in specific brands.

In this study, owing to their extraordinary effect in representing the loyalty construct (Oh, 1999; Lin, et al., 2005; Johnson, et al., 2006; Cengiz & Yayla, 2007), two indispensable constructs of customer loyalty, i.e. repurchase intention and positive word-of-mouth, are discussed further.

### **2.8.1 Repurchase intentions**

Consumer intentions of purchasing, or repurchasing for consumers who have already purchased the brand, are of utmost importance to marketers because they indicate to a great extent the actual purchase behaviour (Keller, 2008; Newberry, et al., 2003). The concept in a post-consumption context is defined as “*individual’s judgment about buying again a designated service (or product) from the same company*” (Hellier, et al., 2003, p. 1764) or as an “*apparent motivational state of consumers to repeat a buying behaviour*” (Tsai, 2005, p. 277). Because actual purchase data is often unavailable for typical academic research, self-reported intentions to repurchase the brand are usually used instead (Morwitz, et al., 1993; Bemmaor, 1995; Mittal & Kamakura, 2001). Nonetheless, Pura (2005) points out that this behavioural outcome has been a substantial indicator used to in relevant studies to measure whole of part of consumer loyalty.

It is theoretically and empirically designated that purchase intention is a consequence of positive brand valuations (Chang & Wildt, 1994; Woodruff & Gardial, 1996). In the value-behaviour research stream, relevant concepts such as revisit intentions, repatronage likelihood, repurchase intentions, and repeat purchases have been applied and used interchangeably across a wide variety of product categories, including travel services (Wakefield & Barnes, 1996; Murphy, et al., 2000; Gallarza & Saura, 2006; Um, et al., 2006; Chen & Tsai, 2007; He & Song, 2009; Hutchinson,



et al., 2009), hotel stays (Oh, 1999; Kashyap & Bojanic, 2000), restaurant services (Tarn, 2000), telephone services (Bolton & Drew, 1991), online purchases (Lin, et al., 2005), and supermarket retailers (Sirohi, et al., 1998), as well as in consumer goods research, including electronics (Dodds & Monroe, 1985; Dodds, et al., 1991; Tsai, 2005), beverages (Zeithaml, 1988) and luxury fashion brands (Miller & Mills, 2012). In most of these studies, perceived value has been considered “*the most important indicator of repurchase intention*” (Petrick, 2002, p. 119).

The importance of purchasing intention and repeat purchases is also evident in the constant use of the concept in most of consumer behaviour and customer value models (Hellier, et al., 2003). Some studies have concentrated on determining the basic antecedent variables to repurchase intention (Zahorik & Rust, 1992; Hocutt, 1998). Other studies, such as Bitner, et al. (1990), Bolton and Drew (1991) and Price, et al. (1995) have considered the single incident, critical encounters and longitudinal interactions or relationships between these variables whereby other studies have considered the predictive validity of repurchase intention for subsequent repurchase behaviour (Morwitz, et al., 1993; Bemmaor, 1995; Mittal & Kamakura, 2001).

In a recent study, Hellier and colleagues (Hellier, et al., 2003) develop and test a general model demonstrating several factors suggested in the literature to affect repurchase intentions. The list includes customer perceptions of quality, equity and value, customer satisfaction, past loyalty, expected switching cost and brand preference. However, it was found that brand preference (preceded by perceived value in the model) is a mediating factor between customer satisfaction and repurchase intention in the context of car insurance and personal superannuation services (Hellier, et al., 2003).

Within brand management literature, previous studies (Berthon, et al., 2003; Keller, 2006) show that brand value does relate to positive consumer actions, especially with purchasing and repurchasing behaviour. Thus, considerable brand marketing and communication efforts have been geared toward enhancing perceptions of brand purchase value, in order to elicit favourable repurchase intentions (Petrick & Backman, 2002; Tsai, 2005).

In this spirit, a considerable amount of perceived value literature has been published on the casual relationship between customer value and intentions to repurchase (Hellier, et al., 2003). Sheth, et al., (1991a) point out in their theory of consumption values that value has both explanatory as well as exploratory power of consumer potentials, including willingness to buy and rebuy. Thus, the abovementioned theory coupled with empirical research findings show that purchase/repurchase intentions are well-established constructs in marketing and branding literature as a consequence of customers' value perceptions. However, how different types of value (functional, emotional, social, etc.) contribute distinctly and accumulatively to a consumer's willingness to repatronise the brands is a significant topic that has rarely been discussed in a single study.

### **2.8.2 Positive word-of-mouth**

The other influential aspect of loyalty stems from consumers' willingness to spread positive word-of-mouth (WOM) when they perceive that a product or a brand is creating superior value for them. It is evident in social psychology literature that interpersonal communications e.g. WOM have a distinct importance when individuals make choices in different contexts, including those of consumption (de Matos & Rossi, 2008). This effect is also discussed in consumer behaviour, and its models consider this interpersonal influence when information is sought as well as given (Engel, et al., 1995). WOM thus is a concept that reflects how consumers react to a specific or general type of experience with products or brands.

Herr, et al. (1991) contend that WOM is far more effective than other media of communication such as newspapers, magazines and radio. This relates to Katz and Lazarsfeld's (1955) classical study, which reports that word-of-mouth is at least twice as influential as the mass media. Since then, WOM possesses extraordinary interest by marketers whereby growing attention is being paid to consumers' evaluations and opinions of a product or service. Given the rapid growth of Internet subscribers and the global traffic in joining social networks (e.g. Facebook, Twitter, etc.), Yang, et al. (2012) assert that WOM plays an even more important role today in shaping consumers' attitudes and buying behaviours.

In the marketing literature, the construct of WOM or positive WOM is defined as “*informal communications directed at other consumers about the ownership, usage, or characteristics of particular goods and services and/or their sellers*” (Westbrook, 1987, p. 261). More recent definitions have embraced the new technology features and thus “*word-of-mouth communication includes any information about a target object (company / brand / service) transferred from one individual to another either in person or via some communication medium*” (Brown, et al., 2005, p. 125) and WOM is a “*transmitted person to person through various media*” (Lam, et al., 2009, p. 56).

De Matos and Rossi (2008) discuss, using a meta-analytic review, a model of WOM antecedents and moderators. Six constructs are reported to be used by previous researchers as antecedents for WOM communications. These include satisfaction, loyalty, quality, commitment, trust and perceived value, whereby WOM valence (positive, negative or mixed) and WOM incidence (intention or behaviour) are the major moderators in WOM studies. The results show that all antecedents have significant effects on WOM activity, with customer commitment showing the strongest effect. The following sentiments were also supported: (1) WOM valence is a significant moderator, (2) cross-sectional studies show a stronger influence of satisfaction and loyalty on WOM activity than longitudinal studies, and (3) studies of WOM behaviour show a weaker link between loyalty and WOM activity than studies of WOM intentions.

Indeed, positive WOM and similar constructs, such as recommendation to others and WOM communications, have been frequently embraced by macro loyalty constructs in loyalty intentions studies (Johnson, et al., 2006; Gallarza & Saura, 2006; Koller, et al., 2011). However, an increasing number of researchers have acknowledged the differential effect of the WOM construct, and therefore have segregated it from other loyalty dimensions such as purchase intentions and willingness to pay premium prices (Oh, 1999; Lin, et al., 2005; Lee, et al., 2007; Carpenter, 2008; Pihlström & Brush, 2008; Hutchinson, et al., 2009).

According to consistent findings from previous research (Patterson & Spreng, 1997; Parasuraman & Grewal, 2000; Tam, 2004), consumer value is assumed to be a key

determinant of post-consumption behaviour such as intentions to spread positive WOM of products and services used (Cengiz & Yayla, 2007; Lin, et al., 2005). Koller, et al. (2011) find that people do recommend their ‘environmentally-friendly’ cars and encourage others to buy from the same brand when they obtain high levels of functional, emotional and social value. Pihlström and Brush (2008) provide evidence that WOM is correlated significantly with emotional value, social value, epistemic value and monetary value (in respective order) and, to a lesser extent, with convenience value and conditional value across two types of mobile services.

Indeed, global branding scholars observe that: “*Brands become central characters in the myths by which groups of people live, as well as the stories they tell one another every day*” (Cayla & Arnould, 2008, p. 105). This view emphasises the presence of brands in consumers’ mind-eyes which pushes them to speak about them both negatively and positively based on their consumption experience. Thus, this dimension warrants inclusion in brand-consumer behaviour models. However, the extant body of literature has failed to draw on any structured research into the underlying factors that could motivate WOM communications. For instance, which type of value – functional, social, emotional or epistemic – would exert more influence on WOM behaviour?

## **2.9 Limitations of past research on value**

Although a considerable amount of research has been embarked on value, some limitations are noted, which the present study will target to bridge. Specifically, three research gaps have been identified which related to i) the level of analysis e.g. products versus brands, ii) the dimensionality of value e.g. intravariation approach, and iii) value modelling e.g. intervariable approach.

Firstly, a critical review of the value literature proves that value has been mainly conceptually defined and empirically measured at product level. Despite the abundant presence of brands nowadays, extant accounts of consumer value research have provided insufficient evidence about what truly constitutes consumer value at the brand level. For instance, a critical review of perceived value literature reveals that brands have not been represented properly in previous research (Sanchez-Fernandez & Iniesta-Bonillo, 2007). Instead, what have been dominant are studies

working at product level, either generic goods, e.g. clothes (Park & Rabolt, 2009), cars (Koller, et al., 2011) or services, e.g. mobile networks (Pihlström & Brush, 2008) and hotel services (Gallarza & Gil Saura, 2006).

This finding sounds surprising given that customers are more inclined to associate their consumption styles and experiences with brands more than products. For instance, Crimmins (2000) provides evidence that consumers' commitment to brands has significantly grown over past years when compared to unbranded products. Furthermore, Askegaard (2006) emphasises the growing significance of studying value at brand level by stating that whereas "*brands were symbolic extensions of products, today products are becoming the material extension of a brand*" (p.100).

Secondly, majority of past studies have considered value from economic perspectives. The limitation of this approach is its reliance on cost and benefit analysis models which are drawn from rational choice frameworks such as those provided by utility and pricing theories (Sanchez-Fernandez & Iniesta-Bonillo, 2007) whereby the consumer is seen as a "*calculating accountant*" (Tsai, 2005, p. 289) who evaluates consumptions experiences mainly from monetary considerations.

In contrast, the holistic approach acknowledges more elements in consumers' evaluations received brand. Social settings, emotions, desire for knowledge and situational factors are suggested sources of motivation for consumers' judgement about overall perceived value. Interestingly, little attention has been devoted to testing holistic frameworks for consumer value (Sweeney & Soutar, 2001; Sanchez-Fernandez & Iniesta-Bonillo, 2007; Kainth & Verma, 2011) especially at brand level (Tsai, 2005; Broyles, et al., 2009). Against this, Slater (1997) claims "*the need of redeveloping a customer value-based theory of the firm that will organize classical theoretical frameworks more comprehensively.*" (p. 162). Therefore, value should be considered from more holistic overview to comprehend the richness of the construct.

At brand level considerations, even though there are a modest number of empirical studies demonstrating diverse dimensions of brand value (or equity) in terms of functional, social and emotional aspects (Park, et al., 1986; Keller, 1993; Sweeney & Soutar, 2001), it is still acknowledged that there exist "*very few studies analysing*

*brand dimensionality*” (Vazquez, et al., 2002, p. 31). Apparently, most research has only been carried out by testing a small number of value dimensions and usually without clarifying the adopted theoretical foundations.

Furthermore, there is a dearth of theory in building proper measurement of brand value as unveiled by reviewing pertinent literature. Hence, no research has been found that demonstrates the theoretical underpinnings used to develop measures for brand value. For instance, Keller (1993) based his argument in the development of customer-based brand equity model on the notion of ‘associative memory nodes’, which could reflect the models’ focussing attention on cognitive parts of consumption (Askegaard, 2006; Cayla & Arnould, 2008). Likewise, brand value scales developed by Yoo, et al. (2000), Tsai (2005) and Broyles, et al. (2009), amongst others, have relied heavily on marketing concepts e.g. marketing mix as well as previous literatures on building consumer-brand value models with an obvious lack of rigorous theory to argue for the comprehensiveness of these measures.

Moreover, of the sporadic research that has been conducted, conceptualisation of brand value has been inconsistent in respect to the applied value structure and associated number of dimensions. Some studies have primarily focused on the economic/cognitive of brands whereas others taken the emotive/hedonic perspective (Tsai, 2005; Keller, 2012). The predefined reason of the lack of theory in relevant modelling of brand value might be a strong reason for such discrepancy in findings. As a result, the insufficient representation of various dimensions of value has suppressed the meaningfulness of the value construct in the pertinent literature (Sweeney & Soutar, 2001).

The lack of theory also leads to missing key dimension of value suggested by broader frameworks which relates to consumers’ desire for knowledge, curiosity, stimulation and variety seeking and termed as **epistemic value** (Sheth, et al., 1991a). Consumers have become more educated and hold stronger tendency towards adoption of technology and high-tech products (Hamann, et al., 2007). Brands then compete in a large scale to providing superior experience and offering high-end informative products for customers (Aaker & Jacobson, 2001). An exhaustive review

of pertinent literature reveals that no established measurement for the brand epistemic value construct coexists (Sweeney & Soutar, 2001). This finding necessitates the development of proper measure for the market needed construct.

Therefore, to overcome the shortage of comprehensive frameworks covering the dimensionality of value at the brand level, the present study attempts to adopt the conceptual framework of consumption values theory (Sheth, et. al., 1991a; 1991b) to develop and test an integrative measurement of brand value that constitutes existing constructs e.g. functional, social and emotional as well as a newly developed construct i.e. epistemic value. Therefore, and with regard to the ‘intraviable’ nature of brand value, the proposed scale is expected to fill in the abovementioned voids by enhancing the existing measurements of brand value and developing a theoretically sound measurement for the construct.

The third gap noted and relates to the intervariable perspective, e.g. how value dimensions relate to other marketing constructs, concerns with antecedents and outcomes of brand value. This factor also associates with implications of value, how value can be leveraged and what is the advantage of offering superior value to customers.

So far, there has been little discussion about what drives the value of brands in consumer’s mindset. As a result, pressing research questions have shifted the marketing community’s interest from “*what is consumed to why*” (Bergvall, 2006, p. 189), and the necessity for a new perspective that provides a thorough discussion of value triggers at brand level has been frequently raised (Tsai, 2005; Jevons, 2005; Berthon, et al., 2007). Therefore, a more nuanced understanding of how potential drivers could impact consumers’ perceived brand value can help brand managers tap into consumer’s mindset and harmonise their brands respectively.

Amongst the drivers of brand value are concepts reside in public’s minds about the brand. According to Keller’s (2006) dichotomy, micro brand considerations (e.g. brand awareness, brand personality, etc.) have received considerable attention compared to macro brand considerations (e.g. brand leadership, corporate image, etc.). The discussion on the latter and how they impact perceived value of branded

products has been normative and incoherent in majority of past studies (Aaker, 1996; Keller, 2008; Keller, 2012). For instance, it is acknowledged by brand researchers that healthy image of the firm triggers a positive effect on its individual products (Souiden, et al., 2006). However, existing studies have only partially examined the influence of corporate image on consumers' (general) evaluations. In spite of the limited efforts supporting the effect of corporate image on perceived quality (Souiden, et al., 2006), no evidence has been found to examine the systematic impacts of image in a multidimensional value perspective.

The same applies to brand leadership's impact on various dimensions of value. With such a paucity of literature on brand value antecedents (Yoo, et al., 2000; Broyles, et al., 2009), only one particular study pertaining to brand leadership's impact on perceived brand value (pricewise) is published (Miller & Mills, 2012). Studies that explore the effects of these associations e.g. corporate image and brand leadership on other value dimensions (social, emotional and epistemic) has been scarce in the extant literature, despite its importance having been frequently cited in brand management research (Aaker, 1991; Aaker, 1996; Keller, 2002; Keller, 2006). Thus, this thesis seeks to remedy these limitations by giving an account of the disentangled influences exerted by these two brand level considerations on variant dimensions of brand value.

Another limitation of extant research on value implications is the lack of studies examining loyalty as a likely outcome of perceived value. Instead, satisfaction is more frequently found in existing value models. Indeed, loyalty is considered more critical for present-day businesses whereby recipe for success is the creation and maintenance of loyal customers (Christopher, 1996; Koller, et al., 2011). Recent evidence suggests that satisfaction does not necessary lead to loyalty (Jones & Sasser, 1995). Mittal and Lasser (1998), for instance, report that about 20-30 per cent of respondents who rated at the top end of satisfaction scale were also inclined to switch to other service providers. This void leaves managers and researchers alike with incomplete information to answer the question of what truly drives brand loyalty.



According to Tarn (2000), the reason is that it is less a question of satisfaction but more one of real value received by experiencing the brand. As a response to this research gap, Hu, et al. (2009) and Gallarza, et al. (2011) argue, in a consumer behaviour context, that more research is still needed to fully capture the role of value as a predictor of consumer behaviour and, in particular, loyalty intentions. Although a good account of previous studies claim the positive relationships between value and behavioural intentions e.g. purchase likelihood and willingness to spread a word-of-mouth (Heskett, et al., 1997; Patterson & Spreng, 1997; Parasuraman & Grewal, 2000; Tam, 2004; Lin, et al., 2005; Cengiz & Yayla, 2007), few studies have examined the segregated influence of multidimensional value constructs on loyalty decisions (Gallarza & Saura, 2006; Koller, et al., 2011).

Therefore, to create meaningful correlations between value and loyalty, recent developments have emphasised the need for deeper discussion of the measurement of loyalty (Oh, 1999; Lin, et al., 2005). Interestingly, prior studies in value-loyalty linkage have mainly deployed combined concepts to measure loyalty (Johnson, et al., 2006; Gallarza & Saura, 2006). Loyalty has been presented as a composite construct constitutes of conceptually distinct loyalty aspects such as retention and the spread of word-of-mouth (Oh, 1999; Lin, et al., 2005; Cengiz & Yayla, 2007). Another strand of research, indeed, provides evidence that these concepts possess a different course of effect on consumer decisions and thus should be examined separately (Oh, 1999; Pura, 2005; Pihlström and Brush, 2008). Hence, a discussion on the interplay between the two factors (value and loyalty) and how value via its underlying dimensions impact upon variant aspects of loyalty at brand level is yet to come.

Therefore, the literature lacks a study testing interrelationships between value dimensions, antecedents and consequences within a single framework. Extensive review of value research has concluded that no such model coexists and thus, conducting such holistic perspective could be a “*further project that might interest the research community*” (Gallarza, et al., 2011, p. 186). Therefore, this study is an attempt to test a model considering these omitted, but important, variables and their underlying interrelationships in order to provide realistic guidelines to brand managers on how to assess and develop value for customers.

Finally, as shown by previous research devoted to examining links between value and behavioural intentions (Appendix One), another limitation emerges with respect to selected product type. Majority of previous studies have focused on services (Wakefield & Barnes, 1996; Oh, 1999; Kashyap & Bojanic, 2000; Murphy, et al., 2000; Gallarza & Saura, 2006; Um, et al., 2006; Chen & Tsai, 2007; He & Song, 2009; Hutchinson, et al., 2009). Research on other product categories such as consumer goods seems to be very limited. This fact is more evident in electronics and technology sector whereby little knowledge is available about how consumers evaluate the value of high-technology products (Hamann, et al., 2007). Furthermore, none of the surveyed studies was devoted to studying brands as a unit of analysis. Even those few studies which examine brand names (Dodds & Monroe, 1985; Dodds, et al., 1991; Li & Monroe, 1994) consider the brand as an extrinsic information cue that represents a single element of the product. This contrasts with recent research that shows that brands are often favourably sought after by consumers more than generic products (Crimmins, 2000).

As far as research context is concerned, majority of previous studies were conducted in Western and (Far East) Asian countries. Earlier studies in the 1980s and 1990s were conducted in only one country i.e. USA. The first two studies that took place outside the North American context were conducted in 2000 in England (Tarn, 2000) and Canada (Murphy, et al., 2000). During the 2000s, several European (e.g. Spain, Germany, and Finland) and Far East Asian (e.g. Taiwan, Hong Kong, and Korea) contexts began to share the growing interest on value research. Surprisingly, no prior research has been found to explore brand value dimensions and implications in other distinct markets such as North Africa and Middle East. This finding concurs with Whitelock and Fastoso's (2007) research on international branding that underlines the paucity of research in these countries and calls to conduct research in under-represented markets to advance knowledge on brand meanings.

## **2.10 Chapter conclusion remarks**

This chapter reviews key contributions of value literature, including its meanings, importance, dimensions, drivers and outcomes as well as summarises relevant gaps of research. For three decades or so, the concept of value has been recognised as

fundamental to the understanding of marketing management (Nilson, 1992; Gale, 1994; Day, 1999; Koller, et al., 2011). Consumer value is crucial in explaining consumer behaviour (Slater, 1997) and in predicting brand choice and long-term loyalty intentions (Sheth, et al., 1991a; Johnson, et al., 2006). Indeed, Gallarza, et al. (2011) compare the increasing attention paid to consumer value in academic and trade literature to similar interest devoted to other marketing constructs such as quality during the 1980s and satisfaction in the 1990s. Reflecting the growing interest in the topic, and perhaps to encompass the fragmented research on the concept, an emerging ‘customer value theory’ is referred to in prominent studies (Slater, 1997; Woodruff, 1997).

The chapter also focuses on issues of dimensionality of value and potential factors representing the concept in a consumption setting. A variety of disciplines including economics, psychology and sociology, as well as consumer behaviour, have been adopted to discuss the value meanings and provide frameworks to comprehend the richness of the construct. Three research streams are found to summarise research on value; price-based, net gain value and subvalues approaches. The review also reveals that the conception of value as a price-focus (the cheaper the better) or as a net gain value (tradeoff between benefits and sacrifices) has been at the centre of traditional frameworks. To far less extent, though, research treats value as a holistic, multidimensional concept that constitutes further psychological viewpoints.

Furthermore, it is addressed in this chapter that the value of brand has been tackled from both behavioural and financial perspectives. When brand value is measured by using economic data and equated to an asset that worth sums of money in balance sheets, it is defined from financial-based brand equity perspective. This approach is considered useful at mergers and takeovers (Berthon, et al., 2007). On the other side, when brand value is evaluated via brand resonance and success in consumer markets, consumer-based value is discussed (Keller, 1993; Yoo & Donthu, 2001; Broyles, et al., 2009). Amongst both approaches, consumer-oriented approach is the overriding in brand value research (Keller, 2006; Heding, et al., 2009) and practice (Feldwick, 1996; Grimes & Doole, 1998; O'Reilly, 2005; Berthon, et al., 2007).

By implications of consumption values theory (Sheth, et al., 1991a), perceived value at brand level is discussed in further detail. In particular, functional value of brands, social value, emotional value, epistemic value and conditional value are demonstrated with particular reference to existing literature on brand equity, brand meanings and brand associations. Moreover, antecedents of brand value are also reviewed and key literature on brand leadership and corporate image as prime antecedents of perceived brand value are analysed. Finally, literature related to outcomes of brand value represented by positive word-of-mouth and repurchase intentions is also discussed.

Finally, following the literature review undertaking, three research gaps related to the level of analysis, intra- and inter-variable approaches are drawn out. Whereby brands appear to be much more relevant in contemporary consumption styles, majority of previous studies have been conducted at the product level. Moreover, there has been little agreement to date on what are the prevailing components of brand value as perceived by individual consumers. Also, a few number of studies were devoted to discuss antecedents and consequences of brand value in a single model.

## CHAPTER THREE – MODEL CONCEPTUALISATION

### 3.1 Introduction

The literature review in the previous chapter reveals that value is a marketing concept which has been conceptualised mainly from economic perspective. Multiple theoretical standpoints, including psychology, and sociology have been used infrequently to discuss the broader domain of value. Nevertheless, very few attempts have been conducted that combines various concepts of value in a particular model (Gallarza, et al., 2011). The review also points out that brand value is a hybrid concept that needs more holistic perspectives to bridge its components together with drivers and outcomes (Yoo & Donthu, 2001; Keller, 2006; Broyles, et al., 2009; Keller, 2012). Therefore, the aim of this chapter is to offer insights on how the present study attempts to overcome the surfaced research limitations through the development of conceptual model and associated set of research hypotheses.

First, brand value, as the focal construct in the model, will be broken down into multiple dimensions following implications of the theory of consumption values and then linked to antecedents and consequences. Hence, the chapter starts by illuminating the theoretical blocks used to develop the conceptual model and hypothetical relationships. Subsequently, dimensions and definitions of each construct of brand value are discussed. Next, antecedents of brand value as expressed by brand leadership and corporate image are outlined, along with relevant discussions of the linkages between these two constructs and each relevant dimension of brand value. Similarly, the relationships between brand value dimensions and respective consequences of loyalty as represented by repurchase intent and positive word-of-mouth (WOM) are detailed. Relevant set of hypotheses are presented after the discussion of each part of the framework.

### 3.2 Theoretical blocks constructing the conceptual model

In order to gain an understanding of value orientations to depict how and why consumers buy, consume, and relate to brands, a robust knowledge is an *a priori* foundation for developing a rigorous scale for under-researched constructs such as brand value (Bergvall, 2006; Keller, 2008). Hence, this study bases the

conceptualisation of the conceptual model on two fundamental sources, theory and literature. Theory is defined as an explained set of conceptual relationships (Wacker, 2004). Where these relationships are fully explained and can be used for empirical tests, the theory is considered as ‘good theory’. Additionally, within business research, “*the relevant background literature acts as the equivalent of a theory*” (Bryman & Bell, 2007, p. 10). For instance, causal relationships that were explained and validated by previous studies can be used to build up a hypothetical framework.

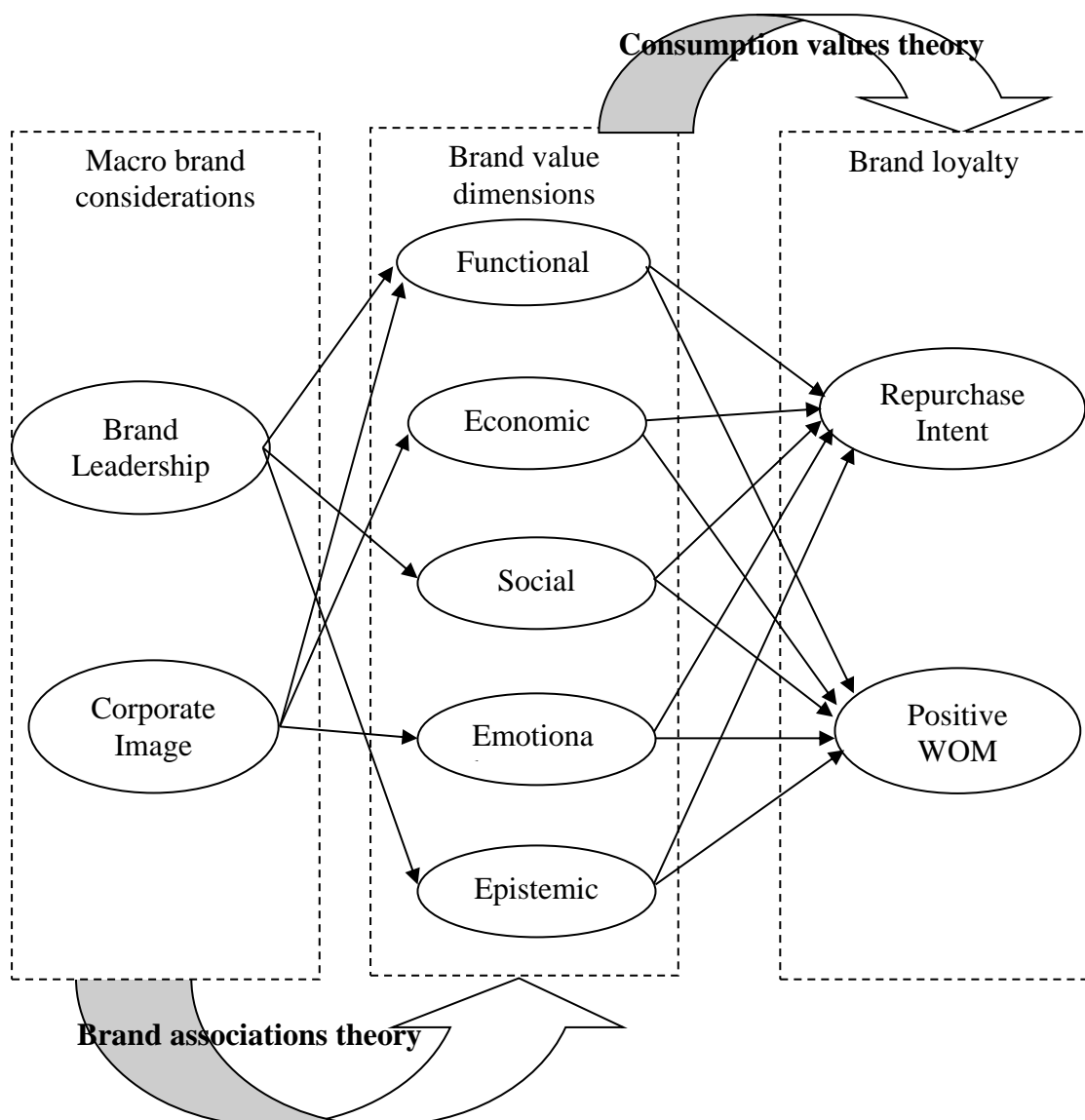
When it comes to value meanings and measurements, the perspectives followed to designate the scope of consumer perceived value vary. In general, these perspectives have ranged from defining value as a concept grounded in economics and pricing theories to more integrative frameworks developing consumer value from both utilitarian and non-utilitarian viewpoints. The former, price-oriented, approach developed various frameworks foreseeing consumer valuations to be ultimately influenced by monetary expenses (Dodds & Monroe, 1985; Monroe & Chapman, 1987; Monroe, 1990). The latter approach, however, argues that not only instrumental and economic considerations drive consumer choices and assessment, but also can further social and psychological factors contribute similarly to the evolutions of purchases decisions. The current study follows the integrative approach where consumer value is presented as a multidimensional concept and considers brands to carry deeper meanings than generic products.

As shown in Figure 3-1, there are three major parts which form the conceptual model of the current study. The focal part relates to brand value as conceived of by consumers. The concept of value is multifaceted, vague and complex (Gallarza, et al., 2011). However, the conceptualisation of brand value in this study emanates from the implications of consumption values theory, which assume that consumer choice is a function of multiple consumption values (Sheth, et al., 1991a). The theory identifies multiple consumption values, including functional value, social value, emotional value and epistemic value.

These values can make differential contributions in any given choice situation, for instance buying brand A versus brand B (Sheth, et al., 1991b). A substantial quantity of research has provided evidence of the theory validity and generalisability across a

wide variety of product categories and consumption contexts (Gilly, 1992; Sweeney, et al., 1996; Sweeney & Soutar, 2001; Park & Rabolt, 2009). Furthermore, according to the theory of consumption value (Sheth, et al., 1991a), the dimension of functional value does comprise the concept of price and thus was broken down into two subdimensions— quality (functionality, performance, etc.) and price (or value for money) (Sweeney & Soutar, 2001; Park & Rabolt, 2009). However, in consistence with research at the brand level (Keller, 2002; Keller, 2012), the functional component of value termed as functional value to represent perceived quality/performance of the brand, and economic value which refers to perceived brand's value for money as associated in consumer's minds.

**Figure 3-1: The research model and supporting theories**



The second part of the model deals with antecedents of brand value. A major source of brand value is associated with what consumers know about the brand or what Keller (2002) identifies as ‘macro brand considerations’. For Keller (2006), brand considerations are associations that exist in consumers’ memory which increase or decrease the perceived value of the brand. Thoughts, images, beliefs, experiences and any other pieces of information about a brand serve as indicators of brand value (Grimes & Doole, 1998; Feldwick, 1996). Two brand considerations are examined in this research: brand leadership and corporate image. The detailed explanation of how these constructs impact upon consumer’s perceptions of brand value is yet to come.

The third part of the model associates with the various links between brand value dimensions and consumer loyalty. The theoretical relationship between value and loyalty is rationalised in part by the consumption values framework (Sheth, et al., 1991a; Sheth, et al., 1991b), and in part by the empirical research conducted on the value-loyalty paradigm (Koller, et al., 2011). The theory indicates that consumer behaviour (i.e. loyalty) can be predicted, described and explained by value perceptions. Prior studies on empirical manner also report the influence of value on consumer loyalty (Gallarza & Gil Saura, 2006; Johansson & Holm, 2006). Following a scholarly perspective in conceptualising loyalty (Oh, 1999; Lin, et al., 2005; Johnson, et al., 2006; Cengiz & Yayla, 2007), repurchase intent and positive WOM are two constructs of brand loyalty.

In short, three major parts are considered to be tested in the present conceptual model which comprise nine main constructs. For the focal part of the model, functional value, economic value, social value, emotional value and epistemic value are five constructs representing the brand value scale. Brand leadership and corporate image are two factors depicted in the model as antecedents of dimensions of brand value whereby repurchase intent and positive WOM are two constructs standing for the brand loyalty as a consequence for brand value dimension. The model postulates that the relationships between these components as psychometrically shown in Figure 3-1 have been informed by profound theoretical underpinnings emanate from both theory and empirical research. The following sections will elaborate on the definitions and domain of the constructs embraced by the proposed model and a number of hypotheses that will be further investigated and tested.



### 3.3 Conceptualisation of the focal construct: Brand Value

A careful review of the extant consumer value literature in the previous chapter revealed that there have been few attempts to develop the concept of consumer value and its dimensions at the brand level. In other words, literature on brand value can be described as fragmented and atheoretical (Broyles, et al., 2009). To overcome the lack of theory in extant models, the conceptualisation of brand value in this study is drawn from the theory of consumption values (Sheth, et al., 1991a; 1991b). The theoretical framework demonstrates that the consumer's assessment of the value of consumption is a function of multiple subjective, but exhaustive, dimensions. Given that the framework provides the "*best foundation for extending existing value constructs*" (Sweeney & Soutar, 2001, p. 205), the present study imitates the same theoretical foundations to develop a measurement scale for the brand value construct.

By doing so, an empirical instrument to measure the brand value construct will be developed based on a rigorous theory that defines value in multiple, rather than single, dimensions. This will contribute in part to the recent viewpoints in branding scholarships which criticise the polarised referral to brands as symbolic and emotional objects (Christopher, 1996) or for their strength to be merely derived from cognitive (Cayla & Arnould, 2008) or psychological (Keller, 2012) incentives. The exhaustive nature of the theory makes the development of a new single scale to measure perceived brand value more applicable. This will be followed by testing the measure in a holistic model in order to draw a clear picture of the influence of brand-level constructs on the various dimensions of brand value which, in turn, proposed to explain and predict consumer loyalty.

In total, five dimensions of value are proposed by the present study to operationalise the brand value construct: functional, economic, social, emotional and epistemic. These values are conceptually distinct and can contribute accumulatively to brand choice inputs. However, given that the existing definitions of these values are mainly developed to reflect on generic products, an adaptation to the brand level is needed (Sweeney & Soutar, 2001). Thus, previous studies embarked on one or more of these dimensions (Biel, 1992; Keller, 1993; Park & Srinivasan, 1994; Aaker, et al., 2001; Vazquez, et al., 2002; Tsai, 2005) will be revisited in order to develop informed definitions of the five brand value constructs.

At brand perspective, brand functional value relates to consumer perception about the brand as having high standard of performance and quality through its offering of physical products with prominent attributes. In this regard, the notion of the brand-as-product (de Chernatony, 1993) reflects the core service of the brand as utility provider whereby its functional properties represent the “*core competencies of the brand, and may include both functional and sensorial benefits*” (Das, et al., 2009). Keller (2012) comments:

*“In many cases, people will have primarily utilitarian-based attitudes towards a brand, as the brand is valued because it predictably proves a certain well-defined function, offers a certain well-defined benefit and satisfies a certain well-defined need. Certainly one important realisation with a product or service brand is the functional role it serves.”* (p. 2).

According to Aaker (1991), the value of a brand is associated closely with the perception of its quality, alongside consumer awareness and satisfaction engendered by related products and offerings, among others. Furthermore, Shocker, et al. (1994) explain how brands have become symbols that consumers learned to trust over time, and they often signal intangible qualities of their products and market offerings. This signal is often based on past personal or collective experienced attributes such as perceived quality, reliability and safety (Nelson, 1970).

In Keller’s customer-based brand equity model, functional benefits are associated with intrinsic product-related attributes and they are “*ingredients necessary for performing the product or service functions sought by consumers*” (Keller, 1993, p. 4). Indeed, buying products with reliable performance and superior quality is a major concern for consumers, and considered a primary motive for brand choice decisions (Sheth, et al., 1991b). This is evident, as perceived quality is a well-established consumer construct that is constantly used to determine superior customer value both in products (Dodds & Monroe, 1985; Sweeney & Soutar, 2001) and services (Hutchinson et al., 2009; Oh, 1999).

When consumers make consumption choices, the key factors considered are led by rational factors like brand awareness, merit and income (Heding, et al., 2009). It is

widely acknowledged that this type of value is dominant in shaping consumer purchase decisions (Steenkamp, et al., 2003; Tsai, 2005). Perceived quality, brand effectiveness, efficiency, reliability, durability and performance are other concepts reflecting brand functionality (Sweeney & Soutar, 2001; Keller, 2012). Amongst branded products in the same category, differentiated levels of these utilities as conceived by consumers can add to or subtract from the perceived value of the brand (Keller, 2006). Hence, taking the perspectives provided by the focal theory and relevant studies on brand functionality domain, the present study defines brand functional value as *'the consumer's perceptions of the brand capacity to provide high quality products with high performance standards'*.

Conceptually, price is a term that relates to the functional perspective of products' evaluations. As discussed in Chapter Two, the value-as-price is a traditional school of thought drawn from economic pricing theories (Monroe, 1973). It indicates that the product price not only mediates the consumer perception at the part of the merchant, but also can moderate consumer perceptions about other attributes of the product e.g. perceived quality (Zeithaml, 1988) and emotional assessment (Hill, 2003). Price sensitivity, price elasticity, competitive prices, promotional prices and so forth are amongst terms used in brand value studies to segment the consumers' willingness to pay premium price for branded products (Mulhem, et al., 1998).

Instead of excluding such monetary considerations from brand evaluation strategies (Keller, 2012), or proposing price as a factor diluting the perceived value of brands (Sweeney & Soutar, 2001), the present study conceptualises price as a variable that indicates the consumer's assessment of the worth of the brand in question e.g. to what extent the brand perceived as economical? This conception is consistent with similar proposals on price value found in the literature such as *'price fairness'* (Oh, 2003; Na, et al., 2007) and *'value as worth what paid for'* (Brodie, et al., 2009). Thus, brand economic value is defined as *'the consumer's judgement of the brand price fairness'*.

Social value, in turn, refers to the symbolic benefits gained by consuming a particular product or brands, usually in the public domain. For instance, it is argued in brand meanings research that consumers increasingly appreciate, and seek to buy, brands

that play a symbolic role in their social contexts (Holt, 2002; Thompson, 2004). Brand social value is based on the premise that products carry symbolic benefits that are appreciated by individual consumers and societies surrounding them. Thus, when a brand is capable of delivering additional value to the consumer in her or his social environment, the social value of the brand is discussed (de Chernatony & Riley, 1998a; Vazquez, et al., 2002). At this level, a social perspective is introduced to brand management where value is cocreated in socio-cultural interactive settings (McEnally & de Chernatony, 1999; Brown, et al., 2003; Heding, et al., 2009). O'Reilly (2005) also offers a framework that considers brands as lively entities that are constructed by social interaction but still hold a strategic proposition for firms.

Indeed, researchers such as Simeon (2006) argue for the increasing interest devoted to brand evaluation from its symbolic meaning perspective. In short, advocating brands as social stimulus has been widely acknowledged in brand value literature, a perspective that considers brands as interactive objects with the consumer's environment and social networks (Holt, 2002; O'Reilly, 2005; Cayla & Arnould, 2008). Therefore, the social value of a brand is defined as *'the consumer's perceptions of the brand capacity to enhance the self-image in a social environment.'*

It is argued that consumers seek out those brands offering convenience, joyfulness, safety and other hedonic responses (Chaudhuri & Holbrook, 2002; Danes, et al., 2012), thus the notion of emotional value. A large and growing body of research has recognised that feelings and emotions are indisputable factors of consumers' evaluations (Babin, et al., 1994; Thompson, et al., 2006). Das, et al. (2009) present the mechanism of emotions as a salient component of the 'soul' of brands which represent the way consumers feel when they are geared up by excitement, enjoyment and well-being. Thus, this dimension warrants inclusion in brand value measurement.

The brand and its affective relationships with individual consumers is a salient fact in many brand-related studies. The notion of 'emotional branding' is thus a substantial branding topic that concerns differentiation by forging enduring emotive bonds between consumers and brands (Roberts, 2004). Brands inspire passion, and other emotional aspects can augment consumer value at this dimension. The emotional

value at brand level then refers to *'the consumer's perceptions of the brand capacity to arouse positive feelings or affective states'*.

The last dimension to be found applicable at brand level is the epistemic value. The term relates to benefits gained by the consumer from experiencing novel features or aspirations provided by the producer (Sheth, et al., 1991a). The concept has received insufficient attention in the brand value literature as a major component of perceived brand value (Sweeney & Soutar, 2001), and thus little has been offered to conceptualise the concept as a meaningful construct. Nonetheless, concepts relevant to the epistemic value such as innovation utility (de Chernatony, 1993; Ambler, 1997), novelty utility (Long & Schiffman, 2000), and product creativity (Rubera, et al., 2011) have been separately addressed in the product literature.

Brands, by definition, represent novelty and innovativeness. Consumers associate the meanings of the brand with the newness, and even expect brands to educate them about using novel products (Holt, 2002) and, in an era of fast technological change accompanied by rapid innovation, consumers seek brands of high-end offerings to improve their lifestyle (Friedman, 1990; Doyle, 1998). For instance, Lee, et al. (2011) give proof on the profound influence of knowledge gained by the adoption of high-technology products in the users' lives. As a result of the widespread placement of high-technology in everybody's life, Hamann, et al. (2007) calls for more research to examine consumer incentives of adaptation and buying high-technology products.

These studies indicate the growing importance of outlining the epistemic value component. Interestingly, no previous research has been found to operationalise the epistemic value construct at brand level (Sweeney & Soutar, 2001). With such a paucity of literature on the epistemic value of brands, the present study will rely in defining this dimension of value on theoretical proposals provided by the focal theory as well as empirical studies embarked on at product level (Pihlström & Brush, 2008; Park & Rabolt, 2009). Thus, epistemic value is defined at brand level as *'the consumer's perceptions of the brand capacity to arouse curiosity, provide novelty and satisfy a desire for knowledge'*.

In short, to conceptualise the brand value construct, the framework of consumption values theory has been adapted to the brand level. The frequent utilisation of the

theory in consumption values studies (Sweeney, et al., 1996; Sweeney, et al., 1999; William & Soutar, 2000; Wang, et al., 2004; Pura, 2005; Pihlström & Brush, 2008; Koller, et al., 2011) testify to the comprehensiveness provided by its theoretical framework. Moreover, the theory itself has been developed and tested in a branding choice ‘brand A versus brand B’ context (Sheth, et al., 1991b), which makes the adoption of its framework straightforward and more feasible.

Therefore, five constructs of brand value; i.e. functional value, economic value, social value, emotional value and epistemic value are conceptualised to measure the brand value. The proposed definitions for these values and one for the overall brand value concept are summarised in Table 3-1. It is expected that by developing a holistic approach for measuring the value of brands, further understanding of consumer outputs can be gained in a more systematic, informed manner (Tsai, 2005). Forthcoming discussion is confined to positing the antecedents and consequences of brand value alongside the hypothesised relationships.

**Table 3-1: Definitions of brand value dimensions in the present study**

Dimension	Definition
Brand value	<i>A multidimensional construct concerns with consumer perceptions of distinct utilities gained by buying or consuming a brand.</i>
Functional value	<i>The consumer’s perceptions of the brand capacity to provide high quality products with high performance standards</i>
Economic value	<i>The consumer’s judgement of the brand price fairness</i>
Social value	<i>The consumer’s perceptions of the brand capacity to enhance the self-image in a social environment</i>
Emotional value	<i>The consumer’s perceptions of the brand capacity to arouse positive feelings or affective states</i>
Epistemic value	<i>The consumer’s perceptions of the brand capacity to arouse curiosity, provide novelty and satisfy a desire for knowledge</i>

### **3.4 Antecedents of brand value**

The conceptual model speculates that brand leadership and corporate image are two antecedents of brand value (Figure 3-1). These concepts are exemplars of macro brand considerations which are envisioned as potent sources of brand value (Keller, 1993; 2006). The strength of these associations derive the power of brands as conceived by consumers (Feldwick, 1996; Broyles, et al., 2010). Keller (1993) argues that these associations are stored in ‘information node’ which is converted to become ‘brand node’ in the cognitive structure of the consumer mindset. The magnitude and source of these associations can vary substantially because they can relate to any concept comes across to consumers about the brand (Grimes & Doole, 1998; Yoo, et al., 2000).

The following discussion details the supporting research used to build the initial six hypotheses between the two antecedents of brand leadership and corporate image versus respective dimensions of brand value. Drawing on the literature, brand leadership is proposed in the conceptual framework as directly impacting three dimensions of brand value: functional, social and epistemic. Likewise, corporate image is posited to affect functional, economic and emotional value. Different from previous studies, the proposed method is intended to test the spontaneous, distinct influences of these brand-level constructs on the respective dimensions of value, an approach that has little implications in the past.

#### **3.4.1 Antecedent effect of Brand Leadership**

Market leadership is deemed in consumer research as a salient factor that augments branded products with a superior value. For instance, in his Brand Equity Ten model, Aaker (1996) conceptualises brand leadership as a substantial element in understanding and evaluating the value of a brand. More recently, three approaches are suggested to measure the concept: market share, consumer awareness and consumer attitudes (Na, et al., 2007). In the present study, the latter concept of brand leadership which is linked to consumer subjective judgement about brand position in the market compared to competitors is the approach followed.

The research evidence from the existing literature indicates that brand leadership has a positive impact on perceived brand value. For instance, Miller and Mills (2012) report that brand leadership significantly affects brand value in luxury brand consumption. Na, et al. (2007) contend that brand leaders can supplement purchasers with utilitarian as well as hedonistic benefits. Nevertheless, previous studies provide either generic or partial support of the nature of the interrelationships between leadership and various constructs of brand value. In the current study, a further exploration is suggested to grasp the systematic impact of brand leadership on the consumer's perceptions of the value of brands.

With regard to perceived leadership's impact on the functional value of a brand, the relationship is posited to be conceptually positive. This view is supported by a bundle of conceptual perspectives (Aaker, 1991; Aaker, 1996; Tilley, 1999; Aaker & Joachimsthaler, 2000), which describe that leadership brands do care about the functionality of their products and they persistently emphasise this position in various communication avenues. A popular given example is the brand Volvo and how the company is being successful in delivering a coherent message about this highly regarded value by car drivers (Tilley, 1999). This is related to the notion of 'successful' and 'strong' brands that has been widely discussed in brand management texts and research (Aaker, 1991; de Chernatony & Riley, 1998a; Park & Rabolt, 2009) and asserted to elevate consumer's confidence in the brand performance.

At the empirical level, there is little which to base a thorough argument upon. Na, et al. (2007) report that leading brands create the impression of high utilitarian benefits more than second-tier rivals. Other brand value researchers, including Steenkamp, et al. (2003) and Dimofte, et al. (2008), provide evidence that brand leadership, as indicated by global market reach, has a significant impact on perceived quality (functional value). As a result, when brands are perceived by the consumer to possess higher orders of market leadership, his or her associations about the functional value will be positive. Therefore, hypothesis H1 is posited whereby:

***H1: Brand leadership has a direct positive impact on brand functional value.***



Likewise, social value can increase as market leadership is enhanced in the consumer's mind. For instance, ownership of global, leading brands can augment consumers with prestigious prominence in their society (Steenkamp, et al., 2003; Dimofte, et al., 2008). Furthermore, the value of conspicuous brands (e.g. luxury brands) associated with social status is reported to be influenced by brand leadership (Miller & Mills, 2012). Therefore, because market leadership can often act as a useful mechanism to lever psychological state and hence respond to social and emotional needs, consumers can benefit from more value by purchasing leading brands rather than inferior ones. Based on the above discussion, the following hypothesis is postulated:

***H2: Brand leadership has a positive impact on brand social value.***

It is expected also that market-led brands have the capability to augment products with high-end offerings such as the latest technology (Crimmins, 2000). Indeed, it is widely agreed that a mutual influence exists between market leadership and innovation (Aaker, 1996; Tilley, 1999; Beverland, et al., 2007) which is then reflected on consumer learning and education (Gehlhar, et al., 2009). Thus, brand leaders, through providing cutting-edge innovation and technology, can differentiate their marketing offers by leading others and attract knowledge-seeking customers. Tilley (1999) mentions an example of Disney's creation of thrilling theme parks to satisfy novelty seeker customers.

Doyle (1998) claims superior brands are those leading innovation so that consumer needs related to curiosity and exploratory are met more efficiently. Brands are valued more favourably when they are capable of offering creative products and provide solutions for customers' day-to-day issues. Rubera, et al., (2011) thus find that within the context of consumers' novelty-seeking, international businesses should produce competitive products to gain positive consumer judgement. Therefore, consumers expect superior value from leading brands because they can adopt state-of-the-art features and 'gadgets'. In response, hypothesis H3 is therefore proposed:

***H3: Brand leadership has a positive impact on brand epistemic value.***

### 3.4.2 Antecedent effect of Corporate Image

The second antecedent of brand value in the conceptual model relates to perceptions of the company producing the product. Therefore, whatever actions a corporation 'behind' the brand perform, and of which public audiences become aware, might affect the consumers' evaluations of the company's products (Souiden, et al., 2006). Owing to the imagery impacts in terms of adding value to products, Kowalczyk and Pawlish (2002) argue that multinationals have moved from branding products towards branding the corporate. Furthermore, the value added through what the consumer's mind-eye holds about a brand's endorsers is generally acknowledged in branding literature (Olins, 2000).

According to existing accounts of literature on branding effects, a positive corporate image can drive consumer perceptions about the perceived value of a company's products and brands (Andreassen & Lindestad, 1998; de Ruyter & Wetzels, 2000; Çifci & Koçak, 2012). Nonetheless, most of the existing studies have only partially examined the influence of corporate image on perceived brand value (Souiden, et al., 2006). Reviews of the literature reveal no systematic evidence has been found for testing the impact of the firm image the distinct constructs of brand value. With the exception of its impact on brand perceived quality (e.g. functional value), other value components such as emotional and economic value seem to receive far less attention by corporate image proponents. Having said that, the current research attempts to examine how corporate image individually relates to the three value dimensions as expressed in the conceptual model; functional, economic and emotional values.

First, the impact of corporate image on brand functional value has received persuasive support in the literature. Research conducted by Andreassen and Lindestad (1998), de Ruyter and Wetzels (2000) and Çifci and Koçak (2012) shows that perceived quality is a regular benefit that is conceived off by consumers from positively evaluated organisations. Likewise, Andreassen and Lindestad (1998) report that corporate image serves as an important factor influencing the perception of quality and consumers' evaluation of satisfaction. de Ruyter and Wetzels (2000) claim corporate image serves as information cue that consumers use to judge matters such as credibility and perceived quality.

In other words, when there is better image of the company business as being pioneering, open, ethical and successful, its products should have a similar level of performance. This assumes that when customers perceive there to be a degree of similarity to the company producing a brand, this leads to better functional value perception. Based on the above discussion, it is postulated that:

***H4: The more positive the corporate image of a firm, the higher the functional value of the firm's brands.***

Good corporate image may contribute to positive perceptions about the brand's prices in the market. For instance, Brown and Dacin (1997) affirm that consumers will use corporate associations to evaluate products whenever they are available. A similar point was made by service value studies which indicate that reputation and image of service providers provide consumer justification of the accepted level of behavioural prices (Petrick, 2002; Ryu, et al., 2008). The company reputed with success and intelligence is more appreciated by its products' users (Souiden, et al., 2006), who will be more willing to pay price premium (Pihlström & Brush, 2008). As well as increased functional and emotional values, perceptions of company performance have been found to exert a positive influence on perceived economic value. Based on this, hypothesis H5 posits that

***H5: The more positive the corporate image of a firm, the higher the economic value of the firm's brands.***

Furthermore, consumer-brand linkages are more likely to emerge when marketers develop a strategic view to generate consumer passion by responding to consumers' aspirations and emotional needs (Fournier, 1998). Roberts (2004) asserts that well-regarded companies could benefit from consumers' flattering and warm relationships. Heding, et al. (2009) show that renowned corporations can generate affective bonds with individuals who admire the company's profile in the market. A salient example given in brand literature is Harley-Davidson's brand, where one of the largest collections of people from different parts of the world gather in groups to share their respect for the firm (Holt, 2004). The hypothesis is therefore proposed:

***H6: The more positive the corporate image of a firm, the higher the emotional value of the firm's brands.***

### 3.5 Consequences of brand value

The last part of model conceptualisation considers consequences and potential outcomes of the focal construct. In theoretical essence, heightened levels of perceived value should lead to positive consumer outputs (Sheth, et al., 1991a). It is thus that value is considered a potent predictor of consumer intentions whereby the bulk of conceptual and empirical studies support the value-behaviour link (Gallarza & Gil Saura, 2006; Koller, et al., 2011). Various facets of consumer behaviour are reported in pertinent research to be salient outcomes of perceived value, including product choice (Zeithaml, 1988), buying intentions (Dodds & Monroe, 1985) and repeat purchasing (Tsai, 2005). Despite the growing interest, Hu, et al. (2009) and Gallarza, et al. (2011) argue that still more research is needed to fully capture the role of value in predicting consumer decisions-making at the part of the merchant.

Customer loyalty is no doubt the most prominent driver for an organisation's success (Cronin, et al., 2000; Snoj, et al., 2004) and "*keeping a loyal customer base is a major asset for a manufacturer*" (Koller, et al., 2011, p. 1155). Given that value is perceived to greatly influence consumer loyalty (Christopher, 1996; Pura, 2005; Johnson, et al., 2006), a deliberate investigation of the consumer valuation process seems crucial for any brand success. As a result, a recent strand of research suggests the treatment of the various dimensions of value versus multiple constructs of loyalty to fully portray the complete picture of the established value-loyalty link and to provide realistic implications for managers and researchers alike (Pihlström & Brush, 2008; Gallarza, et al., 2011; Koller, et al., 2011).

Therefore, in the proposed conceptual model, value-loyalty linkage is revisited from a different perspective. Whereby a holistic approach for brand value construct is presented, the dependent brand loyalty is conceptualised by two constructs: positive WOM and purchase intentions (Johnson, et al., 2006; Koller, et al., 2011). Furthermore, because different value dimensions can trigger different effects on loyalty (Pihlström & Brush, 2008), the conceptual model is designed to examine the simultaneous impacts of various values on each loyalty dimension.

Generally speaking: "*higher levels of customer value lead to higher levels of customer loyalty*" (Koller, et al., 2011, p. 1159), including willingness to repurchase

the same brand and the spread of positive WOM about it. However, it is assumed in the working model that each value dimension will generate a different course of effect on the examined constructs of loyalty.

### **3.5.1 Repurchase Intent: a consequence of brand value**

The first loyalty dimension that will be examined in the research model is the repurchase intent. This “*motivational state of consumers to repeat a buying behaviour*” (Tsai, 2005, p. 277) could differ from actual purchasing acts, it is considered to be of the utmost importance in behaviour models because it indicates, to a great extent, the actual purchase behaviour (Newberry, et al., 2003; Keller, 2008). Within brand management literature, there is little doubt about the causal relationship between brand value and positive consumer actions, especially with purchasing and repurchasing behaviour (Berthon, et al., 2003; Broyles, et al., 2010). The perceived value construct is thus “*the most important indicator of repurchase intention*” (Petrick, 2002, p. 119).

Despite this, there have been little applications of these concepts with regard to measuring the impact of discrete value dimensions by means of path modelling (Hellier, et al., 2003). This stream of research provides only a partial explanation of how value mechanisms might operate to predict future purchasing behaviour. The proposed model aims at filling this void in the literature by developing an appropriate set of hypotheses linking various types of brand value with repurchase intentions. Recalling theoretical assumptions of consumption values (Sheth, et al., 1991a), the value constructs possess high explanatory power for future consumer intentions.

Perceived functionality, it is argued, possesses explanatory power in brand consumer behaviour research. For instance, Steenkamp, et al. (2003) provide evidence that consumers’ perception of superior brand quality is a strong predictor of future buying likelihood. This was in concurrence with Jacoby and Olson (1985) who affirm that perceived quality is a paramount driver of purchasing intentions, irrespective of product type or consumer profile. Na, et al. (2007) find that brand quality, reliability and performance lead to brand satisfaction which in turn contributes to repurchase intentions in consumer products such as apparel and electronics. Keller (2006)

asserts that quality is a substantial component of brand attributes which could generate frequent purchases for brands associated with 'high' quality perceptions in consumers' mindset.

Quality perception is a significant and positive determinant of shopping behaviour such as repeat purchases (Zeithaml, 1988). A considerable body of research has been published on the causal relationship between brand functional value and repurchase intent (Hellier, et al., 2003), which provides consistent evidence on the paramount role of perceived functional properties in the buyers' future decisions. In a multiple products set, Tsai (2005) reports that perceived quality is amongst key determinants of repurchase intentions. It is thus widely acknowledged that performance beliefs lead to increasing intentions for repeatedly purchasing the same brand. More recently, Danes, et al. (2012) provide evidence that purchasing commitment to a favourable brand increases as long as the perceptions of brand functional abilities increase. Therefore, hypothesis H7 is posited whereby:

***H7: There is a positive relationship between functional value and repurchase intent.***

For the economic value's (i.e. value for money) on repurchase intent, the literature findings sound to be inconsistent. While some research reports that price may have minimal impact on repurchasing the branded product again in some market segments such as high-technology (Hamann, et al., 2007), there is strong evidence in the literature for the reverse effect. The latter assumes that when consumers are satisfied with the price given in the part of a merchant compared to the service gained, they will hold strong intentions to rebuy the same brand in the future.

A considerable number of studies, at least at product level, argues for the direct impact of price evaluations on consumers' willingness to revisit the destination (Kashyap & Bojanic, 2000; Murphy, et al., 2000; Petrick, et al., 2001), to repatronise the retailer (Wakefield & Barnes, 1996; Oh, 1999; Grace & O'Cass, 2005, Lin, et al., 2005), and to repurchase the product (Tsai, 2005; Pihlström & Brush, 2008; He & Song; 2009). Of this bulk of studies, only one study (Pihlström & Brush, 2008) was

pertaining to investigate the segregated impacts of monetary (i.e. economic) value in line with other types of value in a single framework. However, the present study's model extends the view at brand level and thus:

***H8: There is a positive relationship between economic value and repurchase intent.***

From a social perspective, objects with social appreciation are expected to provide consumers with differential enhanced self-identity and gratification at their social setting (Sheth, et al., 1991b). Tsai (2005) finds that symbolic value is directly related to repurchase intention and elaborates: "*The exploration of consumer purchase behaviour is assumed to be mainly through the view of socio-cultural symbolism that focuses on symbolic meanings of products, in relation to self, social and cultural contexts in which individual consumers exist.*" (Tsai, 2005, p. 278). It is argued within brand meanings research that consumers increasingly value, and search to buy, brands which play a symbolic role in their socio-cultural contexts (Holt, 2002; Thompson, 2004). It is thus postulated that:

***H9: There is a positive relationship between social value and repurchase intent.***

Emotional value arises through fun, or enjoyable, product experiences (Holbrook & Hirschman, 1982). Branded products can make people feel good and relaxed, and give pleasure. Further empirical findings from Childers et al. (2001) and Sánchez-Franco and Roldán (2005) support the view that emotional value influences purchase intentions. It was found, too, that consumers show commitment to purchasing a brand if a high level of brand affect occurs (Chaudhuri & Holbrook, 2002). Furthermore, consumer behaviour researchers have analysed consumers' affective responses as antecedents of key post-purchase evaluative constructs (Duman & Mattila, 2005). It is thus expected that the higher the emotional value gained by customers, the more likely it is that they will repurchase the brand. Therefore, it is hypothesised that:

***H10: There is a positive relationship between emotional value and repurchase intent.***

The last dimension linked to repurchase intent is the epistemic value. Novelty-seeking is generally seen as a positive motivator for trying new products and services (Pihlström & Brush, 2008). Even though some views argue that epistemic value has substantial influence on brand search and switching behaviour (Sheth, et al., 1991b), it is not illogical, based on other parts of the literature, to predict that higher perceived epistemic value leads to greater intention to purchase the same brand again.

In contrast, Wakefield and Barnes (1996) report that variety-seekers are promotion-prone and thus their repatronage intentions would be minimal. Novelty is often provided as a reason for trying new services, but some previous research results indicate that novelty aspects may negatively influence overall perceived value and also, indirectly, behavioural intentions (Rubera, et al., 2011). The reasoning behind this finding is that goods and services may not be used after trial if novelty is the only reason for purchase (Sheth, et al., 1991a). Further, previous research claims that the product category might impact the underlying relationship between epistemic value and repurchase intent because novelty-seeking is found to be more relevant when people seek hedonic benefits rather than primarily utilitarian benefits (Duman & Mattila, 2005).

However, novelty is generally seen as positive, creating curiosity and interest in new products and services. This is evident in Doyle (1998), who assume that firms and brands provide consumers with knowledge-stimulus and novel features they will most likely gain their custom. The evidence also seen in the breath-taking Apple iPhone which pull the interest of millions of consumers each time they release a new version of the same product, amongst of whom has already tried older versions of the device. The strong relation between innovation (e.g. epistemic value) and research and development (Christopher, 1996) makes brands more aware about consumer needs and being more capable to attract consumer's attention and willingness to carry on relationship in terms of repeated purchases. Therefore, Hypothesis H11 is posited whereby:

***H11: There is a positive relationship between epistemic value and repurchase intent.***



### 3.5.2 Positive WOM: a consequence of brand value

The second outcome of perceived brand value and the last to be discussed is the positive Word-of-mouth (WOM). Indeed, the interest in the WOM concept and its influential aspects is not new. According to Katz and Lazarsfeld (1955), WOM is the most influential source of information as far as purchasing decisions are concerned. Herr, et al. (1991) contend that WOM, which based on great deal of received mountain value, is a far more effective than other media of communication such as newspapers, magazines and radio.

Despite its paramount importance, only a little academic literature exists to support the specific relationships between value and WOM (Silverman, 2001; Lam, et al., 2009). Therefore, the proposed model aims to expand current research findings of the antecedent effect of various value dimensions on consumers' behavioural, rather than intentional, positive WOM. In other words, the proposed method will reveal the dimension(s) of value that is more likely to generate WOM in a given context.

According to various findings from previous research (Patterson & Spreng, 1997; Parasuraman & Grewal, 2000; Tam, 2004), utilitarian and functional benefits of a product or a brand are assumed to be the key determinant of post-consumption behaviour such as intentions to spread positive WOM about the service or product used (Lin, et al., 2005; Cengiz & Yayla, 2007). General loyalty behaviour, including WOM, is found to be influenced by quality perceptions (Pihlström & Brush, 2008; Koller, et al., 2011). People are expected to recommend brands to others when they get prominent features of performance and consistent standards of long-term product efficiency as good as, or even better than, their initial expectations. Hence, the higher the perceived functional value of a brand, the more likely a satisfied consumer is to spread positive WOM. Therefore, it is hypothesised that:

***H12: There is a positive relationship between functional value and positive WOM communications.***

Similarly, value for money perceptions influence how people describe their experiences with products and brands. It is common in the market to realise that the different tiers of prices and relevant associations with brands are relatively more or

less expensive (Na, et al., 2007). What does matter, however, is the worth of the brand's market price according to the consumer's subjective criteria and accordingly her or his description of the perceived economic value of the brand. In contrast to product-level studies in the field which assume in general that 'the cheaper the more favourable and valuable' (Zeithaml, 1988; Oh, 1999), this study incorporates the broader meanings of 'value for money' into the present investigation. It is therefore hypothesised that

***H13: There is a positive relationship between economic value and positive WOM communications.***

When a brand continues to provide psychological values in a post-consumption setting including enduring effects of social and emotional benefits, consumers are more willing to describe their experience in a positive manner (Oh, 1999) whereby the reverse might be also true. Previous research provides evidence on people's tendency towards recommending brands of high social approval as well as those with affective and convenience advantages (Lin, et al., 2005; Carpenter, 2008). Bergvall (2006) argues also that currently highly networked societies have motivated people to express their reactions to the brands they experience in both real and virtual lives e.g. social networks on the Internet.

It is argued within brand meanings research that consumers increasingly value, and search to buy, brands that play a symbolic role in their social lives (Holt, 2004; Thompson, 2004). As per Gallarza, et al. (2006), consumer benefits of social aspects, play and aesthetics exert both direct and indirect impact upon consumers' WOM behaviour. Sheth, et al. (1991b) show that products that are socially desirable are usually objects sought after by consumers. Johnson, et al. (2006) assert that customer retention strategies should involve social bonds between firms and consumers. Thus,

***H14: There is a positive relationship between social value and positive WOM communications.***

Likewise, Butz and Goodstein (1996) put emphasis on building an actual affective relationship with customers for strengthening the customer bonding which would play a vital role in favourable WOM. Johnson, et al. (2006) report in a longitudinal study, an affective bond between consumer and brands leads, over time, to better intentions for speaking positively about the brands. Duman and Mattila (2005) also report that consumers' affective responses are directly related to value perceptions and customer's support of the brand. Emotional value has a crucial role in understanding and predicting behavioural loyalty, which includes spread of positive WOM (Chiu, et al., 2005), WOM communications (Pihlström & Brush, 2008) and recommendation to travel (Lee, et al., 2007), which all reflect on a consumer speaks loudly about his or her brand experience.

Moreover, emotional aspects are major benefits that motivate purchasers to stay loyal to brands. Bagozzi's (1992) model suggests that consumer behaviour (e.g. intentions to buy) is derived from emotional reactions to initial service evaluation which reflects the appraisal → emotional response → coping framework (Gotlieb, et al., 1994). Chaudhuri and Holbrook (2002) provide evidence that consumers become more willing to commit if a high level of brand affect occurs because consumers will build personal connections with the brand. Therefore, hypotheses H15 is proposed:

***H15: There is a positive relationship between emotional value and positive WOM communications.***

With regard to epistemic value's antecedent effect on positive WOM, previous research findings into the relationship have been inconsistent and contradictory. While Sheth, et al. (1991b) conceptualise that the epistemic component of value can predict consumer behaviour intentions such as WOM, Pihlström and Brush (2008) argue for the indirect effect. For them, epistemic value can predict WOM indirectly through other value dimensions such as emotional value and social values (Pihlström & Brush, 2008).

In contrast, Doyle (1998) emphasises that organisations should provide consumers with knowledge-stimulus products and novel features to gain their custom whereby Pihlström and Brush (2008) argue that purchasing intentions can increase with

consumers who considered themselves as novelty seekers. Other researchers suggest that consumers can be loyal purchasers with brands that play differentiable roles in their lives by, for instance, supply them with a novel course of consumption experience (Heding, et al., 2009).

In the current research, it is assumed that epistemic value will have a direct impact on WOM recommendation, based on recent findings showing that intellectual experience is a basic dimension for brand usage (Brakus, et al., 2009), and thus people are more talkative about new features and latest technology they use. It is thus proposed that:

***H16: There is a positive relationship between epistemic value and positive WOM communications.***

In summary, 16 hypotheses are proposed in the conceptual model to describe how antecedents of brand value conceptualised by brand leadership (H1-H3) and corporate image (H4-H6) can separately and distinctly impact the respective constructs of brand value. These values are, in turn, hypothesised in the model as positively predicting repurchase intent (H7-11) and positive WOM (H12-H16).

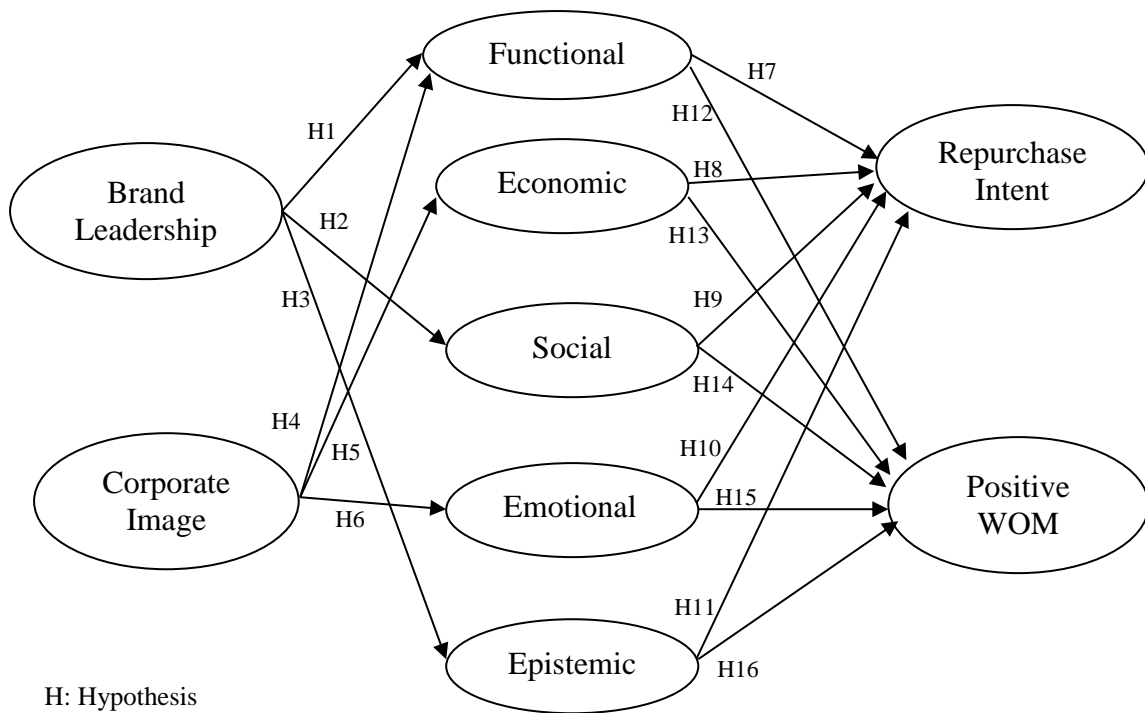
### **3.6 Chapter conclusion remarks**

This chapter laid out the theoretical building blocks used to develop the conceptual model and the hypothetical relationships between the model variables. Three major components of the model are proposed based on well-established frameworks to insure the theoretical robustness of the model. Firstly, the framework of consumption values theory (Sheth, et al., 1991a) is incorporated to conceptualise the focal construct in the model e.g. the brand value. Five exhaustive dimensions are drawn from the theory: functional value, economic value, social value, emotional value and epistemic value.

On the value antecedents side, theory of brand associations (Keller, 1993) depicts that brand-related considerations can contribute to positive perceptions about the value of brands, thus brand leadership and corporate image precede brand value in the proposed model. Finally, value dimensions are linked to consumer loyalty, which

is represented in the model by purchase intentions and positive WOM according to the focal theory (e.g. consumption values theory) as well as subsequent value-centric studies. Figure 3-2 portrays the proposed conceptual model and Table 3-2 provides as summary of the respective hypotheses.

**Figure 3-2: The conceptual model and hypotheses**



A definitional framework for the overall concept of brand value and for each value construct has been also offered in this chapter. This is followed by discussing the development of the conceptual links between brand value dimensions and antecedents and consequences. In particular, positive associations of brand leadership and corporate image are conceptualised as antecedents (Keller, 2006; Souiden, et al., 2006), whereby repurchase intent and positive WOM are outcomes (Gallarza & Gil Saura, 2006; Pihlström & Brush, 2008; Koller, et al., 2011). In total, 16 hypotheses (Table 3-2) are proposed to link the model's nine constructs. It is thus expected that the framework will potentially provide a holistic modelling of brand value constructs on their own and versus antecedents and consequences. The application of structural equation modelling techniques will help in testing the validity of the research model.

**Table 3-2: Summary of research hypotheses**

No	Hypothesis
H1	<i>Brand leadership has a positive impact on brand functional value.</i>
H2	<i>Brand leadership has a positive impact on brand social value.</i>
H3	<i>Brand leadership has a positive impact on brand epistemic value.</i>
H4	<i>The more positive the corporate image of a firm, the higher the functional value of the firm's brands.</i>
H5	<i>The more positive the corporate image of a firm, the higher the economic value of the firm's brands.</i>
H6	<i>The more positive the corporate image of a firm, the higher the emotional value of the firm's brands.</i>
H7	<i>There is a positive relationship between functional value and repurchase intent.</i>
H8	<i>There is a positive relationship between economic value and repurchase intent.</i>
H9	<i>There is a positive relationship between social value and repurchase intent.</i>
H10	<i>There is a positive relationship between emotional value and repurchase intent.</i>
H11	<i>There is a positive relationship between epistemic value and repurchase intent.</i>
H12	<i>There is a positive relationship between functional value and positive WOM communications.</i>
H13	<i>There is a positive relationship between economic value and positive WOM communications.</i>
H14	<i>There is a positive relationship between social value and positive WOM communications.</i>
H15	<i>There is a positive relationship between emotional value and positive WOM communications.</i>
H16	<i>There is a positive relationship between epistemic value and positive WOM communications.</i>

The present study thus presents a new perspective for conceptualising the brand value construct by implications of consumption values theory. Indeed, the theory itself was discussed and tested in a ‘choose brand A versus brand B’ context (Gallarza, et al., 2011) but, surprisingly, has not been directly adapted to previous attempts on brand value conceptualisations. Nevertheless, compared to the first four dimensions (functional, economic, social and emotional), few studies have been able to draw on any structured research into the development of epistemic value construct. The present study aims then to develop a new measure of brand epistemic value, as will be demonstrated in Chapter Four.

---

## CHAPTER FOUR - RESEARCH METHODOLOGY

### 4.1 Introduction

The previous chapter details the theoretical foundations followed to develop the research conceptual model and hypotheses. It has been clarified that existing theoretical frameworks, together with well-established literature, have been implemented to conceptualise the model's elements. Brand value as the focal construct has been broken down to five constructs (functional, economic, social, emotional and epistemic) which are linked to two antecedents (brand leadership & corporate image) and two consequences (repurchase intent & positive WOM). The purpose of this chapter is to delineate and justify the research methodology issues, which are to be utilised to empirically validate the proposed brand value scale and the hypothetical model.

The chapter starts by outlining the positivist-deductive research philosophy which this thesis follows followed by the justification of the adoption of qualitative and quantitative methods in the current study. An exploration of the research context, Saudi Arabia, is then introduced with a brief description of university students as the targeted sample for this study. The next section of this two-phase study demonstrates the qualitative study and its preliminary findings. The chapter will then progress by describing stages of the research process used for primary data collection.

### 4.2 Research philosophy

The research philosophy reflects how a researcher considers or thinks about the effects of the approach taken in the development of knowledge; informally, it is the way we go about doing research (Saunders, et al., 2009). However, according to Collis and Hussey (2003), positivism (positivist) and phenomenology (interpretivist) are two broadly opposite philosophies that can be used when conducting business and management research. These are distinct views about the way in which knowledge is developed, and both have a significant role to play in relevant studies. A comparison between the implications of positivism and interpretivism is displayed in Table 4-1 below.



**Table 4-1: Contrasting implications of positivism and interpretivism**

Element	Positivism	Interpretivism
The observer	Must be independent	Is part of what is being observed
Human interests	Should be irrelevant	Are the main drivers of science
Research viewpoint	Must demonstrate causality	Aims to increase our general understanding of the situation
Research progress	Hypotheses and deductions	Gathering rich data to verify that new ideas are included
Concepts	Need to be defined so that they can be measured	Should incorporate stakeholder perspectives
Units of analysis	Should be reduced to the simplest terms	May reflect the complexity of whole situation
Generalisation	Through statistical probability	Through theoretical abstraction
Sample	Large numbers selected randomly	Small numbers of cases chosen for specific reasons

Source: Easterby-Smith, M., Thorpe, R. & Jackson, P. R., 2008. *Management Research*. 3rd ed. London: Sage.

#### 4.2.1 Choosing a research approach

In general, this research follows the research philosophy of positivism. The key idea of positivism is that the social world exists externally, and that its properties should be measured through objective methods rather than being inferred subjectively through sensation, reflection or intuition (Easterby-Smith, et al., 2008). The researcher assumes the role of an objective analyst, serenely building detached interpretations of the data, which have been collected in an apparently value-free manner; this framework also assumes that the researcher is independent of, and neither affected by nor influencing, the research (Easterby-Smith, et al., 2008). This is due to a simple fact that positivism considers that the researcher's objectivity will provide the clearest possible ideal of knowledge (Cohen, et al., 2000).

However, essentially because of the ability of people to exercise free will, the analysis of social sciences must be expressed not in deterministic laws as in the natural sciences and the theories established in relation to natural phenomena, but in broad, less definitive, and stochastic generalisations which admit the possibility of variations and exceptions. Table 4-2 presents the philosophical assumptions

underlying the positivism. Basically, this position may be the preferred way to investigate human and social behaviour.

**Table 4-2: Philosophical assumptions of positivism**

Research aspect	Assumption
Independence	The observer must be independent from what is being observed.
Value-freedom	The choice of what to study, and how to study it, can be determined by objective criteria rather than by human beliefs and interests.
Causality	The aim of the social sciences should be to identify causal explanations and fundamental laws that explain regularities in human social behaviour.
Hypothesis and deduction	Science proceeds through a process of hypothesising fundamental laws and then deducing what kinds of observations will demonstrate the truth or falsity of these hypotheses.
Operative	Concepts need to be operational in a way that enables facts to be measured quantitatively.
Reductionism	Problems as a whole are better understood if they are reduced to the simplest possible elements.
Generalisation	In order to generalise about regularities in human and social behaviour, it is necessary to select samples of sufficient size from which inferences may be drawn about the wider population.
Cross-sectional analysis	Such regularities can most readily be identified by comparing variations between samples.

Source: Easterby-Smith, M., Thorpe, R. & Jackson, P. R., 2008. *Management Research*. 3rd ed. London: Sage.

As stated above, social business and management is far too complex to be analysed and theorised in a definite, law-like manner. This criticism forms the foundation of phenomenology. Researchers following the teaching of phenomenology argue that if such complexity is reduced completely to a series of law-like generalisations, the rich insights into the complex world will be lost (Adam & Healy, 2000). As a result, generalisability is not of crucial importance under the influence of phenomenology. Instead, what really matters are the details that allow the researcher to properly understand the subject of research.

Nevertheless, it is argued that in order to follow the footprints of one approach, the nature of the research context should be borne in mind (Easterby-Smith, et al., 2008). With regard to the current study, positivism is one of two overriding traditions that have enlightened researching brand management: one of a positivist nature and one with an interpretive point of departure (Heding, et al., 2009). The guideline to pursue either approach is derived by the course of interaction between the brand and the consumer and whether the value of the brand is created based on the marketer's views or the consumer's perceptions. Based on this categorisation, brand studies are divided into a number of approaches (Table 4-3).

**Table 4-3: Brand management research approaches**

Brand approach	Research focus	Methodology
Economic approach	Company/sender	Positivist
Identity approach		
Consumer-based approach	Human/receiver	
Personality approach		
Relational approach	Cultural/context	Constructivist
Community approach		
Cultural approach		

Source: Adapted from Heding, T., Knudtzen, C. F. & Bjerre, M., 2009. *Brand Management : Research, Theory and Practice*. London: Routledge.

Considering that the aim of this doctoral research is to develop and examine a customer-based measurement scale that can be widely applied to measure the brand value construct and examine brand value antecedents and consequences in a conceptual model, this research follows the rule of positivism and demands identifying causal relationships between brand value's antecedents, dimensions and consequences. As can be seen from Table 4-3, it is evident that consumer-based paradigm is one influenced by positivist methodologies whereby the research focus normally links brands with relevant consumer associations and perceptions (Keller, 1993; Heding, et al., 2009).

However, in order to acquire a more thorough understanding of the research subject and reassurance of the tentative hypotheses before testing them and operationalising untested constructs, a preliminary investigation should be initially undertaken to collect some qualitative data via focus group discussions. Explored areas of interest resulting from the qualitative phase can provide insightful information and detail, and can offer direction for the quantitative investigation to proceed (Dey, 1993).

#### **4.2.2 Deductive vs. inductive methods**

The primary methods of scientific investigation are the hypothetic-deductive methods and the deductive and inductive methods. Hypothetic-deductive methods require starting with a theoretical framework, formulating hypotheses and logically deducing conclusions from the results of the study. Theories based on deductive and inductive reasoning help the researcher to understand, explain or predict phenomena (Sekaran, 2000). One important question is the extent to which the researcher is clear about the theory he or she will use at the beginning of the research effort. If the researcher uses the deductive approach, he or she develops a theory and hypotheses, and designs a research strategy to test these hypotheses. If the researcher uses the inductive approach, he or she starts by collecting data and develops a theory as a result of the ensuing analysis (Saunders, et al., 2009).

Furthermore, Table 4-4, adapted from Saunders, et al. (2009), helps to further explain the differences between these two approaches. For example, while an inductive approach focuses on the close understanding of the research context and the collection of qualitative data, a deductive approach emphasises the need to explain the causal relationships between factors through the examination of quantitative data.

According to Bryman and Bell (2007), deductive reasoning works from the more general to the more specific and therefore sometimes it is informally called a ‘top-down’ approach. In contrast, an inductive research approach is often referred to as a ‘bottom-up’ approach and it works the other way round, moving from specific observations (based on a set of empirical data) to broader generalisations.

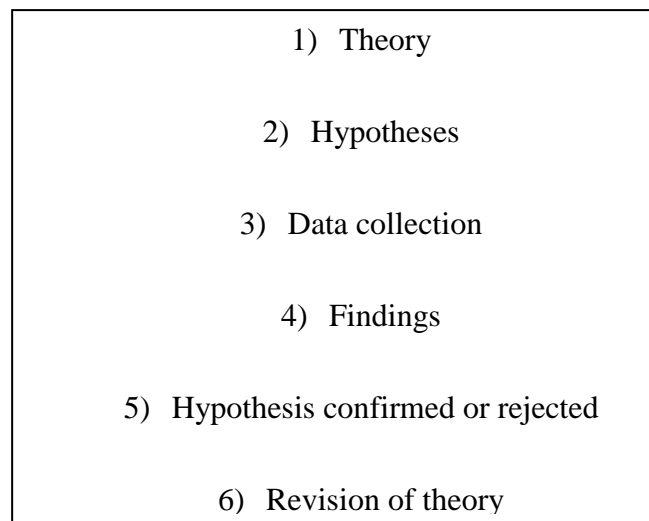
**Table 4-4: Deductive vs. Inductive approaches**

Deduction emphasis	Induction emphasis
Natural science principles	A close understanding of the research context
The need to explain causal relationships between variables	Gaining an understanding of the meanings that humans attach to events
Moving from theory to data	Moving from data to theory
The collection of quantitative data	The collection of qualitative data
Researcher independence in respect of what is being investigated	A realisation that the researcher is part of the research process
The application of controls to ensure the validity of data	Less concern with the need to generalise
Operational constructs to ensure clarity of definition	Theoretical concepts emerged from studying a phenomenon
A highly structured approach with a clearly predefined manner	A more flexible structure that permits changes in research emphasis as the research progresses
Samples of sufficient size in order to build generalised conclusions	Sampling methods are restrained by time and budget sources

Source: Saunders, M., Lewis, P. & Thornhill, A., 2009. *Research Methods for Business Students*. 5th ed. Rotolito Lombard. Italy: Mark Saunders, Philip Lewis and Adrian Thornhill Publication.

In the inductive process, researchers observe certain phenomena and arrive at conclusions; the researcher logically creates a general suggestion based on observed evidence or facts. From an inductive standpoint, theory is the result of research, and the processes of induction involve drawing general conclusions from specific observations (Bryman & Bell, 2007). It is helpful to connect these approaches to the aforementioned research philosophies: the deductive approach owes more to positivism while the inductive approach owes more to phenomenology or interpretivism.

According to Sekaran (2000), the deductive method is suitable if one starts with a theoretical framework, formulating hypotheses and logically deducing conclusions from the results of the study. A research project should be designed to test a hypothesis. Following the philosophy of positivism, this research process is conducted using a deductive research approach. The current study is assumed to be a typical implementation of the deductive approach as it builds hypotheses based on established theories (e.g. theory of consumption values) and pursues other steps of the deductive scheme presented in Figure 4-1 below.

**Figure 4-1: Process of deduction approach**

Source: Bryman, A. and Bell, E., 2007. *Business Research Methods*. 2nd ed. New York: Oxford University Press.

### 4.3 Research context – Saudi Arabia

Saudi Arabia, with a population of 27 million inhabitants, is one of the fastest-growing markets in the world today. According to the United Nations Conference on Trade and Development (UNCTAD) 2010 report on the world's top most attractive countries for Foreign Direct Investment, Saudi Arabia was ranked number eight (Saudi Gazette, 2010). Its high levels of per capita GDP, purchasing power parity (PPP), and cash inflows of \$36 billion (CDSI, 2010) make Saudi Arabia a 'lucrative market' for international businesses (Erdem & Tuncalp, 1998). The country with numerous number of 'mega shopping mall' spread in the biggest metropolitan cities of the county e.g. Riyadh, Jeddah and Dammam has gradually become a favourable target for global brands in the recent years.

In the following subsections, the significance of Saudi Arabia as a powerful and influential consumer market is discussed. The first part presents a general review of the country's geographic and political profile; the second part explores the strength of Saudi Arabia's economy; third part describes the population of the country as one of the youngest in the world, while the final part focuses on higher education and university students in Saudi Arabia.

### 4.3.1 Country review

Saudi Arabia is situated in the south-western part of Asia. The country occupies 2.2 million square kilometres, almost four-fifths of the Arabian Peninsula and is approximately nine times the size of the UK. It is bordered to the west by the Red Sea; to the east by the Arabian Gulf; to the north by Jordan, Iraq and Kuwait; and to the south by Yemen and Oman. Figure 4-2 portrays the map of Saudi Arabia.

**Figure 4-2: Map of Saudi Arabia**



Source: Ministry of Economy and Planning, Saudi Arabia ([www.mep.gov.sa](http://www.mep.gov.sa))

► The study location

The eastern part of Saudi Arabia is a plateau that begins with the Great Nafud Desert in the north, continues along the Arabian Gulf, and culminates in the world's largest sand desert, Al-Rub Al-Kahali (Empty Quarter), in the south. To the west of this plateau is the Central Province, which is the heartland of the peninsula. This area is known for its spectacular escarpments, gravel and desert. It is also the location of

Riyadh, the country's capital. The western region along the Red Sea contains the holy cities of Mecca and Medina. Jeddah, the largest port city in Saudi Arabia and the second largest city after the capital city, is located on the coast of the Red Sea. Due to its high level of urbanisation, diversity, and tolerance compared to other Saudi regions, Jeddah has been announced as a potential Knowledge City (KC) (Saudi Gazette, 2010).

The central institution of Saudi Arabian government is the monarchy. The first language is Arabic and the religion is Islam. Saudi traditions are rooted in Islamic teachings and tribal customs, which Saudis learn about at an early age from their families and in schools. For instance, segregation between male and female adults is obligatory. Unless there is a legal relationship (e.g. marriage), males and females are not allowed to sit together, at least in public. Arab traditions also play an important role in Saudi life. These age-old traditions have evolved over the millennia and are highly regarded. They include generosity and hospitality, which Saudi families offer to strangers, friends and family (Sobh & Belk, 2011). Saudi society has experienced tremendous development over the past several decades thanks to the booming exploration of oil in the mid of 20<sup>th</sup> century (Tuncalp & Al-Ibrahim, 1991), which has led on the incoming international investments as well as immense number of expertise who came to work in the country.

In contrast with previous centuries, when incidents occurring in the Arab peninsula were of little note outside the Islamic world, Saudi Arabia is currently in a position of vital importance. It plays a dominant role in the Organization of the Petroleum Exporting Countries (OPEC) and, given the tremendous volume of petrol reserves, "*the kingdom has a unique and critical role in setting world oil prices*" (Morse & Richard, 2002). In addition, it has garnered international importance due to its control of the Islamic holy cities of Mecca and Medina, the pilgrim's destinations for more than 1.6 billion Muslims who need to make it at least once in their lives. Owing to the unique role of Saudi Arabia in the Arab and Islamic worlds, its possession of the world's largest reserves of crude oil, and its strategic location, Bowen (2008) states that the Kingdom of Saudi Arabia is perhaps more significant and relevant to the world than it has been at any time in its history.



### 4.3.2 The economy of Saudi Arabia

As far as trading and commerce are concerned, both marketers' and customers' decisions are influenced by the economic environment (Dibb, et al., 2001). It is vital for a marketing strategist to understand the diversity of economic factors that go towards shaping marketing plans (Lancaster & Massingham, 2001). These factors include gross domestic product (GDP), exchange rates, industrial output, rates of inflation, interest rates, levels of disposable income and the balance of payments rate. These and other factors can influence costs, prices and demand for products, and hence should be of great concern to marketing managers.

Saudi Arabia is one of six countries that form the Gulf Cooperation Council (GCC) with Bahrain, Kuwait, Oman, Qatar, the United Arab Emirates, which are very rich in natural resources, such as oil and gas (Achoui, 2009). The Arabian Shield is recognised to hold a large number of other mineral deposits, for instance zinc, gold, iron, copper, chromium, titanium, tungsten and lithium. These mineral deposits yield many mineral and construction materials. The country's diverse geography (the biggest in GCC) is matched by the multiplicity of its mineral resources. Crude oil is the dominant mineral resource, with reserves estimated at 250 billion barrels, and makes Saudi Arabia the world's premier exporter of the 'black gold' (Erdem & Tuncalp, 1998).

Following the extraordinary price rises in the 1970s and thereafter, Saudi Arabia began to accumulate huge amounts of petro-dollars from exporting crude oil (Erdem & Tuncalp, 1998). This startling increase in income translated to an increase in wealth, which allowed the Saudi government to implement an ambitious programme of development in 1969. The development period has spanned approximately 40 years (1970-2009), during which eight planned developments have been implemented (Ministry of Economic and Planning, 2006).

Through these five-year development plans, the Saudi government has sought to employ its petroleum-derived income to change its relatively undeveloped, oil-based economy into that of a modern industrial and varied economy. The eight development plans signify the government's investments in development of the infrastructure, human resources and social and health services, along with

investments in other economic development projects. Based upon the developments described above, including advanced roads, air transport, medical and educational provision and cities, Saudi Arabia may no longer be recognised as a developing country (Hickson & Pugh, 2001, p. 235).

### **4.3.3 Population and purchasing power parity**

According to recent data released by the Saudi Arabian Monetary Agency (SAMA) in 2011, the latest estimates by the Central Department of Statistics and Information (CDSI) for mid-2010 put the Kingdom's population at 27.1 million (SAMA, 2011). The Saudi population constituted 68.9 per cent of this number (18.7 million), while non-Saudis constituted 31.1 per cent (8.4 million). The large number of foreigners (mainly low-cost labour) is required due to the unprecedented pace of economic development in the country since the 1970s (Tuncalp, 1988). From a marketing perspective, having many foreign residents and a wealthy upper class makes the market a potential target for global and luxury brands owing to the variety provided in multicultural societies which needed to be satisfied by extensive course of market options (Kotler & Armstrong, 2001).

The same report (SAMA, 2011) demonstrates that the Saudi population is among the fastest-growing societies of the world (Table 4-5). Over two decades, estimates indicate that the Kingdom's population has grown dramatically, rising from 15.2 million in 1990 to 27.1 million in 2010. The native population breakdown by age group as of mid-2007 is presented in Table 4-6. It indicates that that children aged 0 to 14 years old (just before high school age starts) amounted to 6.6 million persons (37.3 per cent of the total Saudi population). The youth segment aged 15 to 39 years amounted to 7.6 million (43.2 per cent). Finally, the number aged 40 years or older stood at 3.4 million (19.5 per cent). These data show that the population in Saudi Arabia is one of the youngest worldwide and most of them are in school-age and university-age groups (SAMA, 2008).

### **4.3.4 University students in Saudi Arabia**

According to the latest report released by the Ministry of Higher Education, there were approximately 986,327 Saudi students enrolled in higher education institutions in 2011 (Ministry of Higher Education, 2012). These form a part of the Saudi

youngsters whereby more than 60% of the population is younger than 30 years of age (Al-maghrabi & Dennis, 2012).

During the past decade, Saudi universities have increased from eight public universities to 21 universities. Most of these new universities were pre-established colleges that were converted into universities. This has resulted from the growing attention, along with a massive budget, given to higher education and research during King Abdullah's reign since 2005. Moreover, a large number of vocational institutes, and a growing number of private colleges, have been established recently to meet the heightened demand of higher education by Saudi young people.

Saudi students in state universities receive free education with an allowance of SR1000 (\$266). However, a typical university student remains dependent on his or her parents with few financial responsibilities till the age of graduation and usually till taking a well-paid job. Recent research conducted with university students in Saudi Arabia shows that Saudi 'digital age' young adults are in line with their universal counterparts with respect to central global issues like the accelerated adaptation of internet banking (Muhammad & Rana, 2012), online shopping (Al-maghrabi & Dennis, 2012) and mobile services (Alharbi, 2012). Saudi young people are also 'fashion-oriented' and 'brand-conscious' who are aware and already adapters of global brands in different sectors of markets (Wilson & AlMakrami, 2010).

**Table 4-5: Comparative demographic indices in Saudi Arabia**

Index	Year (Period)	Saudi Arabia*	Arab Countries	Developing countries	The world
Total Population (Millions)	1990	15.2	226.4	4,352.9	5,290.4
	2010	27.1	348.2	5,843.4	6,908.7
	2020	36.5	477.9	7,169.0	8,308.9
Annual growth rate of population	1990-1995	2.3	2.4	1.7	1.6
	2010-2015	1.9	1.9	1.1	1.1
Urban population (Ratio to total population)	1990	76.6	49.2	36.3	42.6
	2010	82.1	55.3	47.0	50.5
Population below 15 years (Ratio to total population)	2005	34.5	35.2	30.9	28.3
	2015	30.7	32.1	28.0	26.0
Population of 65 years and over (Ratio to total population)	2005	2.8	3.9	5.5	7.3
	2015	3.3	4.4	6.4	8.3
Life expectancy (years)	2010	73.3	69.1	67.0	69.3
GDP Per capita (in US \$ based on purchasing power parity)	2005	13,517	6,716	5,282	9,543
	2007	15,424	8,202	5,357	9,972
	2010	16,245	4,774	4,952	9,120

Source: SAMA, 2011. *Saudi Arabian Monetary Agency Annual Report*, Riyadh, Saudi Arabia: Issue No, 47, Saudi Arabian Monetary Agency.

**Table 4-6: Saudi Arabia population by age and sex**

Age Category	Males	Females	Total
0-4	1188.2	1141.8	2329.9
5-9	1095.8	1081.3	2177.1
10-14	1042.1	1048.0	2090.1
Subtotal (0-14)	3326.1	3271.1	6597.1
15-19	971.1	989.9	1961.0
20-24	869.5	888.5	1758.0
25-29	760.8	775.4	1536.2
30-34	651.3	657.4	1308.7
35-39	543.3	540.2	1083.5
Subtotal (15-39)	3796.0	3851.4	7647.4
40-44	448.7	437.2	885.9
45-49	360.2	342.4	702.6
50-54	278.8	263.8	542.6
55-59	205.9	195.7	401.6
60-64	153.9	150.3	304.2
65-69	110.5	112.6	223.1
70-74	78.6	80.2	158.8
75-79	52.3	52.2	104.5
80 & over	65.6	57.9	123.5
Subtotal (40 & over)	1754.5	1692.3	3446.8
Total	8876.7	8814.7	17691.4
Growth	2.5	2.4	2.4
Ration to total	36.6	36.4	73.0

As per mid-2007 (in thousands). Source: SAMA, 2011. *Saudi Arabian Monetary Agency Annual Report*, Riyadh, Saudi Arabia: Issue No, 47, Saudi Arabian Monetary Agency.

#### 4.4 Phase I: Qualitative research

The major purpose of conducting this qualitative research is four-fold. Firstly, it aims to validate and enhance the existing items proposed in the literature to measure brand value constructs. These include functional value, economic value, social value and emotional value (Sheth, et al., 1991a). There is little prior knowledge on which to build. This is because, first of all, there is a paucity of theory-driven works dedicated to the investigation of consumer value at brand level (Sweeney & Soutar, 2001). Since that consumer expectations at brand-level are different from those at product-level (Kotler & Keller, 2009), obtaining relevant quotations for value constructs is an expected outcome from such a participatory method (Collis & Hussey, 2003). By interviewing actual users of the study stimulus, the applicability of existing items can be checked and –if necessary- amended to the brand level. For instance, emotional value at product level might be related to usage convenience (Pihlström & Brush, 2008) while at brand level to affective bonds between the customer and the brand (Chaudhuri & Holbrook, 2002).

The second objective is to operationalise the epistemic value construct. Compared to abovementioned values, the concept of epistemic value has not been well discussed in the brand value literature (Sweeney & Soutar, 2001). Epistemic value is related to measures such as a brand's capacity to inspire novelty, to stimulate curiosity and to enrich self-knowledge (Sheth, et al., 1991b). Exploring actual consumers' perspective and understanding of newly established marketing construct is a substantial step towards the development process of the construct (Churchill, 1979).

Thirdly, given that the model constructs were developed in Western contexts based on Western consumers' perceptions, further verification in culturally distinct markets such as Saudi Arabia is strongly recommended in consumption research (Usunier & Lee, 2005). Although some of the measurement scales were later validated in Eastern contexts such as South Korea (Yoo & Donthu, 2002) and China (Zhou, et al., 2010), they have not been examined in the context of brand value involving Arabs or Saudi consumers. For example, Park and Rabolt (2009) found a significant difference between Korean and American female students with respect to clothing consumption values and perceived brand image. Exploratory research is thus proven relevant to

this study at this stage in order to clarify the measurements Saudi people use to evaluate the value of brands.

Fourthly, the qualitative research aims to identify suitable brands with high levels of consumer awareness and availability in the targeted market. To achieve this objective, the guidelines suggested by Zhou, et al. (2010) for choosing appropriate brands were followed. Hence, chosen brands should: 1) be relevant to the target student population, 2) have a varying degree of familiarity and prestige, and 3) be available in the Saudi market at the time the research was conducted. Furthermore, beside selection of candidate brands, Keller (1993) states that brand-specific attributes should be considered when researchers attempt to explore consumer value orientations. This phase of the study aims also to contextualise value statements to fit the tested product category (e.g. laptops) as recommended by Aaker (1996) and Park and Rabolt (2009).

#### **4.4.1 The choice of focus group methods**

The focus group is considered an appropriate method to serve the objectives of this part of the research because: 1) focus groups fit such exploratory purposes prior to the drafting of the survey instrument itself as they are superior to other methods for the study of group understandings (Bloor, et al., 2001); 2) using focus groups for preliminary exploration of certain topic areas is most useful in those fields where survey planning is most difficult because relatively little is known (Vaughn, et al., 1996); 3) focus groups can be used to access the everyday language of research subjects and potential consumer segment (Fern, 2001); 4) focus group interviews function better in collectivist cultures (Mueller, 1996); and 5) it is a common practice that marketing researchers often use to develop consumption value scales (Park & Rabolt, 2009). In the marketing literature, it is described as follows:

*“Participants may be more willing to discuss certain issues in such a group setting than they would be in a one-to-one interview. While focus group interviews do not provide statistically significant data due to the small sample size, they help provide insights into underlying consumer motives and attitudes.”* (Douglas & Craig, 1983, p. 47).

Respondents are more willing to discuss the topic as a group if they share a similar background or know each other. As will be shown later, branded products, especially high-tech durables, are high-involvement consumer products, which means that people usually spend more time searching for information, talking with others, and making the purchase decision. Bearden and Etzel (1982) suggest focus group interviews, in such cases, simulate the reality of looking for in-depth reasoning of motivations and preference criteria. All the noted advantages of focus groups technique fit in well with predefined objectives of the preliminary study.

### ***Number and size of focus groups***

There is no clear-cut rule regarding sufficient number of focus groups for a piece of research (Bloor, et al., 2001). It is suggested that the number of groups may range anywhere from one to thirty or even more, depending on the purpose of research (Fern, 2001). Nevertheless, it is argued that most focus groups research requires somewhere between four and six groups (Fern, 2001). For the present study, four focus groups could be considered acceptable to fulfil such an initial phase of research giving the fact that focus groups are only used for the completion of the preliminary study but not the principal study, as well as the tight budget for doctoral theses. Moreover, the size of each focus group can range from three participants to fourteen (Pugsley, 1996). However, it is claimed that between six and eight participants is the ideal size for focus group discussion (Bloor, et al., 2001). Accordingly, this research plans to keep the size of the groups to between six to eight participants.

In this particular research context, recruiting respondents in developing countries proved a challenge for previous researchers (Al-Ghamdi, et al., 2007), in addition to the various tasks which must be achieved in a certain period of time. All these are the restrictions which come from using a larger size of focus group. Balancing all the above, relatively small size is considered more appropriate for this research, since it helps the researcher achieves considerable control of the discussion. In addition, smaller groups increase participants' opportunity to fully express ideas without interruption (Krueger, 1994; Morgan & Scannell, 1998). Therefore, four focus groups with six participants in each group, forming a 4 x 6 structure, are considered relatively manageable at this stage of research.



### ***Choice of the studied product category***

As this research aims to develop an exhaustive scale to measure the brand value construct, it is proven crucial to ensure that the studied brands are accessible and acceptable to the target population (i.e. university students), and have a high degree of consumer awareness (Buil, et al., 2009). Yoo, et al. (2000) state that to gain reliable and generalisable response, researchers should choose product categories that hold a sufficient level of knowledge and experience amongst the target market and type of consumers. While this facilitates the data collection task, the findings of brand research assumed generalisable to other brand categories, subject to acknowledged core differences between market segments. More importantly in consumer brand research is to select research stimuli that possess representative advantages for the individual consumer e.g. affective, utilitarian, societal, etc. (Aaker, et al., 2001; Tsai, 2005).

A supporting strategy to choose amongst number of options is the conduct of short-term study to identify popular brand categories in a target market prior to proceeding with the major study (Yoo, et al., 2000; Koçak, et al., 2007). In line with these studies, a random sample of 100 participants in a colloquium run by the Saudi ministry of Higher Education, held in Coventry, UK in July 2011 were asked to fill in a short questionnaire and list the top three (any) brands came across their minds. Out of 70 questionnaires returned, participants showed a high level of interest in global luxury brands (fashion and sport) and high-technology brands (electronics and mobile phones), with approximate joint percentage exceeding sixty-five in total. Other responses are interested in car brands, fast food chains and café restaurants.

This introductory study leads the choice in the current study to two major product categories, fashion and high-tech brands. However, the fashion option was considered unsuitable to fit with the predefined research objectives concerning the development of a generalisable scale and a holistic model of brand value perceptions. First, fashion and clothes in general are classified in the consumption values literature as expressive consumer products with strong bias to symbolic and psychological benefits (Aaker, et al., 2001; Tsai, 2005). Also, clothing consumption is vastly culture-specific (McCracken, 1988; O'Reilly, 2005), and thus generalisation of relevant research findings could be certainly criticised.

Further, the notion of value-behaviour linkage entails researchers to bear consumption length criterion in choosing product type. The use of products with a relatively longer life cycle is preferred in value-loyalty studies (Johnson, et al., 2006; Koller, et al., 2011). Given that the aim of this study is to examine the impact of perceived brand value on consumer loyalty, the choice of product category with multilevel value dimensions and relatively longer usage time is proved necessary to implement the conceptual model. Therefore, high-technology (in short high-tech) brands are proved to better fit the abovementioned conditions and thus was selected to gather information on perceived brand value.

Even though high-tech products have been claimed in some literature as utilitarian (Tsai, 2005), another set of literature emphasises the heightened level of consumers' emotional and social engagement with high-tech brands (Muniz & Schau, 2005; Thompson, et al., 2006; Hamann, et al., 2007). In addition to the inherent component of functional value, this type of consumer products is highly associated with knowledge and innovativeness e.g. epistemic value (Sheth, et al., 1991b). With regard to cultural and contextual concerns, high-tech durables are "*used worldwide in similar, if not identical, ways*" (Alden, et al., 1999, p. 79), which indicates wider opportunities for research model and findings' generalisation across international markets.

In short, brands in the high-tech market segment seem to have more dimensions of consumer value and universality than apparel products. In particular, laptop brands are taken as a reference for the validation and testing for the brand value measurement development and conceptual model validation and are used a research stimulus in subsequent qualitative and quantitative investigations. This market is selected as it merits necessary features such as availability and affordability that enable the current study to research brand utilities without overcomplicating the data collection (Vazquez, et al., 2002).

***Rationale for the use of student samples***

As declared in the previous section, this research targets college-level students in Saudi Arabia. Despite its limitations of representativeness and generalisability (Bryman & Bell, 2007), surveying university students and their perceptions of laptop brands is considerably relevant in the current study. It is clarified by consumer brand researchers that a high level of brand awareness is required in conducting brand-related study (Sung & Tinkham, 2005; Buil, et al., 2009). Indeed, Gulek and Demirtas (2005) provide evidence of the potent relationship between students and laptops owing to laptops' built in features that help students presenting their written and aural assignments (e.g. Microsoft Office, PowerPoint, etc.) as well as other software packages used in university students' coursework.

Another contextual justification for student sampling is linked to the notion of global brands. Brands today are exemplifying a global tendency towards Global Consumer Culture (Alden, et al., 1999; Akaka & Alden, 2010) whereby worldwide young consumers are assumed similar in respect to their response and buying into the brand concept (Cayla & Arnould, 2008). Some authors also debate that using homogeneous samples such as students is preferable in theory testing research (Yoo, et al., 2000). Moreover, King and He (2006) confirm that students are more relevant in technology-related studies.

To further rationalise the selection of student samples, Table 4-7 summarises citations from marketing scholarship about the value of approaching young consumers— including the student group— in brand research. In short, student samples are regarded as more brand-conscious, homogeneous with relevant needs and expectations, and their perceptions do not significantly differ from their counterparts in supposedly heterogeneous cultures.

**Table 4-7: Selection of students as the study sample**

Citation	Source
<i>The global youth segment is alleged to be relatively culturally homogeneous.</i>	Douglas and Craig (1997, p. 381)
<i>A maximally homogeneous sample (e.g., a student sample) has important advantages for theory validation research</i>	Yoo, et al. (2000, p. 202)
<i>Global youth segment usually holds global brands in high regard.</i>	Holt, et al. (2004, p. 70)
<i>University students ... will soon take well-paid jobs and become major consumers of many types of goods. Many university students also have significant disposable incomes and few financial responsibilities, which results in their ability to begin making discretionary purchases. University students lack experience as consumers, however, which may tend to result in greater reliance on peer influence and greater consumer susceptibility to interpersonal influence.</i>	Kropp, et al. (2005, p. 17)
<i>College students represent a market segment that is often targeted by the marketing strategies of some of the best-known global brands.</i>	Dimofte, et al. (2008, p. 117)
<i>Youth segment is responsive to conventional survey instruments.. is both financially attractive and already highly acculturated to global marketing and thus is familiar with the technical apparatus of market research..</i>	Cayla and Arnould (2008, p. 89)
<i>Global youth.. exhibits a high degree of homogeneity, because of their high exposure to global telecommunications and technologies which can be studied and compared with minimal extraneous biases across multiple cultural sites. In addition, this market segment is more likely to share common interests, identify with certain symbols, and establish similar relationships with brands than their older countrymen, who are not as exposed to or influenced by the global culture.</i>	Strizhakova, et al. (2008, p. 85)
<i>Young people were more open to new ideas and innovation and more similar to their peers worldwide in their wants and needs</i>	Foscht, et al. (2008, p. 134)
<i>The use of matched and homogeneous samples, such as students, facilitates the control of extraneous variables that could potentially confound the results.</i>	Buil, et al. (2009, p. 1308)
<i>Marketing arena recognizing the growing importance of young consumers in the global market.. the proliferation of the Internet has accelerated the pace towards homogeneity among the younger generation of the world.</i>	Park and Rabolt (2009, p. 723)
<i>Young people have been described as part of China's millions of "newly rich, fashion-savvy, and globally-minded" consuming generation. From a theoretical standpoint, the relatively homogeneous nature of the respondents enabled us to control for the influence of other individual differences that are beyond our investigation.</i>	Zhou, et al. (2010, p. 206)

#### 4.4.2 Sampling methods

For sampling, validity refers to a rigorous sampling procedure so that the collected data can be used to provide answers for defined research questions, whereas reliability pertains to the likelihood of yielding consistent outcomes if the entire sampling process could be repeated a number of times (McGivern, 2009). By considering the preliminary research objectives, generalisability is not a major concern at this stage and hence internal validity is considered to be empirically more important than external validity. Therefore, instead of conducting probability sampling, whereby subjects of the entire population have an equal statistical chance of being selected (Bryman & Bell, 2007), non-probability sampling methods were considered appropriate at this stage.

Qualitative sampling is normally undertaken when the principal purpose of the research is to explore salient tendency in opinions and thoughts, adapting a relatively small sample (Patton, 2002). Sampling techniques such as convenience, self-selection, snowball, purposive and quota sampling are prevailing examples of qualitative sampling. Table 4-8 shows the differences between these sampling techniques. As can be seen from the table, when the sample is intended to be representative, quota sampling is considered the most adequate method. On the other hand, where little variation exists in the targeted population, convenience sampling methods could be acceptable. As per Bryman and Bell (2007), convenience samples are the method mostly used in business and management research, due to the fact that they greatly decrease the demand for labour input in the research, and in addition, they save time.

For this exploratory phase, convenience random sampling is used because it enables researchers to overcome data access issues. Given the limited time and budget plus the geographical distance between the UK and Saudi Arabia, control over sample and contents was not possible (refer to Table 4-8). More importantly, in Saudi Arabia, males and females are not allowed to sit together in public and women tend not to speak to strangers. This issue proves a serious challenge for previous researchers in the Kingdom (Yavas, et al., 1994; Sohail, 2005; Abdul-Muhmin & Umar, 2007) and made convenience sampling most pragmatic.

Since this exploratory research is intended to conduct focus groups with university students of both genders, and given that using representative samples was not a major concern, convenience sampling is considered the most practical sampling method. Therefore, the researcher utilised his existing networks with academic professors to recruit participants.

**Table 4-8: Qualitative sampling techniques**

Sample Type	Likelihood of sample being representative	Types of research in which useful	Relative costs	Control over sample contents
Quota	Reasonable to high	Alternative to probability sampling	Moderately high to reasonable	Relatively high
Purposive	Low, depend on researcher's choices:	Working with very small samples	Reasonable	Reasonable
	Extreme case Heterogeneous Homogeneous Critical case Typical case	Focus: unusual or special Focus: key themes Focus: in-depth Focus: importance of case Focus: illustrative		
Snowball	Low	Where difficulties in identifies cases	Low	Quite low
Self-Selection	Low	Exploratory research	Low	Low
Convenience	Very low	Little variation in population	Low	Low

\* Source: Adapted from Patton, M., 2002. *Qualitative Research and Evaluation Methods*. Thousand Oaks, CA: Sage.

Initial telephone calls were made with professors working in the business school in a major state university in the Western region of Saudi Arabia to request access and provide time to conduct focus group discussions with students. Because of the segregated education systems in Saudi Arabia, the researcher needed to make two separate contact points, one with the male department and one with the female department. The researcher explained the nature of help required to conduct four focus group sessions with volunteering students of both gender. The male and female professors showed an enthusiastic interest in helping the researcher and offered their

support with regard to the logistic part of the study. This was later confirmed by formal letters with chairpersons of the business schools in both divisions.

#### **4.4.3 The conduct of focus groups**

The four focus group sessions were conducted in December 2011. For male groups, the researcher pre-arranged with professors to speak to the students at the beginning of the class, briefing the research objectives, and asking for six volunteer participants for each session. Classes were selected randomly to avoid biased findings. At the end of the class, those who agreed to take part in the study were guided to the Executive Conference Room at the business school and discussion was conducted on round tables on two different occasions. With regard to the female department, the same introductory role was enacted by the female professor and those students who agreed to take part in the sessions were noted. Two time-slots were suggested and the female participants were split into two groups. The women-only focus groups were conducted at the guest room in the private house of the female professor who kindly offered her own place to get the participants together. The female participants were given a lift to the meeting location by their relatives or private drivers, since women are not allowed to drive in Saudi Arabia.

The principles of Ethical Research and the Consent Form were delivered to the participants before the discussion started. To encourage participants in sharing their thoughts freely, the research's confidentiality, the voluntary nature of participation and respondents' anonymity were emphasised at the time each focus group started. The participants were informed that the discussion would be audio recorded for the purpose of ensuring the data collected were traceable (Boyatzis, 1998) and to avoid potential loss of information (Chisnall, 1997). Further, as the participants were all Saudis, the semi-structured list of questions was translated and the sessions were conducted in Arabic.

The discussion began with warm-up questions in which respondents talked in general about their laptop brands. They were also told that there were no right or wrong answers and they should consider only their personal perceptions. Following similar studies in the field such as Broyles, et al. (2009) and Sweeney and Soutar (2001), the focus groups were designed to determine:

- (1) Why did they choose the particular brand of their laptops? What do they value about the brand?
- (2) What leads individuals to perceiving brands as being of value to them?
- (3) What are specific functional attributes usually searched for in laptops?
- (4) How consumers evaluate the market prices for different brands?
- (4) What kind of social value might be gained by acquiring certain brands?
- (5) What emotional feelings can be felt by using a certain brand?
- (6) What are knowledge-related features they seek by purchasing a certain brand over another?
- (7) What are the anticipated consequences of acquiring certain brands?
- (8) How do they express their loyalty to favoured brands by examples of WOM communications, and finally
- (9) What factors influence users' intention to repurchase the same brand in the future?

Following this, a debriefing was accomplished after the researcher closed the focus group discussion. The participants were then asked to complete the personal information form. The researcher expressed his gratitude to all the participants for their contribution to the research and they were offered the researcher's personal contact details in case of any future concerns. Each focus group lasted between one and one-and-a-half hours. This timeslot excludes the completion of the pre-group Consent Form and the post-group personal information and debriefing. In short, the four sessions helped in achieving the research objectives at this preliminary stage.

#### **4.4.4 Analysis of qualitative data**

Prior to undertaking the analysis of focus group discussions, full transcription of each conducted session was carried out, checked and revised twice against the original audio-records. A careful back-translation was made to generate a verbatim English version of the transcribed information and later saved as Word files. This allowed for computer-assisted qualitative data analysis software (CAQDAS) to be used (Richards & Richards, 1991; Morrison & Moir, 1998). Despite the criticism that using CAQDAS could lead to distance the researcher from the data and that it would create an unwanted homogeneity amongst social sciences research methods (Hinchliffe, et al., 1997; Barry, 1998), CAQDAS offers several advantages for researchers (Seidel,



1991). For example, it could serve to facilitate an accurate and transparent data analysis process whilst also providing a simple, quick and retrievable way of counting who said what and when (Morrison & Moir, 1998).

In most qualitative research, NUD.IST and ATLAS/TI are amongst commonly computerised software used in qualitative data analysis (Barry, 1998). However, the latest version of NUD.IST software, called NVivo (standing for NUD.IST Vivo), has overcome some of the older packages' limitations, such as limited text size input (Welsh, 2002). Importing documents directly from word processing programs, making coding stripes visible on screen, and linking pieces of information into different documents simultaneously are amongst novel capabilities by using NVivo software in documenting and analysing qualitative texts. NVivo's powerful codification function proved useful for categorising qualitative data into structural themes (in this case the proposed constructs in the conceptual model). As a result, these qualities have made NVivo particularly useful in making the data from four focus group sessions more manageable and such the software is used to analyse the qualitative part of the study.

According to Collis and Hussey (2003), qualitative data analysis can follow one of three approaches. Reducing the data refers to attempts to draw a 'final conclusion' through sequential systematic analysis, including sharpening, sorting, focusing, discarding, and recognising data. Detextualising the data pertains to converting data from textual format to illustrative diagrams in order to demonstrate the analysis in a schematic, visual way. Structuring the data refers to fitting the data into a 'pre-existing' theoretical framework. This third approach has a specific form called anticipatory data reduction, whereby the research starts with a structured research framework and unrelated data would be then ignored from the analysis focus.

The qualitative analysis at this stage followed the anticipatory data reduction approach (Collis & Hussey, 2003) because a conceptual model was already developed and the resultant text was expected to 'fill' the void in the constructs' contextual meanings. Hence, the qualitative data gathered during focus groups discussion was classified and indexed to the relevant constructs in the model. This approach is in line with Dey (1993), who suggests that the data categorisation

process should involve classifying data into meaningful labels (i.e. constructs) according to the study objectives. Identifying the elements and developing categories dictates that the researcher designs a proper matrix and places the data in predefined cells (Yin, 1994). For this preliminary research, such a matrix analysis was particularly useful in terms of clarifying examples that enhance the measurements of the constructs proposed in the conceptual model.

#### **4.5 Findings of qualitative research**

As stated earlier, the preliminary research outlines a pre-study that was undertaken to validate the measures of brand value constructs, to generate items for measuring brand epistemic value, to contextualise brand associations' meanings, and to clarify the brands to be examined in the principal study. In this section, the findings relating to the four focus groups are presented based on the order of the research objectives. A list of the students participated in the four focus group sessions can be seen in Table 4-9. A short synopsis of the key findings is discussed as follows.

##### **4.5.1 The measurement of functional, economic, social and emotional values**

In order to further enhance the measures of the functional, economic, social and emotional components of brand value, respondents were asked to give their opinions regarding the notion of these constructs and the measures that they would use to evaluate the constructs. According to the respondents, functional value is closely related to the concept of quality. The better the quality provided by a brand over time, the more the perceived functional value of the brand. It includes the product reliability and durability. For instance, one of the participants stated:

*“Some brands have committed their names to high standard of quality. They gained consumers’ trust by offering consistent quality over different ranges of products. For me, I find Toshiba laptops very reliable with little chance to perform unexpectedly.”* (Mr. Barakat, M1 session).

**Table 4-9: List of respondents in focus groups**

Session code	Name*	Gender	Age	Income group, SR**	Brand
F1	Maghfi	F	20	1000-5000	Apple
F1	Nada	F	18	1000-5000	Apple
F1	Maria	F	23	1000-5000	Dell
F1	Arwa	F	25	1000-5000	Toshiba
F1	Nadin	F	26	1000-5000	Apple
F1	Shahad	F	21	1000-5000	Apple
F2	Azhar	F	25	1000-5000	Sony
F2	Samera	F	19	1000-5000	Toshiba
F2	Rana	F	21	1000-5000	Apple
F2	Rema	F	28	>10000	Toshiba
F2	Shaikha	F	27	>10000	HP
F2	Sali	F	20	1000-5000	Sony
M1	Waleed	M	23	1000-5000	Toshiba
M1	Hussain	M	23	<1000	Dell
M1	Ayman	M	22	1000-5000	Apple
M1	Ammar	M	23	<1000	Dell
M1	Mazin	M	22	1000-5000	Toshiba
M1	Barakat	M	25	1000-5000	Sony
M2	Basim	M	21	1000-5000	Apple
M2	Hamad	M	21	<1000	Apple
M2	Saad	M	27	1000-5000	HP
M2	Fahad	M	19	1000-5000	HP
M2	Maher	M	20	<1000	Apple
M2	Fares	M	26	1000-5000	Toshiba

\*pseudo names used to safeguard respondents' confidentiality

\*\* US \$1 = 3.75 SR (fixed) or GB £1= 6.00 SR (approximate)

When the quality is high, consumers find high value in the product because it would last longer and hence some brands are renowned for their durability. Usage time was also frequently mentioned by respondents as a 'performance indicator' that they greatly value about a brand. One respondent using Toshiba exemplified:

*“With everything there is a performance indicator, I consider how many years a product can last as the performance indicator to judge the value of the product. The longer time the device lasts, the bigger its functional value.”*  
(Mr. Fares, M2 session).

Because most of the items used by Sweeney and Soutar (2001) for measuring the construct of Quality/Performance were in congruence with items suggested by the respondents for measuring functional value, their 6-item measurement scale was adapted for evaluating brand functional value. Nevertheless, the construct of quality/performance does not comprehend product-specific attributes perceived by respondents as very important to leverage functional value. Therefore, in order to provide a more comprehensive measure for functional value, three new items were adopted from the interview *verbatim* and added. These included the quality of battery, processor speed and after-sales technical support. For Ms. Sali:

*“With electronics, you expect durable components that causing less hassle while using the product. Reliable battery and high-speed processor are two features every buyer of laptop asks the salesperson about!”* (Ms. Sali, F2 session)

Analogous comments were raised by students in respect of the economic value of the brand. In general, the notion of ‘reasonable price’ was frequently addressed by users of different brands. There was not a defined level of expensive or cheap prices because each participant across all groups refers to her or his idiosyncratic criteria in determining the economic value received for money given. At one end, some were unsatisfied with overrated product prices and said that ‘overwhelming’ pricing strategies followed by lauded companies are held responsible in general and in high-tech market sector in particular. They think well-known brands (e.g. Apple) add extra price just for their brand names. One of the male participants elaborated:

*“Sometimes you don’t get the point of some brand’s prices. You could be suspicious of both very low and very high prices but usually branded products’ prices are overpriced for nonsense reasons, just because it is a well-known brand they charge more..”* (Mr. Waleed, M1 session).

However, at the other end, other participants provided justification for high-tier brands and argued that they charge for ‘what they are worth’ and the resulting economic value is high because you can use them for longer periods. The link between price and provided quality cropped up on many occasions during the

discussion, which reflects the mutual relationship between the two concepts (Monroe, 1973; Zeithaml, 1988). Another determinant that helps assess brands' price is by the comparison of other brands' prices as offered in the market. This results in the consumers' categorisation of brands based on their reputation e.g. Apple and Sony in one category of high prices, Dell, Toshiba and HP in the middle and Acer plus low-profile brands as cheaper ones. In spite of their reality in the market, these seem to dominate participants' perceptions about overall brand prices and respective economic value.

From these discussions, it was found that the measures provided by Sweeney and Soutar (2001) for Price construct can optimally serve the brand's economic value domain. Thus, their 4-item scale was adapted for the assessment of the economic value construct. However, in the laptop category where prices are seemingly above average, students in several parts of the discussion stated that "I chose this brand because it was affordable for my financial situation" in several points of price discussions. Since this item was not mentioned in Sweeney and Soutar (2001) scale, it was taken from another, similar study conducted by Tsai (2005) to measure Price Acceptability construct.

From the discussions, it was also found that the notion of social value is strongly related to the social status extended by acquiring a brand. When a brand is renowned for its prestigious position and association with people of a higher class, a distinctive benefit is perceived by its users. Because Arab societies have soaring scores on collectivism-individualism scale (Hofstede, 1991), the concept of 'saving face' is highly valued among Saudis to protect their social status which might be adversely affected by buying low class brands. For example, one of the participants commented:

*"Social value of our purchases is of utmost importance to our community. People can judge others based on what they buy or what they wear. I will never buy unbranded products because people would say she is buying cheap stuff."* (Ms. Rema, F2 session).

In short, the measures suggested by the respondents were very similar to the items used by Vazquez, et al. (2002) to measure the construct of Brandname Symbolic Utility, which is the cardinal rule of social value of a brand. Nevertheless, the notion of social value covers more than symbolic benefits; it also stresses connectedness either with same social groups (Sheth, et al., 1991b) or with other brand users (Heding, et al., 2009). Therefore, in addition to Vazquez, et al.'s (2002) measures of symbolic utility for measuring social value, a new item was added from the interviews based upon the capability of a brand to better interconnect with others, which reflects the social interaction benefit of a brand.

In their opinion, emotional value reflects convenience, pleasure and the happy feelings felt by using certain brands which work to make the overall experience enjoyable. For instance, Ms. Nadin commented:

*“I believe my Mac (Apple laptop) is very convenient . It makes me happy to work for longer, with almost no effort. After using the Mac, I feel very nervous when I touch other laptop models. I had even tried them in the past. I am so happy with my choice of Mac.”* (Ms. Nadin, F1 session).

Mr. Mazin also made a similar point and stated:

*“I have owned my Toshiba for more than five years now. I think of it as a close friend because of all the memories we have together. When I am abroad and not carrying my laptop with me, seeing the logo of Toshiba provokes my emotions. Whatever they say about other models or brands, I am very satisfied with mine”* (Mr. Mazin, M1 session).

Therefore, when one has positive (or negative) feelings about, or affective bonds with, a given brand, one will be considered to be gaining emotional value out of the brand. Moreover, emotional value is also linked to feelings of safety (Sheth, et al., 1991b), so it can be elevated with brands provide secured products (i.e. antivirus software). In short, the meaning of emotional value described by the participants corresponds precisely to the Affective Value construct presented by Tsai (2005). However, one more emotionally-driven item describing security issues were added to

broaden the domain of the emotional value construct. The complete measures of functional value, social value and emotional value are displayed later on in this chapter.

#### 4.5.2 The measurement of epistemic value

As stated earlier, one of the key purposes for conducting the participatory research is to develop new items to measure the value component entitled by Sheth, et al. (1991a; 1991b) as ‘epistemic value.’ Recall that this dimension is defined in the current study as “*the consumer’s perceptions of the brand capacity to arouse curiosity, provide novelty and satisfy a desire for knowledge.*” To avoid participants’ misperceptions of uncommon academic jargon, the definition and domain of epistemic value were given and the respondents were asked to comment. In response, many comments were made by respondents as examples to authenticate the domain of the construct. Table 4-10 presents examples of respondents’ opinions with regard to their perceptions of epistemic value component.

Respondents also recognise the significance of epistemic value as a key sought-after criterion in their searching and patronage decisions. They agreed that today’s consumers have become more sophisticated and want products that enrich self-knowledge and provide solutions to everyday issues. The respondents felt that without this component of value, at least in electronics and technological products, a sense of great loss of a product’s value would be a natural result, especially when other brands are seen to provide novelty and innovativeness at the same time.

Moreover, despite recognising that other value components (functional, economic, emotional and social) are important indicators which may contribute incrementally to consumption choices, the respondents acknowledge the differential ‘added value’ of the epistemic-related component with respect to other value components. For instance, one respondent commented:

*“Even when a brand is not very-well known but I find its products are innovative and providing brand new marketing concepts, I will buy it out of curiosity. You know, even if it is an unbranded product, as long as it offers newness I will have a go with it.”* (Mr. Hussain, M1 session).

Indeed, the parties find knowledge-related attributes to be a major value in choosing one brand over another. The overall added value of brands would be considerably higher if the epistemic value component is augmented. Respondents generally felt that this type of value is stimulating, dynamic and must-have within the electronics product category, especially once a new feature is released for first time. In short, the focus group discussions have helped identify the items used to operationalise the epistemic value construct in the current study. Rather than assuming the implicit impact of this component of brand value, it should be positioned in the conceptual model as a unique dimension of perceived brand value. In total, six new items are transformed from focus group discussions to measure the brand epistemic value (presented later in this chapter).

**Table 4-10: Focus group examples of perceived epistemic value**

Epistemic element	Examples
Desire for knowledge	<i>“I really appreciate this brand for its capability to enrich my personal understanding about new technology. By latest applications offered by automatic update feature, I never feel I am behind others in terms of new technology release” (Ms. Rana, F2 session).</i>
Self-creativity	<i>“The features provided by my laptop have stimulated my special style of thinking. I like now to design my own world and surprise my friends with new thoughts they never think of” (Ms. Maghfi, F1 session).</i>
Variety-seeking	<i>“This brand has variant models and always provides various choices. It is dynamic with new offerings everyday. For instance, its colours. You can find the colour you like which is not the case with other brands.” (Mr. Fahad, M2 session)</i>
Novelty	<i>“I pretty much like new features. I remember when Dell launched a laptop with upside down screen, it was the first of its kind and people loved it” (Mr. Ammar, M1 session)</i>
Curiosity stimulation	<i>“I remember before buying this laptop, I just heard from others about exciting stories and events happening out there. But now with a press of a button, I can get access to the hottest events simultaneously without waiting for a third party such as local news media or newspapers to tell me the whole story.” (Mr. Ayman, M1 session).</i>
Innovation	<i>“Even with technological products like laptops, there are certain brands that lead others in terms of ground-breaking features. It is thus being first to adapt the innovative products what makes you think you are so special” (Ms. Azhar, F2 session).</i>



### **4.5.3 The measurement of leadership, image, repurchase intent and PWOM**

In considering the third objective of this exploratory research i.e. to gather respondents' feedback relating to other variables in the model, respondents were asked to provide opinions relating to the items of constructs presented in the model. In general, respondents provided encouraging feedback regarding the items developed in Western literature and found them easy to understand and applicable to the Saudi market. Some recommendations regarding adding more items were provided. For example, with regards to brand leadership construct, two items were added to reflect the ultimate position of the brand in the market (is it overall the best?) and that leader brands should not be as average as others. When asked about the corporate image items, a general consensus was expressed among participants on the comprehensiveness of the provided measures.

Moving to the consequences part of the model, interesting comments were added by the participants. In particular, positive word-of-mouth (PWOM) received considerable attention during the four discussions. The respondents emphasised the great role played by this consumer habit in the Saudi market to attract them to purchase a particular brand, or discourage them from doing so. They believed that when one finds a high value in a brand, one is most likely to talk about it positively, with the reverse being true for negative value. Indeed, the majority of participants said that they got their laptops based on the advice of a family member or friend.

Nevertheless, new forums such as the internet and social networks were used by some respondents to receive some advice and recommendations from previous owners about their perceptions of brand merit. During discussions, it was clear that those who are loyal to a certain brand are more willing to defend it when it is criticised by other participants. They agreed that it is becoming a habit with Saudi consumers to defend and recommend brands if they deserve it. Therefore, two items were added to positive WOM scale, including posting positive comments on the internet and defending the brand when it is criticised by others. As was the case with corporate image, repurchase intent measures extracted from the literature were judged as fully covering Saudi consumers' perceptions of the construct.

#### **4.5.4 Identification of major brands in the market**

The fourth objective of conducting the exploratory research was to name well-known, available brands of the selected product category in order to include them in the survey questionnaire. The participants stated that the concentration of purchased laptops in their social and university circles related to only five brands which are Apple, Dell, HP, Sony and Toshiba. However, given that the recruited sample was conveniently gathered, thus considered non-representative, and that official market or consumer reports showing the actual sales figures were absent, it was decided to include all available brands of laptops at the time the research was conducted. Therefore, the websites of the biggest three retailers were consulted to gather information about available laptops. In short, 10 brands (Acer, Apple, Asus, Compaq, Dell, Fujitsu, HP, Samsung, Sony, and Toshiba) were included in the final survey. Additional cell of 'other' was added to the question in case of unexpected brand was used by participants.

#### **4.6 Phase II: Quantitative research**

As stated earlier, this research follows a positivist perspective, whereby concerns about causal relationships and generalisability of the research findings are considered through a deductive research approach. Therefore, after conducting preliminary research to help build on the literature review and enhance the survey instrument, the research process moved on to the main study where the key objective is to test the integrated brand value scale and examine the hypothesised relationships between the constructs. In order to achieve this, the research strategy employed is outlined as follows.

##### **4.6.1 The choice of survey methods**

According to Saunders, et al. (2009), the survey represents a commonly used method in business and management research when a deductive approach is used. It allows the researcher to collect a large amount of data from a sizeable population and to test proposed hypotheses using quantitative data. Fowler (2002) explains that the purpose of a survey is to produce statistics, which are quantitative or numerical descriptions about some aspects of the study population. The main method for collecting information is by asking respondents questions, and their answers constitute the data

to be analysed. Generally, information is collated from only a fraction of the population, using a sample, rather than from all members of the population (Fowler, 2002).

The key advantage of administering survey strategy is that it provides higher credibility for the research findings, and this implies a low possibility of getting invalid results (Cooper & Schindler, 2001). Credibility is reflected in the reliability and the validity of the research design. According to Robson (1993), by avoiding the pitfalls of subject error, subject bias, observer error and observer bias, a highly reliable research design will ensure that research yields the same results, no matter if it is undertaken on different occasions or by different researchers.

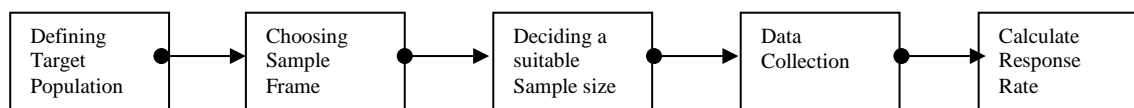
Validity is often divided into internal and external validity. Internal validity refers to the accuracy of the research findings and the ability of a research instrument to measure accurately and provide valid results. By contrast, external validity is often referred to as generalisability, which stresses the ability to generalise the research findings gathered from the sample to the wider population (Saunders, et al., 2009). Bearing in mind that the nature of this research is quantitative, the robustness of external validity should be relatively high. Using a survey strategy for this primary research should therefore provide a high level of generalisability of the research findings (Cooper & Schindler, 2001).

An important decision to be made when planning a research project is the choice of cross-sectional or longitudinal approach as in terms of data collection (McDaniel & Gates, 2004). Cross-sectional research examines data at a specific point in time, whereas longitudinal research examines data over time. Thus, in a typical cross-sectional study, the variables are measured for each case during one period, whilst in a longitudinal study, the variables are measured repeatedly over different periods (Menard, 2002). In comparison, cross-sectional research is faster and can study a large number of cases at a relatively lower cost. This approach is often employed for surveys (Robson, 1993), and is useful for identifying association but may prove less practical when considering cause and effect (Pedhazur & Schmelkin, 1991). Because doctoral research is constrained by both finance and time, a cross-sectional approach was considered to be most suitable and applicable for this research.

### 4.6.2 Survey sampling methods

The process of developing a sampling strategy has been widely discussed, as it usually involves several stages from identifying the target population, defining the sample frame, deciding the sample size, to choosing the most appropriate sampling technique (Bryman & Bell, 2007). For the purpose of this research, several steps were undertaken to help decide the most suitable sampling strategy (see Figure 4-3).

**Figure 4-3: Sampling process**



Source: Adapted from McDaniel, C. & Gates, R., 2004. *Marketing Research*. 6th ed. Hoboken, NJ: John Wiley and Sons Inc.

#### ***Target population***

Because the overall aim of the thesis is to investigate the dimensionality of brand value using laptop brands in Saudi Arabia, university students are selected as an ideal subject to comment on how consumers evaluate the value of brands. University students are approached because the youth segment represents a major market for high-tech products (Alden, et al., 1999), including laptops (Gulek & Demirtas, 2005). This is especially the case in Saudi Arabia, where an exceptionally young population and university students together represent a significant consumer segment.

In this research, ‘students’ refers to those who enrol at college-level studies in the city of Jeddah, Saudi Arabia. They may enrol at a college which awards a Diploma degree (2-3 years after high school), Bachelor’s (BSc, BA, etc.), Master’s degree (MSc, MBA, etc.) or PhD. Jeddah was chosen for two reasons. First of all, it is considered the most urban city in Saudi Arabia, where multiple global brands and cosmopolitan consumers co-exist. Secondly, in terms of representativeness, Jeddah is a multicultural city inhabited by a wide variety of citizens who have come, over time, from other parts of Saudi Arabia to study or work and finally to reside in the city.

The minimum age for a participant to take part is restricted by the Approval of the Ethical Research Committee to be at least 18 years. Indeed, this age is typical in Saudi Arabia to start college-level degree after spending six years in elementary school, three in intermediate school, and three years in high school, with Saudi pupils starting school at the age of six.

### *Sample frame*

A sample frame is a complete list of all the cases in the population from which a sample can be drawn (Cooper & Schindler, 2001). In an attempt to collect data from the student population in the city of Jeddah regarding their perceptions of laptop brands, a database of college-level schools was obtained from the Ministry of Higher Education's website. This directory provided a comprehensive list of all the registered schools in Jeddah and contained contact information of 13 institutions.

These institutions include multi-college universities and state-run and private schools and offered various accredited majors. As presented in Table 4-11, the majority of these institutions provide single-gender education. Because the research intends to explore Saudi students' perspectives regarding their perceptions of brand value, it was necessary to consider various types of students from both genders and from private and public sectors. Hence, all listed institutions were identified in the sample frame of this research with a total number of 31,300 students.

### *Sample size*

The choice of sample size is often governed by the confidence level, the tolerable margin of errors, the types of statistical analyses, and the size of the total population from which the sample is drawn (Saunders, et al., 2009). Bearing in mind that this research intends to statistically examine hypotheses and validate the measures of the brand value constructs, a suitable sample size that provides quantifiable results and generalisable findings is desired. Also, because this particular research concept lends itself to employing structural equation modelling (SEM), a reasonable sample size is necessary because SEM is very case sensitive (Byrne, 2010).

Another rule of thumb suggests that the conservative number of responses needed is the number of parameters multiplied by 10 (Hair, et al., 2010). Considering that this

research has nine key constructs with an average of six items (slightly less), the number of parameters is therefore around 54. Bearing this in mind, the researcher then sets up an ideal sample target of 540 responses which is consistent with Hair, et al. (2010) who indicate that a sample size of 500 or more is required for research models with more than seven constructs. Owing to the difficulty of making probability sampling (e.g. quota) by having all institutions to participate in the study in Saudi Arabia (Sohail, 2005), non-probability random sampling is used to collect data for the present.

**Table 4-11: List of college-level institutions**

University/College	Enrolled students*	Ownership	Gender
King Abdulaziz University	25,000	State	M/F
Institute of Public Administration	500	State	M
Jeddah College of Technology	400	Private	F
Effat College	900	Private	F
Dar Al-Hekma College	700	Private	F
College of Business Administration	250	Private	M/F
Prince Sultan Aviation Academy	200	Private	M
Prince Sultan College For Tourism and Business	300	Private	M
Jeddah Teacher's College	1,200	State	M
College of Telecom & Electronics	800	State	M
Arriyadah College of Medical Sciences	500	Private	F
Ibn Sina National College for Medical Studies	300	Private	M/F
Batterjee Medical College	250	Private	M/F
Total	31,300		

\* Estimated figures in Autumn term, 2011

M=Male, F=Female

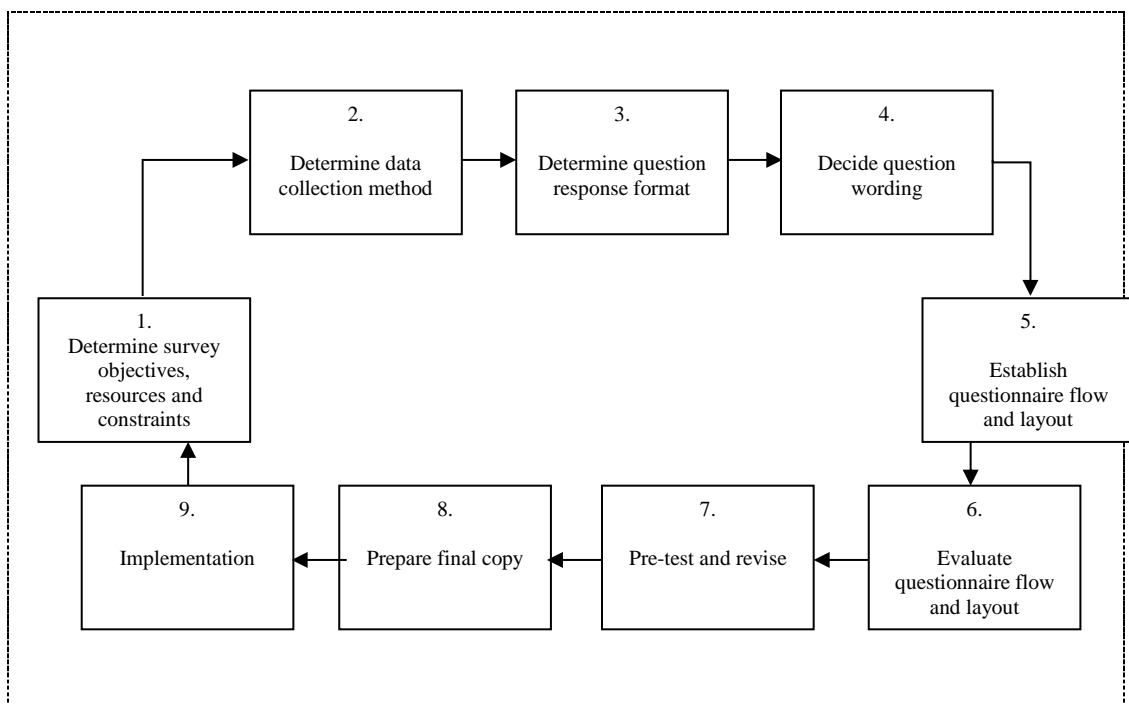
Source: Ministry of Higher Education, 2012. [Online]

Available at: <http://www.mohe.gov.sa/ar/Ministry/Deputy-Ministry-for-Planning-and-Information-affairs/HESC/Pages/default.aspx>

### 4.6.3 Data collection

Amongst all data collection techniques, the questionnaire has proved to be the most useful survey instrument, as it helps collect standardised data which allows easy comparison and statistical application (McGivern, 2009). According to Collis and Hussey (2003), despite the disadvantage associated with potential low response rates, a written questionnaire generally has the following advantages: it is cost effective compared to face-to-face interviews, especially for a large sample size and distant geographic areas; most people tend to be familiar with questionnaires, which tends to reduce any apprehensiveness; a self-administered questionnaire reduces interviewer bias, as the researcher's own opinions will not influence respondents. Therefore, in considering these issues, a self-administered questionnaire was developed for the purpose of this research. The process for developing the questionnaire is shown in Figure 4-4.

**Figure 4-4: Questionnaire development process**



Source: Adapted from McDaniel, C. & Gates, R., 2004. *Marketing Research*. 6th ed. Hoboken, NJ: John Wiley and Sons Inc.

Firstly, it is important to calculate and understand the amount of resources available, before going into detail and designing the questionnaire (McDaniel & Gates, 2004). Considering the limited human and financial resources available for this doctoral

study, it was decided not to administer a personal or telephone survey. Instead, the self-administered method, as earlier explained, was considered to provide the survey results. According to Collis and Hussey (2003), cost, size and the location of the sample are three factors that can determine the selected data collection method. For the paper-and-pencil instrument, there are mainly four types of distributing questionnaires; by post, face-to-face, group distribution and individual distribution (Collis & Hussey, 2003). Table 4-12 compares basic characteristics of these methods.

In acknowledging the advantages and disadvantages of these methods, it was decided to employ the paper-based questionnaire as the main data collection method for its low cost and likely high response rate. In particular, group distribution method was applied due to the relevant advantages compared to other methods and owing to the nature of target student population who would be approached in groups during classes.

**Table 4-12: Self-administrated questionnaire comparison**

Method Element	Post	Face-to-face	Group distribution	Individual distribution
Distribution channel	By mail	Presented to the respondent	Sample assembled in one room at the same time	Distribute and collect the questionnaires individually
Cost	Inexpensive	Expensive	Low	
Time consuming	Yes	Yes	No	Yes
Size of sample	Large	Low	Large	Low
Location	Unrestricted	Interviewee's convenience	Restricted	Restricted
Questionnaire length	Short	Long		
Response rate	Low	High	High	
Sample bias	Likely			Likely

Source: Collis, J. & Hussey, R., 2003. *Business Research : A Practical Guide for Undergraduate and Postgraduate Students*. 2nd ed. UK: Palgrave Macmillan.



#### 4.6.4 Scale development and validation

According to McDaniel and Gates (2004), scaling permits the measurements of the intensity of respondents' answers. For this particular research, all the questions for measuring the constructs were designed using seven-point Likert scales. The Likert scale is a type of response format used in surveys developed by Rensis Likert (Likert, 1932), and a method of scaling answers to correspond to varying degrees of measurement. It is often used to measure attitudes, preferences, and subject reactions. A typical test item in a Likert scale is a statement. The respondent is asked to indicate his or her extent of agreement with the statement or any kind of subjective or objective evaluation of the statement.

The Likert scale provides a bipolar scaling method that measures either positive or negative responses to statements. Sometimes, four-point or six-point scales are used so that respondents are forced to express their feelings or attitudes one way or the other (Saunders et al., 2009). Some researchers therefore suggest using such an approach when conducting surveys in developing contexts because they tend to avoid extreme opinions and prefer a neutral response (e.g. Souiden, et al., 2006), especially with sensitive areas of research. However, the current research was not considered sensitive in that consumers are more willing nowadays to spell out their true feelings and have "*an amplified voice to influence peer and public opinion*" (Kotler & Keller, 2009, p. 56).

The range of possible responses for a scale can vary whereby five- and seven-point formats are two scales mostly used in marketing research, whereby empirical evidence of the equivalent use of either number of categories is also provided (Dawes, 2008). However, larger scales are claimed to outweigh smaller ones owing to its effectiveness in clearly showing the differences between scores in relevant comparison analysis (Kozak, 2001). This is also supported by methodologists (e.g. Hair, et al., 2010) who point out that most of the estimation techniques such as maximum likelihood function better with larger categories. As a result, seven-point scales ranging from 'strongly disagree' to 'strongly agree', with 'neither agree nor disagree' as the mid-point were judged to be more suitable for this research because they do not push the respondents to one direction if they hold neutral views.

### ***Survey instrument***

Consumers might have consumption experience with several brands in their lifetime. Nevertheless, before subjecting the respondents to answering the questionnaires, a focal brand name must be selected so that the respondents can focus their response accordingly, based upon their perceptions of this particular brand. In order to gain fresh insights and avoid chances of information being forgotten or confused, the respondents are instructed to focus their responses on their most recently purchased brand of laptop. Therefore, using the brand owned at the time of the research (if the respondent has more than one, the latest in terms of time of purchase should be selected) can help provide timely and relatively more accurate perceptions of the value of the brand.

According to Vazquez, et al. (2002), this method helps avoid potential *halo effect* resulting from evaluation of unknown products or brands. Leuthesser, et al. (1995) define the halo effect as a “*rater's failure to discriminate among conceptually distinct and potentially independent attributes, with the result that individual attribute ratings co-vary more than they otherwise would*” (cited in Koçak, et al., 2007, p. 163). Thus when a consumer evaluates an unfamiliar brand, she or he might infer its attributes imprecisely and hence misleading research results (Ahmed & Johnson, 2002). To make it clear, this instruction was clearly displayed and boldly highlighted on the first page of the questionnaire.

The whole questionnaire consists of three parts (see Appendix Two). The first part contains the introduction to the research which emphasises the circumstances and the voluntary nature of participation. The second section consists of general background questions about the participant. This includes demographic questions and items such as the brand name, ownership length, recommended-by and paid-by information. Some of these questions were taken from similar veins of research (Koller, et al., 2011). For instance, Park and Rabolt (2009) used the brand logo to motivate the memory of participants to remember inherent benefits of brands, and the same strategy was applied by listing brand logos (full logo in colour) along with their names in the first and second page of the questionnaire. Directly following these general background questions, the main survey focuses on the key constructs.

***Face and content validity***

To validate the contents of the value constructs and its appropriateness at the brand level, the proposed scales were subjected to two rounds of academic panel discussion and experts' interviews (Churchill, 1979). First, a one-and-a-half hour discussion panel was conducted in the business school (UK) with specialised marketing professors. The panel consists of four marketing professors; one of whom is a distinguished corporate branding professor, one is a visiting professor from Harvard Business School, and two professors teaching marketing modules in the same business school as the researcher. The panel members were asked to give comments about the developed scales. In general, the received feedback was positive and recommended amendments were made. For instance, a difference was noted between the concepts of novelty and innovation and hence the two items were adjusted to the scale separately.

Next face validity test was conducted by interviewing two experts working in IT department in the same business school to give advice regarding the suitability of value measures to laptop usage and whether any key items were missing. The experts provided comments about technical terms used in the laptop category. For instance, a comment was given about the statement '*this brand is faulty*' and thus suggested to be more technical and changed to '*this brand is not prone to breakdown*'. Further, an item relates to 'after-sales technical support' was confirmed by the interviewees as an indicator of functional value at the brand level. Finally, items related to learning tools (e.g. PowerPoint, graphic design, etc) were considered by the practitioners as too product-specific features and hence were removed from further investigation.

The survey instrument was initially developed in English, translated into Arabic and back-translated to English (Brislin, 1970). In order to guarantee consistency in the language used (Usunier & Lee, 2005), the appropriateness of the translation was checked firstly with the help of four bilingual PhD researchers who had experienced buying high-tech brands before. Later, a bilingual academic professor in business management helped in translation into Arabic and another professor did the back translation into English (Brislin, 1970). In effect, not only this process has helped in improving the language efficiency of the questionnaire, but also touched on the cultural understanding of Arabic consumers.

#### 4.6.5 Constructs measurements

The final measures of the research constructs are reported in Table 4-13 (for brand value constructs) and Table-4-14 for others. However, two noteworthy comments should be addressed on the composite scales. Firstly, all constructs are intended to be operationalised using multi-item scales taken from previous empirical studies, particularly in the fields of consumer value and consumer-based brand equity research. The advantages of replicating scales are persistently emphasised in marketing and consumer behaviour literature not least because “*replication of published empirical findings is an important means of developing robust and generalisable explanations in brand management*” (Koçak, et al., 2007, p. 157).

The second comment noted by the scales’ items is their indication of perceptions, rather than direct measures, held by individual consumers about an evaluated brand. In marketing psychology, perceptions are seen as more important than actual behaviour in predicting consumer attitudes and buying decisions (Feldwick, 1996; Malai & Speece, 2005). The convention of using perceptions in consumer value research dates back to early studies on consumer’s buying decision making. For instance, Monroe (1973) refers to the ‘perceptual process’ a customer uses to endow raw material with subjective meanings to be more effective than operational measures. For Aaker, et al. (2001), the ‘perceptual space’ of brands in the consumer’s usually drives his or her beliefs about the brand meanings or value. More recently, Heding, et al. (2009) claim that perceptions result from absorbed inputs – sight, sound, taste and hearing – and interaction between ‘cognition’ and ‘attitudes’. Thus, measures in this study focus on consumers’ perceptions of brands.

The operationalisation of **functional value** is partially adapted from Sweeney and Soutar (2001), who used six items to test Quality/Performance of products. These six items measure the utility derived from the perceived quality and expected performance of the branded product, to what extent it is up to quality standards, the reliability, the workmanship, and how long the product would last before its disposal. Nevertheless, because the construct of functional value needs to be adapted to the tested product class (in this case laptops), three new items were developed using the focus group discussions results and these measure the quality of the battery, the processor speed and brand serviceability e.g. after-sales technical support.

The construct of **economic value** is operationalised with five items, where the first four items were taken from the measures of Price (Sweeney & Soutar, 2001). The items measure to what extent the consumer evaluates the value for money by making a transaction. This constitutes whether the brand is reasonably priced, offers value for money, is good pricewise, and would be economical. The last item concerns whether the brand is affordable to the buyer and is adapted from Tsai's (2005) similar concept of Price Acceptability.

The measure of **social value** consists of eight items, where the first seven items are adjusted from Vazquez, et al. (2002) for testing the construct of Brandname Symbolic Utility, whilst the last item is developed from the preliminary research. The first seven items measure to what extent brand utilities meet the needs related to the consumer's psychological and social environment. The items also reflect the desirable impressions about oneself and describe situations where the individual is helped to live out his or her self-concept. The newly developed item measures the brand's capability to grant an added social benefit by enabling the consumer to socialise in an easier way.

The construct of **emotional value** is operationalised with six items, where the first five items are taken from the measures of Affective Value (Sweeney & Soutar, 2001; Tsai, 2005). The items measure to what extent the consumer evaluates the brand according to the overall feelings towards it. This includes feelings of enjoyment, improvement of mood state, relaxation and happiness. Nevertheless, other affective outputs such as feelings of security from viruses were addressed during focus group discussions and thus one descriptive item is added to reflect this relevant measure.

With regard to **epistemic value**, a 9-item scale is proposed. Six items are developed from focus groups findings that measure the brand capacity to grant benefits related to desire for knowledge, curiosity stimulation, problem-solving, innovativeness and variety and novelty seeking. Additionally, three items from a study in information services (Pihlström & Brush, 2008) which relate to experiment and test new technologies together with out-of-curiosity usage are adapted to the brand level to enhance the newly proposed scale. All in all, 36 items are proposed to measure the five dimensions of brand value.

**Table 4-13: Measures of brand value dimensions**

Construct	Source
Functional Value	
This brand has high quality	(Sweeney & Soutar, 2001)
This brand is well made	
This brand is physically robust	
This brand is not prone to breakdown	
This brand would last for a long time	
This brand has a long battery life*	
This brand has a high-speed processor*	
This brand provides good after-sales technical support*	
Economic Value	
This brand is good pricewise	(Sweeney & Soutar, 2001)
This brand is reasonably priced	
This brand offers value for money	
This brand would be economical	(Tsai, 2005)
This brand is affordable for me	
Social Value	
This brand is trendy	(Vazquez, et al., 2002)
This brand is used by my family and friends	
This brand has a good reputation	
This brand is symbol of prestige	
This brand is endorsed by celebrities	
This brand is attractive to other people	
This brand is suitable for my social class	
This brand enables me to communicate easily with people I know*	
Emotional Value	
This brand is enjoyable for me	(Tsai, 2005)
This brand puts me in a good mood	
I may see this brand like a friend to me	
I feel happy using this brand	
I feel relaxed with this brand	
I feel secure from computer viruses with this brand*	
Epistemic Value	
I use this brand to experiment with new ways of doing things	(Pihlström & Brush, 2008)
I use this brand to experiment with new technology	
I use this brand out of curiosity	
This brand stimulates my curiosity about latest technology*	
This brand provides me with knowledge about latest technology*	
This brand stimulates my creativity*	
This brand provides variety*	
This brand provides novelty*	
This brand signals innovation*	

\*New items developed from focus group discussions

The operationalisation of **brand leadership** is adjusted from Zhou, et al. (2010), who used four items to test brand leadership as a construct that reflects the ranked position of a brand in the relevant market based on the consumer's self-judgment. The measures are intended to test the consumer's perceptions about where the brand should be ranked i.e. first, second, etc. Criteria of leadership embrace meanings of brand innovation, popularity and accelerated growth. Two items reflecting dissimilarity and absolute superiority are added from qualitative discussions to reflect the contextual understanding of the construct.

Regarding **corporate image**, the five items are taken from Souiden, et al. (2006), because the understanding of corporate image described by the participants of the exploratory stage was very much in congruence to what has been discussed in the Western literature. The items measure the extent to which the company behind the brand is well evaluated by the consumer in terms of pioneering, success, persuasion, openness and business ethics.

The measure of **repurchase intent** consists of four items from which three are taken from Gremler and Gwinner (2000) to measure the user's intentions to buy the same brand in the future. These include the consumer's enduring intentions and considerations to repurchase the same brand in the future. Additionally, *reverse-worded* item is added that reflects the opposite intention of the respondent to try a different brand next time the same product is needed. The notion of switching brands for the sake of experiencing new brands was frequently mentioned by respondents during focus groups. Because negatively stated questions are preferred at item generation stage (Churchill, 1979), this item is added to repurchase intent scale.

The construct of **positive word of mouth** is measured with four items. Three items adjusted from Johnson (2006) are intended to measure the consumer's willingness to recommend the brand to others, while the third item is adapted to social media's context. The last item is developed from focus groups' discussion to measure the consumer's enthusiasm to take a defensive position when the brand receives negative comments from other brands' consumers.

**Table 4-14: Measures of antecedents and consequences**

Construct	Source
<b>Brand Leadership</b>	
This is the most innovative brand in the market	(Zhou, et al., 2010)
This is the leading brand in the market	
This brand is growing in popularity	
This is the most popular brand in the market	
This brand is as average as other brands* <sup>(r)</sup>	
This brand is the best*	
<b>Corporate Image</b>	
The company which produces this brand is innovative and pioneering	(Souiden, et al., 2006)
The company which produces this brand is successful and self-confident	
The company which produces this brand is persuasive and intelligent	
The company which produces this brand does business in an ethical way	
The company which produces this brand is open and responsive to consumers	
<b>Repurchase Intent</b>	
Next time, I will definitely buy this brand	(Gremler & Gwinner, 2000)
I will consider buying this brand again	
I intend to continue buying this brand in the future	
I would like to try a different brand next time* <sup>(r)</sup>	
<b>Positive Word of Mouth</b>	
I recommend this brand to other people	(Johnson, et al., 2006)
I talk to other people positively about this brand	
I post positive comments about this brand online (e.g. discussion boards, Facebook)	
I defend this brand when it is criticised by others*	

\* New items developed from focus group discussions

<sup>(r)</sup> Items are negatively phrased and reverse coded.

#### 4.6.6 Pilot study

After the development of the initial set of items, testing items in similar settings to the principal study stage was undertaken. The purpose of the pilot test was to eliminate possible weaknesses and flaws in the first draft questionnaire, and also to provide a preliminary evaluation and refinement of the measurement in order to create the final questionnaire for the main survey (Collis & Hussey, 2003; Broyles, et al., 2010). Online survey and snowball sampling methods were used in pilot-testing the questionnaire during the month of March 2012 to overcome the restricted sources of finance and time available for this research.



A survey design website (qualtrics.com) was used to build an online version of the questionnaire. The survey link was sent by email to the researchers' circle of Saudi PhD colleagues and they were asked to forward the link to students living in Saudi Arabia. By the cut-off date, 62 responses were received. The relatively small sample size (i.e. up to 100 respondents) at pre-test phase is considered acceptable according to previous studies (Diamantopoulos, et al., 1994).

In this stage, the reliability assessment is considered; scale reliability is the proportion of variance attributable to the true score of latent variables (Peter, 1979; DeVellis, 2003). Reliability is a necessary condition for validity. It is to ensure that *"measures are free from error and therefore yield consistent results"* (Peter, 1979, p. 6). There are three types of scale reliability: First, internal consistency reliability, which refers to the homogeneity of items within the scale (Churchill, 1979). Second, test-retest reliability, which means the stability of items' responses over time (Nunnally, 1967). Third, alternative-form reliability, which refers to the extent to which two different statements can be used to measure the same construct at two different times (Netemeyer, et al., 2003).

According to Churchill (1979), in assessing a multi-item scale, internal consistency reliability assessment is the first step to be undertaken so as to avoid additional dimensions produced by factor analysis due to garbage items. Reliability is assessed via Cronbach's alpha (Cronbach, 1951) since it is the most commonly used and accepted means for assessing the reliability of a multi-item measurement scale (Hair, et al., 1995). This is a measure of the degree to which all items are measuring the same thing (DeVellis, 1991). The coefficient alpha will be high if the scale items are highly correlated (Hair, et al., 1995). If the coefficient alpha is low, it is possible that the measurement scale used did not adequately measure the construct which it was intended to measure (Churchill, 1979). As a standard of reliability, Nunnally and Bernstein (1994) suggest that 0.7 should be used as a cut-off point for reliability (with item to total coefficients > 0.5).

In general, the analysis of pilot study data showed satisfactory results with regard to reliability tests. The cronbach alpha ranged from 0.62 to 0.96 for the nine constructs as shown in Table 4-15. It appears from the table that functional value has relatively

low score ( $\alpha = 0.62$ ). Even though Nunnally (1978) suggests that a coefficient of 0.50 or 0.60 is satisfactory in the early stages of research, it makes sense to re-check items causing low reliability before carrying out the main survey (Broyles, et al., 2010). Therefore, functional value construct was intentionally revised for potential causes such as weak wording.

After discussing low coefficient items with some participants in the pilot study, the item ‘This brand would last for a long time’ was found to be misunderstood. The participants thought that because nowadays some brands invent new models very frequently, the answer to this question would be negative because the product duration became shorter. However, this was not the meaning intended by the item and it was reworded to reflect the intended measure for brand quality. The new item then became ‘In terms of quality, this brand would last for a long time (i.e. 5 years).’ After a few amendments were made, the questionnaire became ready for the main survey phase.

**Table 4-15: Constructs reliability from the pilot study**

Construct	Cronbach’s alpha ( $\alpha$ )
Functional Value	0.62
Economic Value	0.78
Social Value	0.91
Emotional Value	0.95
Epistemic Value	0.92
Brand Leadership	0.88
Corporate Image	0.89
Repurchase Intent	0.93
Positive WOM	0.96

#### 4.6.7 Fieldwork

After finalising the survey instrument and pre-testing the questionnaire, the fieldwork commenced. Primary data were collected over a four-week period during May through June 2012. All the pre-survey contacts were approached in advance of the researchers’ trip to Saudi Arabia. Of the 13 institutions, despite the researcher

offering a copy of the research findings as an incentive, only seven were willing to provide the researcher with necessary access to distribute the questionnaire. Of those, some multi-college institutions agreed to participate with two or more faculties. This raised the participant schools to nine, from different fields of study, including business, management, economics, engineering, medicine and art together with one group in their foundation year.

The administration department in each college arranged with lecturers to help in conducting the research. Those who agreed to offer 15-20 minutes of their classes were met by the researcher to describe the research objectives and data collection method. The questionnaires were then distributed to students during or between classes by the researcher or by the lecturer (if he asked to do so) and were collected later. The same procedures were followed with the female participants, with the help of female instructors.

A total of 1020 questionnaires were distributed by the researcher and university professors and administrators. Each school was supplied with the number of questionnaires they offered to help with (this is particularly relevant to female-only schools). By the end of the fieldwork, 788 questionnaires were received. However, 17 questionnaires found to be filled by instructors rather than students and were disregarded. This provides a grand total of 771 responses and 75.6% response rate. The manipulation of missing data within these response and further statistical analysis of the data is illustrated in Chapter Five.

#### **4.7 Chapter conclusion remarks**

Building on the literature review (Chapter Two) and the discussion of the conceptual model (Chapter Three), this chapter demonstrates the methodological blocks and research methods incorporated to facilitate the data collection at two sequential phases; qualitative and quantitative. The chapter first provides an overview of the research context – Saudi Arabia – which is argued a suitable destination to conduct the study owing to its economic strength and its extraordinary young population which are two factors considered superior for brand-related studies (Kropp, et al., 2005; Zhou, et al., 2010).

However, in considering the gaps between the literature review and the primary data sought, i.e. a lack of comprehensive measures for the consumer value constructs at brand level, preliminary research was undertaken. A degree of insightful information was collected using focus groups discussion. Bearing in mind the nature of this preliminary research, where internal validity was considered to be more important than external validity, 24 respondents provided some useful feedback relating to the research objectives.

Data generated from the focus groups was analysed via the CAQDAS package – NVivo. The findings of this preliminary research fulfilled four objectives. Firstly, measures of brand value constructs were confirmed by adding several new items based on the focus group discussion. Secondly, a new measurement scale for epistemic value component was proposed. Thirdly, other well-established constructs were validated in the new, Middle-Eastern context with Saudi students. Fourthly, well-known and available laptop brands were identified that would be used at the primary research stage.

The primary research was influenced by positivism and a deductive research approach. Owing to the potential credibility of the research findings and good generalisability (Robson, 1993; McGivern, 2009), a self-administrated questionnaire is used as the main data collection instrument, due to the financial and time constraints associated with doctoral research. Beforehand, the questionnaire was successfully pilot-tested ‘online’ with 62 Saudi students.

A sample frame of 13 institutions that offer taught courses in the city of Jeddah, Saudi Arabia was obtained from the directory provided by the Ministry of Higher Educations’ website. In order to bolster the response, a pre-survey email was sent to each of the schools listed. The pre-survey emails also helped identify key administrator staff in these schools and verify the contact details for further contact purposes. Following the fieldwork and data collection, a final set of 771 responses are set out for further analyses as will be demonstrated in the next chapter.

---

## CHAPTER FIVE – ANALYSIS AND RESULTS

### 5.1 Introduction

This chapter demonstrates the statistical procedures followed to analyse the final data and presents key results relate to the research objectives. A variety of statistical tests and analyses techniques are used to analyse the questionnaire items as completed by the study subjects. The analysis enables researchers to create knowledge and understand underlying relationships between variables in question (Hair, et al., 2010). Recall the research objectives are confined to report a multidimensional scale for brand value, and test a comprehensive model encompasses brand value dimensions, antecedents and consequences. The procedures followed in this chapter to report the results for both the scale and the model are undertaken in a systematic manner as described in the scale development and modelling literatures (Sweeney & Soutar, 2001; Tsai, 2005; Broyles, et al., 2009).

In addition to the introductory and summary sections, the chapter is broken into three main parts. First, an overview of processes used to analyse the missing values and justify the approach used to treat the missed data is outlined. This is followed by a brief description of the participants' demographics and their past experience with laptop brands. The section proceeds with a basic analysis of research constructs (i.e. means, standard deviations, correlation, etc.) along with analysis of variance results.

Second, details of testing of the proposed brand value scale are provided. This includes testing for the factorial validity of the measuring instrument by means of exploratory and confirmatory factor analyses, conducting post hoc analysis and providing proof for its psychometric properties. Third, the analysis moves to test the conceptual model and the hypothetical relationships. Following the assumptions of structural equation modelling, a number of tables and figures are offered to reflect the sequential processes of improving the model's overall fit and preparing it for hypotheses testing. Statistical software such as SPSS and AMOS are used throughout the chapter to conduct the data analysis.

## 5.2 Preliminary and descriptive analysis

It is often recommended to begin with a preliminary review of data prior to conducting the principal analysis. Although this process is time-consuming and might appear irrelevant to research objectives, it remains crucial in exploring basic characteristics of the prime variables in the study before testing the statistical relationships among them (Hair, et al., 2010).

At this stage, a codebook is prepared for the questionnaire items whereby routine exercises such as naming variables, defining categorical and continuous variables, coding responses and labelling questions are verified according to their role in the analysis (Pallant, 2007). Then, all returned responses were manually entered, using SPSS version 18.02. In order to eliminate any coding and typing errors, the entered data was further checked for any illegitimate codes and illogical values. Undertaking this task is advantageous in terms of reducing the chances of incorrect estimates from which false findings might be drawn (Saunders, et al., 2009).

### 5.2.1 Manipulation of missing data

It is mentioned in Chapter Four that out of 1020 questionnaires distributed and 788 returned, 771 questionnaires were kept for further analysis. Considering the length of the questionnaire, and compared to previous research pointing out the difficulty of gaining high response rate in Asian and developing markets (Steenkamp, et al., 2003), the response rate of 75.6% is considered acceptable. Not unexpectedly, it was found that not all questionnaires were filled in completely by the students. There were some responses with massive missing data whereby by too many with some responses left unanswered.

According to Tabachnick and Fidell (2007), researchers should anticipate, determine, analyse and mitigate the effect of missing data. Therefore, issues related to missing values in the returned questionnaire should be clarified and a good sample for analysis should be determined. As a guideline to mitigate the effect of missing data in the current study, the “Four-Step Process” flow-charted in Figure 5-1 is suggested by Hair, et al. (2010) to help analyse missing data systematically and select appropriate curing techniques. The process is detailed as follows.

Step 1: Determine the Type of Missing Data: According to Hair, et al. (2010), there are two types of missing data processes; Ignorable and Not Ignorable. Missing data that are classified as Ignorable result from reasons ‘known’ to the researcher. On the other hand, Not Ignorable missing data accumulate from other reasons and situations beyond the control of the researcher. In the current research design, no such conditional questions were used throughout the developed questionnaire. Therefore, all missing data is classified as “Not Ignorable”.

Hair, et al. (2010) further explain that this type of missing data falls, based on the reason for its being missing into two classes – known versus unknown processes. Known processes relate to procedural factors which include errors in the data entry or failure to complete the entire questionnaire by the respondents. In these situations, the researcher has little control over the missing data processes, but some remedies may be applicable if the missing data is found to be random. Unknown missing data processes are less easily identified and accommodated. Most often these instances are related directly to the respondent. One example is the refusal to respond to certain questions, which is common in questions of a sensitive nature (e.g. income or controversial issues). However, when the missing data occurs in a random pattern, remedies may be available to mitigate their effect (Hair, et al., 2010).

Step 2: Determine the Extent of Missing Data: The size of missing values should be determined for each variable (items and constructs) and response (cases). Accordingly, the SPSS command: Analyse > Missing Value Analysis... was applied to compute the number of missing values for all variables and for each respondent. The rule of thumb is that cases with more than 10% of missing data as well as variables with more than 50% of missing values should be deleted (Hair, et al., 2010).

In respect of the collected responses, 38 cases were identified to have more than 10% of missing values, and thus eliminated. Nevertheless, none of the variables approached the 50% cutoff level. Given that the omitted samples (n=38) is relatively small compared to the total size (N=771), no further action is needed (Hair, et al., 2010, p. 48).

Step 3: Diagnose the Randomness of the Missing Data Processes: According to the Four-Process diagram portrayed in Figure 5-1 and based on the results of Step 2, the proportional size of missing values for variables and cases is found to be unsubstantial and thus the analysis move to the next step with the new sample size (N= 733).

Step 4: Select the Imputation Method: The decision to be made is whether there is a need to replace the missing data with values aggregated from valid observations. To determine this, issues related to the final sample size and potential used techniques should be born in mind.

For the present stud Completed Case Approach from Imputation Using Only Valid Data techniques is used due to its advantages in dealing with missing data, as follows (Hair, et al., 2010):

- It is the simplest and most direct approach.
- It is available as the default method in almost all statistical programs.
- The sample (N=771) is sufficiently large to allow for deletion of cases.
- It is suitable when the relationships between variables are strong.

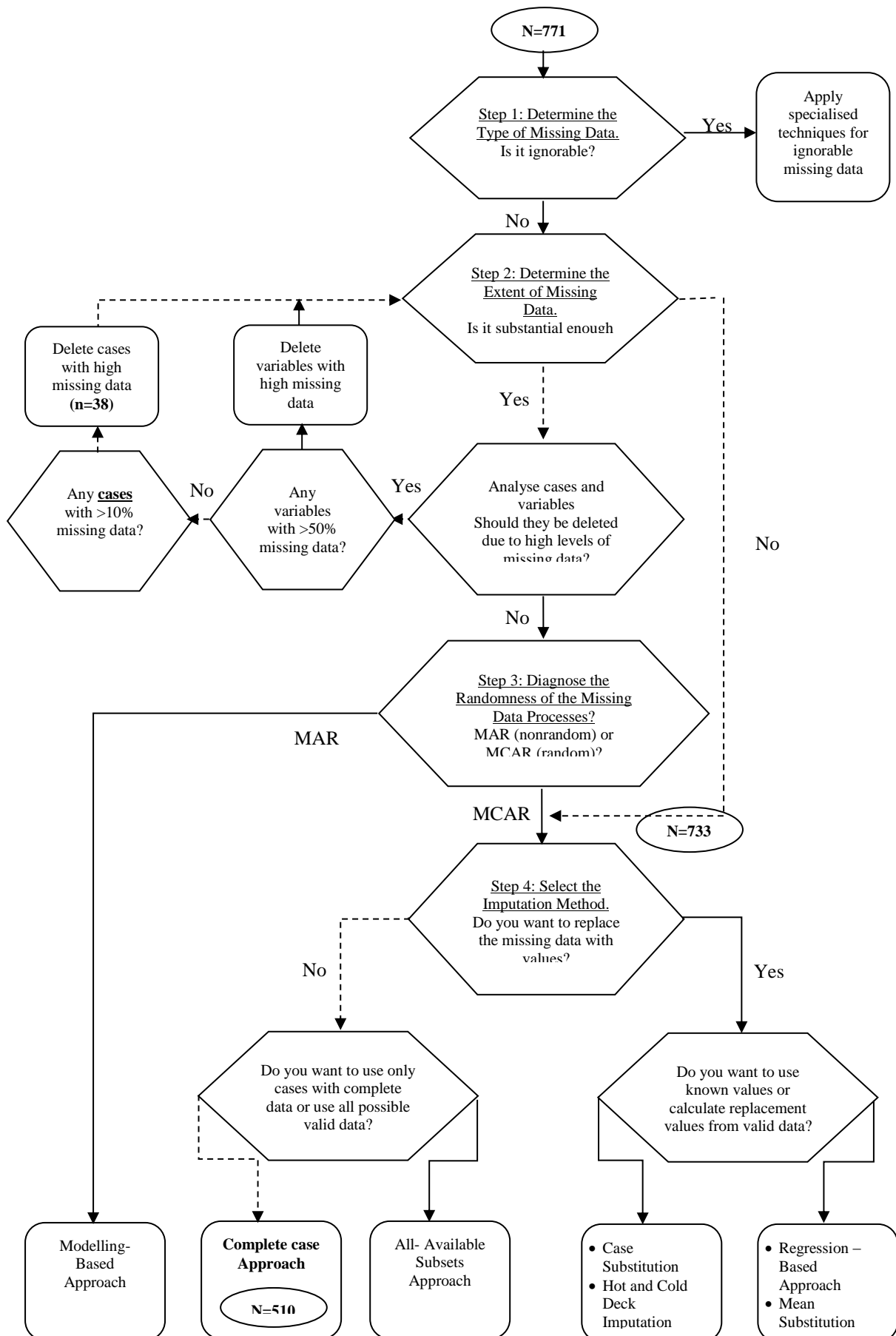
Moreover, since the current research attempts to employ SEM analysis techniques, Complete Case Approach seems to more adequate for model fit's development which proved to be less efficient in the presence of missing data (Byrne, 2010). Finally, according to H air, et al. (2010):

*“if replacement values will not be substituted (imputed) for the missing data...the number of cases with no missing data must be sufficient for the selected analysis technique”* (pp. 50-51).

After the deletion of cases with missing values, a total of 510 cases remain, which is comparable to the number of samples needed as estimated in Chapter Four (N = 540). The dotted lines in Figure 5-1 show the implication of these four steps with respect to the present data.



Figure 5-1: A Four-Step approach for missing data processes



Source: adapted from Hair, J. F., Black, W. C., Babin, B. J. & Anderson, R. E., 2010. *Multivariate Data Analysis*. 7th ed. Upper Saddle River, New Jersey: Pearson

### 5.2.2 Sample demographics

The data presents several characteristics associated with Saudi students and their individual experience with laptop brands. A descriptive overview of the participating samples can be seen in Table 5-1a for demographic data and Table 5-1b for brand and usage data. Figures show that the sample is evenly distributed between female (47.5%) and male (52.5%) students, with an average age of 22.5 years. Respondents studying for Bachelor's degree are well represented with 77.1%, followed by Master's degree students (12.4%) and Diploma students (10.6%). Nearly two-thirds (68.6%) of the samples are studying in a public (state-run) institutions, whereas the rest go to private colleges. With regard to their financial situations, the monthly income for 31.5% of the students represents less than 1,000 Saudi Riyals (SR), 48.5% between SR1,000 & SR5,000 and only 14.2% receive more than SR10,000.

**Table 5-1a: Participants' demographics**

	%	n
<b>Gender</b>		
Male	52.5	268
Female	47.5	242
<b>Education</b>		
Diploma	10.6	54
Bachelor's	77.1	393
Master's	12.4	63
<b>Sector</b>		
State	68.63	350
Private	31.37	160
<b>Monthly income</b>		
Less than SR1,000*	31.5	151
SR1,000-SR5,000	48.5	233
SR5,001-SR10,000	5.8	28
More than SR10,000	14.2	68

\* US \$1 = 3.75 SR (fixed) or GB £1= 6.00 SR (approximate)

In terms of the laptops used, the majority of students (82.5%) concentrated on five brands. These are Toshiba (22.5%), Dell (17.5%), Apple (14.9%), HP (14.1%) and Sony (13.5%). Nearly one out of four students (24.2%) has used only one brand, while around 11% of the samples have experienced four brands or more. With regard to the latest brand they purchased and based their perceptions upon in the rest of the questionnaire, nearly six out of ten students (59.80%) indicate that they made their brand choice based on advice given by a family member and friends (e.g. WOM)

whereas only 6% indicate that advertisements were the reason. Sixty-four per cent of the participants received full or partial monetary support to buy their laptop, which they have used for an average of two years (26 months). These results reflect the importance of loyalty and word of mouth in laptop and high-tech industry.

**Table 5-1b: Past experience with laptop brands**

	%	n
<b>What is the BRAND of your laptop?</b>		
Acer	5.9	30
Apple	14.9	76
Asus	3.3	17
Compaq	.8	4
Dell	17.5	89
Fujitsu	1.4	7
HP	14.1	72
Samsung	1.0	5
Sony	13.5	69
Toshiba	22.5	115
LG	1.6	8
Lenovo	.8	4
Others	2.7	14
<b>How many laptop BRANDS have you used before?</b>		
Only this brand	24.2	123
Two brands	39.7	202
Three brands	25.3	129
Four brands	6.6	33
More than four brands	4.4	22
<b>Who recommended this brand to you?^</b>		
Myself	45.49	232
Family member	39.02	199
Friends	20.78	106
Advertisements	6.08	31
Others	4.12	21
<b>Who paid for buying the laptop?^</b>		
Myself	35.10	179
Family	64.90	331
Friends	0.98	5
Work	0.78	4
Others	2.55	13

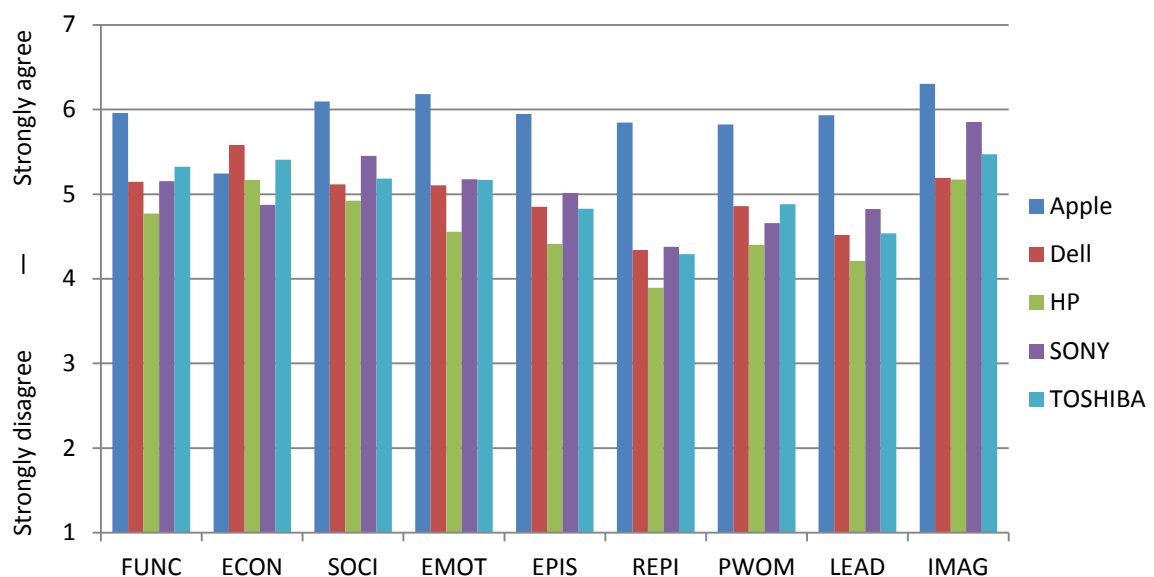
^ more than one answer is allowed

### 5.2.3 Univariate and bivariate analyses

As the current research investigates relationships between more than two constructs at the same time; the statistical analysis part requires multivariate techniques to embark on the data analysis, although, in order to attain a ‘basic understanding’ of the underlying distribution of data, methodologists recommend that exploratory examinations of gathered data are needed at first instance. Such practice helps in drawing out provisional indication of the potential relationships between research variables. In addition, it is seen as a substantial step needed to prepare the study variables for subsequent multivariate analysis by assuring its satisfaction of fundamental assumptions (Hair, et al., 2010).

Firstly, an examination of data was conducted by using various commands of SPSS to absorb foundational impression of data patterns and explore unusual observations in respect of univariate (single variables) analysis. For instance, at initial stage of analysis, graphical representation could draw an overall picture of how relevant data behaves, e.g. following linear (straight line) or nonlinear (curved line) relationships (Pallant, 2007). Figure 5-2 depicts a column chart of the differences between students’ perceptions of the top five brands and the associated variables.

**Figure 5-2: Students’ perceptions of brands**



FUNC: Functional; ECON: Economic; SOCI: Social; EMOT: Emotional; EPIS: Epistemic; REPI: Repurchase Intentions; PWOM: Positive Word-of-Mouth; LEAD: Brand Leadership; IMAG: Corporate Image

On the other hand, bivariate analysis (involving two variables at time) has more explanatory power, especially with such an interdependent model with several dependent and independent variables. Exploring the relationships at this level could provide an initial inspection of how variables are interacted without considering the hybrid impact when other variables intervene in the relationships (Hair, et al., 2010). It is acknowledged, however, that among research objectives is the examination of how brand constructs (i.e. brand leadership and corporate image) can affect perceived brand value which in turn is expected to impact upon consumer loyalty.

To provide introductory estimations, Table 5-2 presents a matrix of the correlation coefficients for the nine constructs (manipulated scales; means) involved in the research model. In spite of the dependence assumptions, it is proven statistically that there exist significant relationships with highly acceptable levels. Neither collinear relationships nor indiscriminant correlations emerge; a positive sign for the parsimonious nature of the developed model (minimum  $R=.208$  between economic value and brand leadership whereas maximum  $R=.696$  between social value and emotional value and between repurchase intent and positive WOM).

**Table 5-2: Correlation coefficients**

	FUNC	ECON	SOCI	EMOT	EPIS	LEAD	IMAG	REPI	PWOM
FUNC	1								
ECON	.509**	1							
SOCI	.576**	.309**	1						
EMOT	.673**	.396**	.696**	1					
EPIS	.554**	.272**	.686**	.661**	1				
LEAD	.575**	.208**	.684**	.634**	.678**	1			
IMAG	.577**	.316**	.631**	.598**	.615**	.672**	1		
REPI	.593**	.330**	.560**	.678**	.511**	.664**	.541**	1	
PWOM	.616**	.434**	.583**	.700**	.534**	.551**	.552**	.696**	1

\*\*Correlation is significant at the 0.01 level (2-tailed).

FUNC: functional value; ECON: economic value; SOCI: social value; EMOT: emotional value; EPIS: epistemic value; LEAD: brand leadership; IMAG: corporate image; REPI: repurchase intent; PWOM: positive word-of-mouth.

### 5.2.4 Analysis of variance

In order to further explore the students' perceptions of their usage of brands, additional analyses were undertaken to compare the differences between the top five brands across the nine constructs. It is thus a question of whether there is a difference in scores for different brands' users, and, if yes, where these differences lie. To give an illustrative example, a one-way-between-group analysis of variance was conducted to explore the difference between brands on the leadership variable.

By comparing student's scores on brand leadership construct (manipulated scales, sums), there was a statistically significant difference at the  $p < .05$  level in leadership for the five brands:  $F(4, 416) = 41.99, p = .000$ . Moreover, given that cut-off levels of the effect size are .01 (small), .06 (medium) and .14 (large) (Cohen, 1988), the actual difference in mean scores between the brands on this leadership factor was quite large (.29). Post-hoc comparisons using the Tukey HSD test indicated that the mean score for Apple ( $M = 35.61, SD = 4.4$ ) was significantly different from other groups and means plot confirmed that Apple has the highest score. Thus, it can be concluded from these results that Apple is the leader brand in the tested market segment. Similar interpretations can be made for other variables using ANOVA results presented in Table 5-3.

**Table 5-3: ANOVA table**

		Apple	Dell	HP	Sony	Toshiba	F- value	p- value	Effect size
	N	76	89	72	69	115			
Mean score	FUNC	47.68√	41.17	38.17	41.22	42.60√	17.91	.000	.15
	ECON	26.22	27.91√	25.85	24.36	27.03	6.41	.000	.06
	SOCI	48.78√	40.93	39.38	43.61	41.47	19.34	.000	.16
	EMOT	37.09√	30.63	27.33	31.07	31.02	20.45	.000	.16
	EPIS	53.54√	43.66	39.71	45.12	43.44	23.30	.000	.18
	LEAD	35.61√	27.11	25.26	28.94	27.23	41.99	.000	.29
	IMAG	31.53√	25.97	25.86	29.28√	27.37	21.61	.000	.17
	REPI	29.22√	21.70	19.47	21.90	21.45	22.18	.000	.18
	PWOM	23.29√	19.44	17.60	18.64	19.53	13.10	.000	.11

√ The highest score in the respective dimension

FUNC: functional value; ECON: economic value; SOCI: social value; EMOT: emotional value; EPIS: epistemic value; LEAD: brand leadership; IMAG: corporate image; REPI: repurchase intent; PWOM: positive word of mouth.

The results obtained from ANOVA tables show that users of different brands hold variant perceptions on each dimension of brand value as well as other constructs in question. Apparently, Apple is perceived by its users as a brand leader with good image and apart from its perceived economic value, the results indicate that Apple outperforms others in each dimension. In certain circumstances, though, the Tukey HSD test of homogeneous subsets denotes some advantages for Toshiba (functional value and corporate image), Sony (social value, epistemic value, leadership and image), Dell (economic value) as well as disadvantages for HP (emotional value).

In summary, the preliminary tests have proved useful in formulating an initial understanding of how the data behaves at the individual variable level. The resulting figures show that five brands dominate the laptop market in Saudi Arabia and that the majority depends on their circles of people to make brand choices, two comments were expressed during focus group sessions. Further, the apparent variation in the levels of various brand dimensions and behaviour intentions resulted from ANOVA tables was required, in order to increase the ability to properly test the proposed scales (Sweeney & Soutar, 2001; Zhou, et al., 2010).

The *F* test and the associated figures of effect size provide further exploratory findings. The largest difference in mean scores between the brand variables was in the leadership level. With a size effect of .29, this result implies that Apple has been perceived as the leading brand in the market. On the other hand, economic value mean scores had the smallest difference (effect size = .06) which indicates that students' perceptions of brands' value for money has just a small level of fluctuation. All other variables are found to possess comparable figures, which indicate a degree of similarity between some brands in the laptop market.

While this preliminary analysis is not directly related to the research questions and objectives, the analysis will now move on to test the scale proposed to measure the brand value construct and, lastly, test the validity of the research conceptual model.

### 5.3 Assessment of the brand value multidimensional scale

As discussed in Chapter Four, final measurements are set for the nine constructs for proposed in the conceptual model. In this part, however, only the constructs relate to the focal construct i.e. brand value will be treated in order to develop a comprehensive, multidimensional scale for the brand value construct. The developed scale will be then tested against other antecedents and consequences in a structural equation modelling context in the next section (5.4).

From earlier discussion, a total of 36 items were compromised to measure the five brand value constructs, eight for functional value (FUNC1-FUNC8), five for economic value (ECON1-ECON5), eight for social value (SOC11-SOC18), six for emotional value (EMOT1-EMOT6) and nine for epistemic value (EPIS1-EPIS9). Next discussion is confined to detail the process used to validate the scale and test its psychometric properties, including scale purification, factorial structure, and reliability and validity tests.

Given that the final set of measures are drawn from different sources of literature and focus group discussions and are being tested together for the first time, an additional examination of the structure of the new data seems warranted to confirm or reject the factorial validity of the composite scales. This is further evident while testing the interaction between newly developed constructs (i.e. epistemic value) and other relevant variables in new contexts of products and samples (Hair, et al., 2010). The process follows established measurement procedures (Churchill, 1979) as well as subsequent empirical studies undertaken in consumer-centric research (Sweeney & Soutar, 2001; Vazquez, et al., 2002).

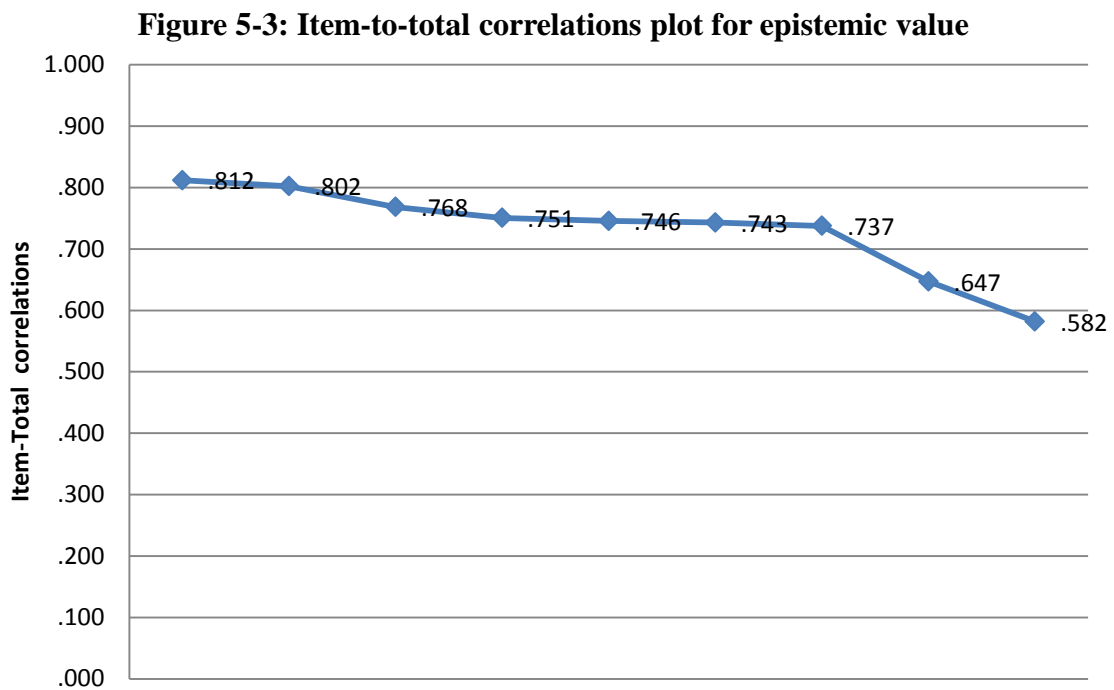
#### 5.3.1 Data minimisation

An initial quantitative procedure is needed to reduce the number of items for each dimension of brand value to elevate each construct's internal consistency by keeping strongly relevant items. By doing so, the meaningfulness of the eventual measures and the scale's parsimonious properties could be improved (Byrne, 2010).

The first stage in items reduction is, as recommended by Churchill (1979), to investigate the coefficient alpha for each construct and examine the item-to-total



scale correlations' plot as shown in Figure 5-3, taking epistemic value factor as one example. Items that produced a sudden drop in the plotted pattern should be deleted. This step resulted in the removal of ten items: three functional items, two economic, two social, one emotional, and two epistemic. Thus 26 items remained, representing the five constructs. To this point, a possible overlap of items across dimensions has not been checked for and hence an interdependence technique such as factor analysis is needed.



### 5.3.2 Exploratory factor analysis

Factor analysis is a statistical technique utilised to examine the underlying patterns for a number of interrelated variables (e.g. items) in order to summarise them into a smaller number of factors (e.g. constructs) with a minimum loss of information (Hair, et al., 2010). Alternatively, factor analysis is a technique to help condense the number of common factors or latent constructs needed to account for the correlation among observed variables. Factor analysis is also of great importance in preparing data for multivariate analyses such as the case of the present study, and thus the purpose of factor analysis is to:

*“retain the nature and character of the original variables, but reduce their number to simplify the subsequent multivariate analysis. Even though the multivariate techniques were developed to accommodate multiple variables, the researcher is always looking for the most parsimonious set of variables to include in the analysis”* (Hair, et al., 2010, p. 99)

There are two major approaches of factor analysis can be used to aid in a research a problem, which are exploratory factor analysis (EFA) and confirmatory factor analysis (CFA). EFA is a data-driven (exploratory) approach where the factors are unknown, whereas CFA is a theoretically-driven approach in which the factors need to be specified beforehand (Tabachnick & Fidell, 2007). Therefore, CFA differs from EFA in that a confirmatory structure is specified prior to using the technique whereas emerging factors obtained from EFA are not necessarily known in advance. Nevertheless, both techniques are suggested to be used together to increase the effectiveness of scale development (Andreassen & Lindestad, 1988).

Nonetheless, it is suggested that EFA should be employed before CFA as EFA can provide insight about the potential dimensionality by revealing items that load poorly on an intended factor or load highly on more than one factor, whereas CFA can assess both the quality of a factor solution and the specific parameters which constitute a model (Kelloway, 1998).

Among available EFA techniques is the Principal Components Analysis (PCA). PCA is a statistical technique that applies the concepts of standard deviation, covariance, eigenvectors and eigenvalues. According to Pallant (2007), it is a way of identifying patterns in data, and expressing the data in such a way as to highlight their similarities and differences. It is often used to capture most of the variability in the pattern of correlations and to detect the structure in the relationships between variables by classifying them (Pallant, 2007). In contrast to other EFA techniques where only shared variance is analysed, in PCA the original variables are transformed into a smaller set of linear combinations, with all of the variance in the variables being used (Tabachnick & Fidell, 2007).

Thus, the remained 26 items for the multiple brand value constructs were subjected to PCA using SPSS 18 to identify whether they statistically represent five distinct dimensions of value as theoretically proposed (Churchill, 1979). To test the suitability of the data for exploratory analysis, Nunnally's (1978) criterion of having 10 cases per variable is satisfied, given the sample size e.g.  $N=510$ , and number of items e.g.  $m=26$ . More conservative ratios suggested by other researchers such as (15:1) are also satisfied (Hair, et al., 2010).

Then, the factorability of the proposed scale was tested, using two methods suggested by Pallant (2007). First, Kaiser-Meyer-Okin's test was used and found that  $KMO=0.94$ , which exceeds the 0.6 cutoff level. second, Bartlett's Test of Sphericity ( $p < 0.05$ ) also reached required levels of statistical significance. These findings support the suitability of the proposed items to be factor analysed and thus PCA results can be tested.

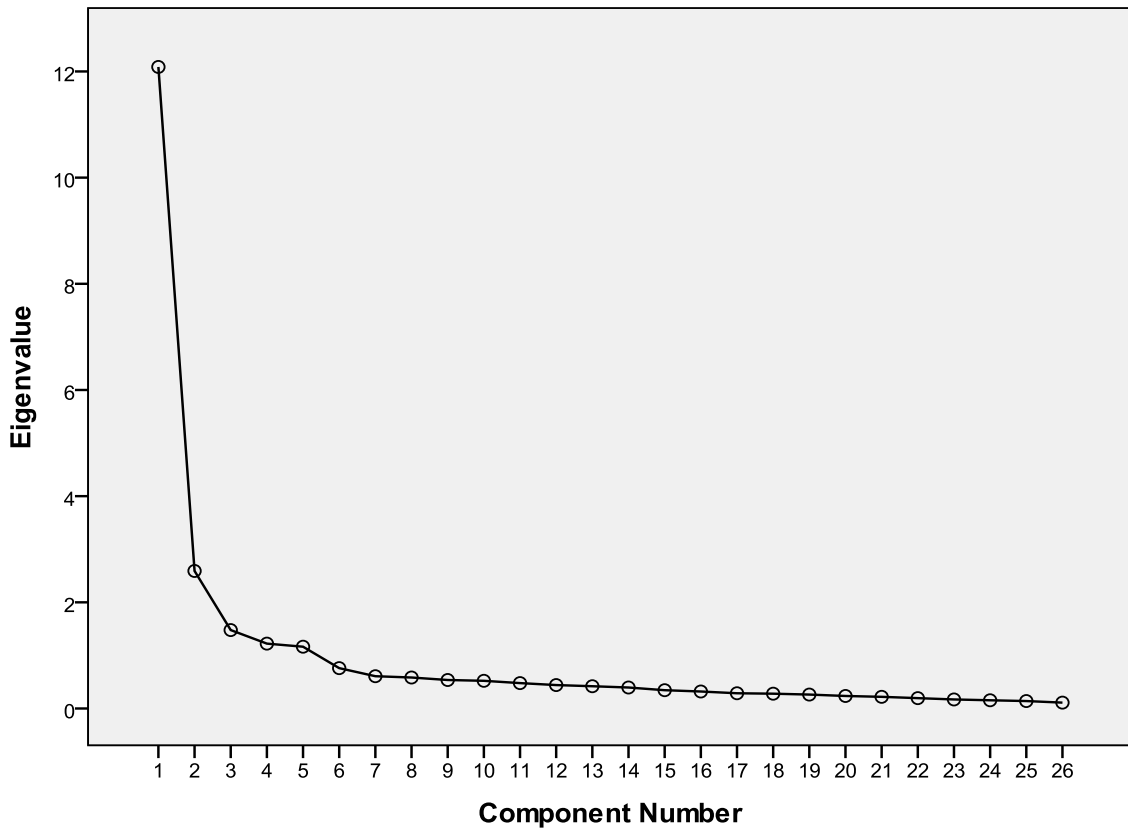
The results revealed the presence of clear five-dimensional factor pattern. As depicted in Table 5-4, the first five components (factors or constructs) with eigenvalues exceeding 1 explained 46.48%, 9.96%, 5.68%, 4.70% and 4.48% of the variance, respectively. This was further supported by the inspection of Catell's (1966) Scree Plot test, which showed a clear break after the fifth component (see Figure 5-4).

**Table 5-4: PCA results for the 26-item scale**

Component	Initial Eigenvalues			Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	12.085	46.480	46.480	12.085	46.480	46.480
2	2.591	9.964	56.444	2.591	9.964	56.444
3	1.477	5.682	62.126	1.477	5.682	62.126
4	1.222	4.700	66.826	1.222	4.700	66.826
5	1.164	4.476	71.301	1.164	4.476	71.301
6	.760	2.923	74.225			
7	.608	2.339	76.563			
8	.583	2.244	78.807			
9	.537	2.064	80.872			
10	.521	2.006	82.877			
11	.478	1.839	84.717			
12	.441	1.697	86.414			
13	.419	1.612	88.026			
14	.395	1.520	89.546			
15	.345	1.325	90.871			
16	.320	1.231	92.102			
17	.287	1.103	93.205			
18	.279	1.072	94.278			
19	.262	1.008	95.286			
20	.236	.907	96.193			
21	.220	.845	97.037			
22	.195	.750	97.787			
23	.170	.654	98.441			
24	.155	.595	99.037			
25	.140	.539	99.575			
26	.110	.425	100.000			

Extraction Method: Principal Component Analysis.

Figure 5-4: Scree plot



To aid in the interpretation of these five components, a Varimax rotation method was performed, and the five components explain a total of 71.30% of variance, which exceeds the suggested threshold of 60% (Hair, et al., 2010, p. 111). As shown in Table 5-5, the matrix displays the predominant factor loadings for each item on the relevant component in bold and this helps highlight the grouping effect of the items. Although the interpretation of the five components validates previous assumptions of the five constructs with almost all items loading strongly on their respective components, still a few items (underlined in Table 5-5) are found to relatively have high loading on more than one factor. As the rationale in developing scales is to avoid potential overlap between underlying constructs (Byrne, 2010), deletion of problematic items is more appropriate at the preliminary stage of analysis. After an objective, subsequent iterative deletion of items causing cross-loadings (SOC13—EPIS9—SOC11) – one at a time – 23 items remained. Table 5-6 provides an overview of items deleted from the previous two stages.

**Table 5-5: Rotated component matrix**

Item	Component					Communalities
	1	2	3	4	5	
EPIS5	<b>.821</b>	.228	.144	.169	-.028	.776
EPIS4	<b>.820</b>	.189	.175	.162	-.014	.766
EPIS6	<b>.753</b>	.165	.161	.336	.011	.733
EPIS7	<b>.741</b>	.256	.156	.172	.152	.692
EPIS8	<b>.714</b>	.301	.232	.138	.131	.690
EPIS2	<b>.701</b>	.224	.103	.225	.090	.611
<u>EPIS9</u>	<b>.636</b>	.414	.251	.222	.120	.703
SOCI6	.359	<b>.764</b>	.090	.274	-.021	.796
SOCI4	.354	<b>.755</b>	.219	.211	-.011	.787
SOCI5	.327	<b>.723</b>	.231	.145	-.022	.705
SOCI7	.178	<b>.701</b>	.056	.277	.129	.619
<u>SOCI3</u>	.187	<b>.589</b>	.436	.223	.170	.650
<u>SOCI1</u>	.310	<b>.584</b>	.340	.151	.089	.583
FUNC2	.182	.244	<b>.759</b>	.239	.059	.730
FUNC1	.184	.204	<b>.753</b>	.252	.118	.720
FUNC5	.122	.047	<b>.675</b>	.260	.243	.599
FUNC3	.255	.267	<b>.672</b>	.138	.055	.610
FUNC8	.176	.124	<b>.658</b>	.221	.349	.640
EMOT4	.273	.273	.261	<b>.780</b>	.165	.853
EMOT3	.285	.224	.208	<b>.759</b>	.119	.765
EMOT2	.308	.240	.292	<b>.755</b>	.101	.818
EMOT5	.219	.266	.343	<b>.735</b>	.182	.810
EMOT1	.290	.297	.315	<b>.643</b>	.133	.702
ECON2	.018	-.004	.081	.127	<b>.862</b>	.766
ECON4	.035	.069	.119	.103	<b>.811</b>	.689
ECON1	.135	.082	.334	.118	<b>.751</b>	.713

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalisation.

Rotation converged in 6 iterations.

Items with high cross-loadings are underlined

**Table 5-6: Items dropped from item minimisation stage**

Label	Item
FUNC4	This brand has a long battery life*
FUNC6	This brand is physically robust*
FUNC7	This brand provides good after-sales technical support*
ECON3	This brand offers value for money*
ECON5	This brand is affordable for me*
SOCI1	This brand is trendy**
SOCI2	This brand is used by my family and friends*
SOCI3	This brand has a good reputation**
SOCI8	This brand enables me to communicate easily with people I know*
EMOT6	I feel secure from computer viruses with this brand*
EPIS1	I use this brand to experiment with new ways of doing things*
EPIS3	I use this brand out of curiosity*
EPIS9	This brand signals innovation**

\*dropped based on item-to-total scale correlation test

\*\*dropped based on PCA

A further exploratory principal components analysis was undertaken on the reduced set of 23 items that revealed a clear factor pattern with better explained total variance of 72.78%. The final outlook of the remaining items, together with their description, is presented in Table 5-7. As shown from the table, there are five items for functional value, three for economic, four for social, five for emotional and six items for epistemic that were confirmed in the PCA.

For functional value, the remaining five items include four items taken from Sweeney and Soutar's (2001) measures for quality/performance and one item that was developed from the qualitative fieldwork (related to high-speed processor). Similarly, three items measuring economic value were confirmed and all were taken from measures of price/value for money in the same study (Sweeney & Soutar, 2001). Similar results were found for social and emotional constructs whereby only items taken from previous studies are validated; four items for social value (Vazquez, et al., 2002) and five items for emotional value (Tsai, 2005). Finally, six items used for measuring epistemic value were confirmed by PCA. These cover five items that were developed from the qualitative fieldwork and one item was adopted from a product-level study conducted by Pihlström and Brush (2008).

**Table 5-7: Validated items in PCA**

Item	Description	loading
FUNC1	This brand has high quality	.758
FUNC2	This brand is well made	.770
FUNC3	This brand has a high-speed processor*	.690
FUNC5	This brand is not prone to breakdown	.668
FUNC8	In terms of quality, this brand can last for a long time (e.g. 5 years)	.663
ECON1	This brand is good pricewise	.753
ECON2	This brand is reasonably priced	.864
ECON4	This brand would be economical	.812
SOCI4	This brand is a symbol of prestige	.736
SOCI5	This brand is endorsed by celebrities	.759
SOCI6	This brand is attractive to other people	.769
SOCI7	This brand is suitable for my social class	.696
EMOT1	This brand is enjoyable for me	.661
EMOT2	This brand puts me in a good mood	.766
EMOT3	I may see this brand like a friend to me	.758
EMOT4	I feel happy using this brand	.790
EMOT5	I feel relaxed with this brand	.753
EPIS2	I use this brand to experiment with new technology	.708
EPIS4	This brand stimulates my curiosity about latest technology*	.836
EPIS5	This brand provides me with knowledge about latest technology*	.840
EPIS6	This brand stimulates my creativity*	.763
EPIS7	This brand provides variety*	.732
EPIS8	This brand provides novelty*	.680

\* New items developed from focus group discussions

### 5.3.3 Confirmatory factor analysis

Confirmatory Factor Analysis (CFA) is a statistical technique generally employed to validate an *a priori* hypothesis about the relationship between a set of measurement items and their predefined factors (Netemeyer, et al., 2003). It is usually used to test the unidimensionality, which relates to the existence of one latent factor/construct underlying a set of measurement items (Andreassen & Lindestad, 1988), and considered a salient psychometric property to confirm a scale initially developed by EFA (Steenkamp & Trijp, 1991). Similar to EFA, CFA can also be used to reduce the number of items, especially those that may threaten the dimensionality of a scale (Byrne, 2010; Hair, et al., 2010).

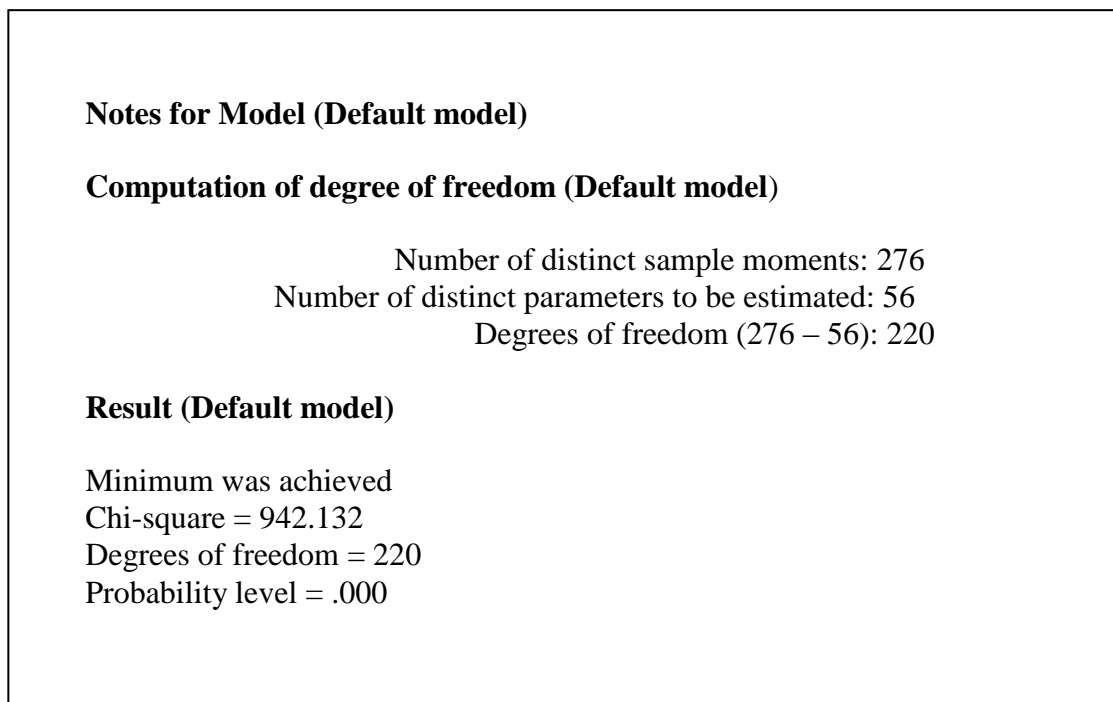


Moreover, CFA allows for testing whether the indicators of the specific construct converge or share the high proportion of variance in common, i.e. convergent validity through the computation of the size of factor loadings (Hair, et al., 2010), variance extracted and composite reliability for each construct (Fornell & Larcker, 1981). Further scale validation by CFA is the test of discriminant validity of the constructs, e.g. the extent to which a construct is truly distinct from other constructs. Finally, CFA is also necessary to assure that constructs have nomological validity whereby the overall fit of the model is used as the necessary and sufficient condition to examine the nomological validity (Steenkamp & Trijp, 1991).

CFA can be performed using various statistical packages, such as AMOS, LISREL and PLS. For this research, the AMOS software is used because it offers the advantage of working directly from a path diagram. It allows the researcher to specify, estimate, assess and present the model in an intuitive path drawing, showing observed (measures) and unobserved (constructs) variables in the hypothetical model (Kline, 1998). Within Structural Equation Modelling, there is a need to confirm the measurement model prior to examining the scale validity. The measurement model represents constructs (latent; unobserved variables) and their set of items (observable variables, measures) (Byrne, 2010).

### ***The hypothesised model***

The CFA model was run by AMOS whereby 23 items representing the five value dimensions were connected to their predefined theoretical factors. Using AMOS output functions, a number of criteria are examined first to evaluate the measurement model suitability. These include the model summary, assessment of normality and outliers and indices of fit for the model as a whole. Given findings of model misfit, modification indices (MIs) can be reviewed to pinpoint areas of model respecifications (Byrne, 2010).

**Figure 5-5: Summary model statistics*****Model summary***

As shown in Figure 5-5, estimation of the hypothesised model resulted in an overall  $\chi^2$  value of 942.132 with 220 degrees of freedom and a probability value of .000. Of importance also is the notation that the minimum was achieved. This latter statement indicates that AMOS was successful in estimating all model parameters, thereby resulting in a convergent solution. If, on the other hand, the program was not able to achieve this goal, it would mean that it was unsuccessful in being able to reach the minimum discrepancy value, as defined by the program in its comparison of the sample covariance and restricted covariance matrices. Typically, an outcome of this sort results from incorrectly specified models and/or data in which there are linear dependencies among certain variables (Byrne, 2010).

***Assessment of normality***

A critically important assumption in the use of AMOS, as well as other SEM analyses, is that the data is multivariate normal (Byrne, 2010). This requirement is rooted in large sample theory from which the SEM methodology was laid out (Arbuckle, 2007). Thus, before any analyses of data are conducted, it is important to

check that this criterion has been achieved. Particularly tricky to SEM analyses are data that is multivariate kurtotic, the condition where the multivariate distribution of the observed variables has both tails and peaks that diverge from those characteristic of a multivariate normal distribution (Raykov & Marcoulides, 2000). More specifically, in the instance of multivariate positive kurtosis, the distributions will yield peakedness together with heavy (or thick) tails; conversely, multivariate negative kurtosis will exhibit flat distributions with light tails (DeCarlo, 1997).

Given that SEM is based on the analysis of covariance structures, indication of kurtosis is always of concern and, in particular, evidence of multivariate kurtosis, as it is known to be exceptionally disadvantageous in SEM analyses (Byrne, 2010). With this in mind in turning first to the univariate statistics, the focus is only on the univariate kurtosis value and its critical ratio (i.e., z-value) which are listed in the last two columns of Table 5-8 for each of the 23 value items. As shown, positive values range from .014 to 2.107 and negative values from  $-.039$  to  $-.519$ , yielding an overall mean univariate kurtosis value of 1.00.

According to DeCarlo (1997) and Kline (1998), amongst others, the standardised kurtosis index ( $\beta_2$ ) in a normal distribution has a value of 3, with larger values representing positive kurtosis and lesser values representing negative kurtosis but, however, computer programs typically rescale this value by subtracting 3 from the  $\beta_2$  value, thereby making zero the indicator of normal distribution and its sign the indicator of positive or negative kurtosis. Although there appears to be no clear consensus as to how large the nonzero values should be before conclusions of extreme kurtosis can be drawn, West, et al. (1995) consider rescaled  $\beta_2$  values equal to or greater than 7 to be indicative of early departure from normality. Using this value of 7 as a guide, a review of the kurtosis values reported in Table 5-8 reveals no item to be substantially kurtotic.

**Table 5-8: AMOS Graphics: Summary normality statistics**

Variable	Min	Max	Skew	C.R.	Kurtosis	C.R.
EPIS8	1.000	7.000	-.660	-6.081	.014	.063
EMOT5	1.000	7.000	-1.058	-9.756	1.188	5.478
EPIS2	1.000	7.000	-.531	-4.898	-.162	-.749
EPIS4	1.000	7.000	-.587	-5.414	-.076	-.348
EPIS5	1.000	7.000	-.664	-6.122	.153	.704
EPIS6	1.000	7.000	-.487	-4.488	-.170	-.782
EPIS7	1.000	7.000	-.722	-6.660	.439	2.023
EMOT1	1.000	7.000	-1.018	-9.382	.810	3.734
EMOT2	1.000	7.000	-.806	-7.431	.528	2.435
EMOT3	1.000	7.000	-.506	-4.663	-.260	-1.198
EMOT4	1.000	7.000	-.803	-7.408	.537	2.477
SOCI4	1.000	7.000	-.490	-4.515	-.519	-2.394
SOCI5	1.000	7.000	-.163	-1.505	-.260	-1.197
SOCI6	1.000	7.000	-.516	-4.756	-.039	-.177
SOCI7	1.000	7.000	-.859	-7.923	1.063	4.901
ECON1	1.000	7.000	-1.155	-10.650	1.757	8.099
ECON2	1.000	7.000	-.782	-7.208	.396	1.827
ECON4	1.000	7.000	-.522	-4.817	-.145	-.667
FUNC1	1.000	7.000	-1.245	-11.476	2.107	9.711
FUNC2	2.000	7.000	-1.007	-9.280	1.212	5.589
FUNC3	1.000	7.000	-.992	-9.150	1.304	6.011
FUNC5	1.000	7.000	-.947	-8.732	.617	2.845
FUNC8	1.000	7.000	-1.025	-9.448	1.075	4.954
Multivariate					194.655	64.814

C.R.: critical ratio

According to West, et al. (1995), although the presence of nonnormal observed variables precludes the possibility of a multivariate normal distribution, the converse is not necessarily true. That is, regardless of whether the distribution of observed variables is univariate normal, the multivariate distribution can still be multivariate nonnormal (West, et al., 1995). Byrne (2010) explains that when the sample size is very large and multivariately normal, critical ratio (C.R.) normalised estimate is distributed as a unit normal variate such that large values reflect significant positive kurtosis and large negative values reflect significant negative kurtosis and, therefore, the index of multivariate kurtosis and its critical ratio, both of which appear at the bottom of the kurtosis and critical ratio (C.R.) columns should be examined.

Bentler (2005) has suggested that, in practice, values  $> 5.00$  are indicative of data that are nonnormally distributed. In this application, the z-statistic of 64.814 is highly suggestive of nonnormality in the sample. Nevertheless, the issue of nonnormality violation can be cured by using appropriate estimation methods such as the maximum likelihood (ML), which is argued to be efficient in correcting multivariate nonnormal data if the ratio between sample size and number of estimates is reasonable e.g. when the sample size meets the criterion of having at least five observations for each variable (Andreassen & Lindestad, 1988). Since these conditions are met by the present study, the analysis will proceed by applying the ML method to overcome nonnormality issues.

#### *Assessment of multivariate outliers*

Outliers represent cases whose scores are significantly different from all the others in a particular set of data. A univariate outlier has an extreme score on a single variable, whereas a multivariate outlier has extreme scores on two or more variables (Hair, et al., 2010). A common approach to the detection of multivariate outliers is the computation of the squared Mahalanobis distance ( $D^2$ ) for each response (Byrne, 2010). This statistic calculates the distance in standard deviation units between a set of scores for one case and the sample means for all variables (centroids). Typically, an outlying case will have a  $D^2$  value that stands specifically apart from all the other  $D^2$  values (Byrne, 2010). A review of these values as provided by AMOS Output tables shows minimal evidence of serious multivariate outliers.

#### **5.3.4 The measurement model**

To evaluate the measurement model validity, a cluster of GOF (goodness of fit) indices are provided by SEM software to enable the comparison between the theory (e.g. the hypothetical model) and reality (collected data). The degree to which they are similar reflects the goodness (or badness) of the proposed model (Hair, et al., 2010). While models in social science research cannot represent real data perfectly, a common practice is to follow threshold levels put forward for several GOF indices suggested by methodology texts (e.g. Byrne, 2010; Hair, et al., 2010).

In general, fit statistics are classed into three basic groups (Byrne, 2010; Hair, et al., 2010). First, Absolute Fit Indices which provide a direct assessment of how well the

theory fits the sample data. A traditional statistical test of this group is the chi-square ( $\chi^2$ ) test and the associated degree of freedom (DF) which examines the difference between the observed sample and estimated covariance matrices; the lower the  $\chi^2$  value the better fit. Given the known sensitivity of this statistic to sample sizes, however, use of the  $\chi^2$  index provides little guidance in determining the extent to which the model does not fit, according to Byrne (2010), who reasons that “*it is more reasonable and appropriate to base decisions on other indices of fit*” (Byrne, 2010, p. 176). Primary among other indices in this group are GFI (Goodness-of-Fit Index), RMSEA (Root Mean Square Error or Approximation), RMR (Root Mean Square Residual) and SRMR (Standardised RMR).

Second, Incremental Fit Indices include these statistical measures used to assess the fit of the estimated model by comparing it to an alternative baseline model (e.g. null model) (Byrne, 2010; Hair, et al., 2010). Examples of this group are NFI (Normed Fit Index), Tucker Lewis Index (TLI), CFI (Comparative Fit Index) and RNI (Relative Noncentrality Index). Third, Parsimony Fit Indices are designed to consider the complexity of models (e.g. number of variables, DF, etc.) in their estimation of models’ fit so as to provide specific information about the best model among competitive models (Hair, et al., 2010). Examples of parsimony fit measures are AGFI (Adjusted Goodness of Fit Index), PNFI (Parsimony Normed Fit Index) and AIC (Akaike Information Criterion).

Cheung and Rensvold (2002) and Iacobucci (2009), amongst others, clarify that although each of these measures is unique in terms of how it performs and calculated, it is unrealistic to report all indices in a single setting of research. Therefore, the use of suitable fit statistics could do the job for any researcher. For instance, a good strategy suggested by Hair, et a. (2010) is using multiple indices from different types mentioned above. “*Typically, using three to four indices provides adequate evidence of model fit*” (Hair, et al., 2010, p. 672).

For the present study, commonly used indices from each group will be employed throughout this chapter to assess the fit of postulated models. These include chi-square ( $\chi^2$ ) and RMSEA from absolute indices, CFI and TLI from incremental/comparative indices, and AIC from parsimony fit indices. These criteria are chosen

on the basis of (a) their variant approaches to the assessment of model fit (Hoyle, 1995), (b) their support in the literature as important indices of fit that should be reported (Byrne, 2010) and (c) that several fit indices provided by SEM programs basically provide the same information. For example, the AIC, CAIC, and ECVI each serves the same function in addressing parsimony (Byrne, 2010; Hair, et al., 2010).

As indicated earlier, the literature documents threshold levels for these fit indices to indicate the goodness of postulated versus actual data. However, Hair, et al. (2010) affirms that these cutoff values should be considered within the particular settings of research and bearing other research parameters such as sample size (N) and number of variables (m) into the estimation of well-fitting models. Hence, the standardised values for the used cluster of indices are shown in Table 5-9.

**Table 5-9: GOF indices for different model situations**

	$m < 12$	$12 < m < 30$	$m \geq 30$
$\chi^2$	Insignificant <i>p</i> -values even with good fit	Significant <i>p</i> -values expected	Significant <i>p</i> -values expected
RMSEA	Values < .07 with CFI of .97 or higher	Values < .07 with CFI of .92 or higher	Values < .07 with CFI of .90 or higher
CFI or TLI	.95 or better	Above .92	Above .90
RNI	.95 or better, not used with N > 1,000	Above .92, not used with N > 1,000	Above .90, not used with N > 1,000

Values for N > 250, *m* = number of observed variables (e.g. items).  
Source: adapted from Hair, et al. (2010)

To assess these criteria for the measurement model, the 23-item CFA model was run using AMOS version 18.02. Table 5-10 reports the results obtained from AMOS Outputs' tables. In reviewing these criteria in terms of their recommended values (Table 5-9), it is obvious that they are consistent in their reflection of a model fit that is modestly good at best. For example, the CFA value of .915 is indicative of an adequate fit of the model to the data since the optimal value for CFA is .92, given the study parameters of N=510 and *m*=23.

**Table 5-10: GOF indices for the 23-item scale**

N	<i>m</i>	$\chi^2$	DF	<i>p</i>	CFI	TLI	RNI	RMSEA
510	23	942.132	220	.000	.915	.902	.915	.080

N = number of observations (sample size)

*m* = number of observed variables (items)

$\chi^2$  = chi-square statistics

DF = degree of freedom

*p* = probability value

CFI = comparative fit index

RNI = relative non-centrality index

TLI = Tucker Lewis index

RMSEA = root mean square error of approximation.

Therefore, it is apparent that some modification in specification is needed in order to identify a model that better represents the sample data. To assist in pinpointing possible areas of misfit, the modification indices (MIs) were examined. By doing so, meaningful conclusions about problematic items can be obtained and used for model respecification. In particular, large MIs indicate the presence of factor cross-loadings (i.e., a loading on more than one factor) and error covariances (Byrne, 2010).

Turning first to the MIs related to the covariances, there exists a very clear evidence of misspecification associated with the pairing of error terms associated with Items EPIS7 and EPIS8 (MI = 109.885) and thus the covariance between these items stands apart to represent the largest misspecified error covariances. According to Aish and Jöreskog (1990), these measurement error covariances represent systematic, rather than random, measurement error in item responses, and they may derive from characteristics specific either to the items (e.g. redundancy or overlap in content) or to the respondent (e.g. social desirability questions).

A further look at the MIs for the factor loadings revealed that from the two detected items, EPIS8 indicates a parameter of cross-loadings with a different factor (e.g. functional value), which would assume that Item EPIS8 is more problematic than EPIS7. Thus, Item EPIS8 is considered the strongest candidate for removal from next model respecification. However, Byrne (2010) warns that caution must be taken regarding the decision to drop items off from further analysis. Not only statistical results but also the foundation of both empirical and theoretical rationales determines the decision of removal. From the theoretical sense, the item could also be seen by



respondents to reflect a very abstract level of a brand value – *a brand that provides novelty* – and thus might be not related to the concept of perceived value to oneself.

### ***Post-hoc analyses – Model 2***

Having determined (a) inadequate fit of the hypothesised model to the sample data, and (b) at least some misspecified parameters in the model (i.e., error covariances and/or cross-loading items), it seems both reasonable and logical that further exploratory attempt is needed to modify this model in a sound and responsible manner (Byrne, 2010).

Respecification of the hypothesised model of the brand value scale structure involves the deletion of Item EPIS8 from the model. The test of this respecified model (Model 2) now falls within the approach of post-hoc analyses. As shown in Table 5-11, Goodness-of-fit statistics related to Model 2 reveals that deletion of Item EPIS8 from the model made a substantial improvement to model fit. In particular, the overall chi-square value decreased from 942.132 to 762.509 and the RMSEA decreased from .080 to .075, while the CFI value increased from .915 to .929.

In assessing the extent to which a respecified model exhibits improvement in fit, the difference in  $\chi^2$  ( $\Delta\chi^2$ ) values between the two models should be examined to determine if the difference in fit between the two models is statistically significant (Byrne, 2010). Doing so, however, presumes that the two models are nested or hierarchical (having the same number of variables). However, Model 1 and Model 2 do not represent ‘nested’ models in this situation because the number of parameters is different (Model 2 has a smaller number of variables after deletion of EPIS8).

**Table 5-11: GOF indices for the 22-item scale**

N	<i>m</i>	$\chi^2$	DF	<i>p</i>	CFI	TLI	RNI	RMSEA
510	22	762.509	199	.000	.929	.918	.929	.075

N = number of observations (sample size)

*m* = number of observed variables (items)

$\chi^2$  = chi-square statistics

DF = degree of freedom

*p* = probability value

CFI = comparative fit index

TLI = Tucker Lewis index

RNI = relative non-centrality index

RMSEA = root mean square error of approximation.

To aid in this matter, the other index suggested in such comparison of non-hierarchical models is the Akaike Information Criterion (AIC). AIC is a goodness-of-fit measure which adjusts model chi-square to penalise for model complexity (that is, for over-parameterisation) (Byrne, 2010). Thus AIC reflects the discrepancy between model-implied and observed covariance matrices. Unlike model chi-square, AIC may be used to compare non-hierarchical as well as hierarchical (nested) models, whereas model chi-square difference is used only for the latter case (Byrne, 2010). Since the comparison of Model 2 (AIC = 870.509) with Model 1 (AIC= 1054.132) yields a difference in AIC value ( $\Delta$ AIC) of 183.623, this leads to the conclusion that the 22-item model has an improved fit compared to its 23-item version.

Nevertheless, it is yet evident from goodness-of-fit indices of Model 2 (Table 5-11) that cut-off levels have not been achieved so far. Particularly, the RMSEA value is still higher than the suggested threshold of .070 for such particular parameters. Following the same process of Model 1, the resulting MIs for Model 2 were reviewed. This identified a new error covariance between Items FUNC8 and ECON1 which suggests a presence of another problematic item. A further look to the Regression Weights data proves that Item FUNC8 indicates the highest MI (MI=27.572) by cross-loading on economic value factor. This leads to the respecification of the model (Model 3) without the Item FUNC8 for the sake of improvement of model fit.

**Post-hoc analyses – Model 3**

As shown in Table 5-12, goodness-of-fit statistics related to Model 2 reveal that deletion of Item FUNC8 from the model made another large improvement to model fit. In particular, the RMSEA value decreased from .075 to .070, while the CFI value increased from .929 to .941 and TLI value from .902 to .931. Additionally, comparison of AIC values of Model 3 (727.351) and Model 2 (870.509) yields a difference in AIC value ( $\Delta$ AIC) of 143.158. Thus, Model 3 with 22 items is said to have reached the accepted level of goodness-of-fit and the need for model respecification is denied. Supporting this result, other goodness-of-fit values (not shown in the tables): GFI=.89, AGFI=.86 and SRMR= .055; are all found to meet conventional standards for acceptable model-data fit.

**Table 5-12: GOF indices for the 21-item scale**

N	<i>m</i>	$\chi^2$	DF	<i>p</i>	CFI	TLI	RNI	RMSEA
510	21	623.351	179	.000	.941	.931	.941	.070

N = number of observations (sample size)

*m* = number of observed variables (items)

$\chi^2$  = chi-square statistics

DF = degree of freedom

*p* = probability value

CFI = comparative fit index

TLI = Tucker Lewis index

RNI = relative non-centrality index

RMSEA = root mean square error of approximation.

To sum up, an initial 23-item scale suggested after running PCA was evaluated using CFA and found to be in need of improvement. To assist in pinpointing possible areas of misfit, post-hoc model fitting was embarked on to identify areas of misfit in the model and thus respecify parameters in a sound (empirical) and responsible (theoretical) manner (Byrne, 2010). Two additional items (one from epistemic and another from functional) were dropped, owing to their high cross-loadings on other factors in addition to the presence of consistent pattern of outstanding residuals with other variables in the model.

Table 5-13 reveals that the hypothesised model could be further improved to increase the level of good fit after the two items are eliminated. Hence, the final brand value measurement scale ends by comprising 21 items for the five dimensions of value.

These include four items for functional value, three for economic, four for social, five for emotional and five for epistemic value.

**Table 5-13: Comparison between EFA vs. CFA results**

Model	<i>m</i>	$\chi^2$	DF	<i>p</i>	CFI	TLI	RMSEA
23 items	23	942.132	220	.000	.915	.902	.080
22 items	22	762.509	199	.000	.929	.918	.075
21 items	21	623.351	179	.000	.941	.931	.070

*m* = number of observed variables (items)

$\chi^2$  = chi-square statistics

DF = degree of freedom

*p* = probability value

CFI = comparative fit index

TLI = Tucker Lewis index

RMSEA = root mean square error of approximation.

### 5.3.5 Validity and reliability tests

Variant tests of validity are performed to report the psychometric properties of the final 21-item brand value scale. The discriminant validity of the multidimensional brand value scale is investigated in two ways. First, the test that the correlation between constructs is significantly less than one was used (Bagozzi & Heatherton, 1994). In practice, this test requires an examination of the confidence interval surrounding the estimate. Should the correlation plus or minus two standard errors include the value one, discriminant validity is not supported. The highest correlation between dimensions is 0.71 between the functional and emotional scales (see Table 5-14). The associated confidence interval is 0.65 to 0.77. Hence discriminant validity is supported for all pairs of dimensions.

Further, Fornell and Larcker's (1981) discriminant validity test is conducted. This test requires that, when taking any pair of constructs, the average variance extracted for each construct should be greater than the squared structural path coefficient between the two constructs. In the present case, these requirements are met for all pairs of constructs, with the average variance extracted ranging from 0.76 to 0.86 as reported in Table 5-14. This exceeds the squared path coefficient in all cases, since the maximum value of the squared path is 0.71.

In addition, the convergent validity test suggested by Fornell and Larcker (1981) is also performed. The average variance extracted (AVE) is well above 0.50 for all constructs, indicating that the constructs display a high degree of convergent validity. Therefore, the constructs are both theoretically and empirically distinct from each other. AVE is reported in Table 5-14 with other reliability statistics. Similarly, the nomological validity of the constructs is supported as well since all constructs are significantly correlated (Pihlström & Brush, 2008).

Moreover, the standardised factor loadings for 18 of the 21 scale items are reported to exceed the 0.70 standard that indicates that each measure is accounting for 50 percent or more of the variance in the latent underlying construct. Thus, these measures display adequate within-method convergent validity (Pihlström & Brush, 2008). Furthermore, the Cronbach alpha  $\alpha$  for each construct is over 0.80, significantly exceeding the 0.70 level (Nunnally, 1978) and supporting the unidimensionality of the measures (see Table 5-14). In short, these results provide evidence of the scale's reliability and validity and thus support the proposed five dimensional model of brand value scale.

**Table 5-14: Descriptive statistics of the scale constructs**

	CR	$\alpha$	AVE	EMOT	FUNC	ECON	SOCI	EPIS
EMOT	0.933	.931	0.737	<b>0.859</b>	.662	.412	.989	.734
FUNC	0.845	.827	0.581	0.711	<b>0.762</b>	.357	.705	.518
ECON	0.804	.799	0.578	0.427	0.446	<b>0.760</b>	.226	.206
SOCI	0.883	.880	0.656	0.678	0.581	0.180	<b>0.810</b>	1.065
EPIS	0.908	.905	0.665	0.622	0.528	0.203	0.694	<b>0.815</b>

CR= Construct Reliability

Squared AVEs appear on the diagonal

Correlations are below the diagonal, covariances above

EMOT: Emotional; FUNC: Functional; ECON: Economic; SOCI: Social; EPIS: Epistemic.

### 5.3.6 Multigroup analysis

The central concern in this section is to question whether or not the obtained results of the measurement model are equivalent (i.e., invariant) across different groups i.e. male and female students of the sample. This is known in AMOS as a multigroup analysis. In multigroup applications, assumptions related to the invariance of a single measuring instrument across two or more different panels of respondents are tested. Specifically, the equivalency of the factorial measurement of the scale and its underlying latent structure is tested across groups in questions by using categorical variables e.g. gender, income, education level, etc. The purpose of this application is to (dis)prove whether the model holds regardless of sample differences.

According to Byrne (2010), in testing for equivalencies across groups, sets of parameters are put to the test in a logically ordered and increasingly restrictive fashion. Depending on the model and hypotheses to be tested, the following sets of parameters are most commonly of interest in answering questions related to multigroup equivalence: (a) factor loadings, (b) factor covariances, and (c) structural regression paths. Therefore, testing for factorial equivalence encompasses three hierarchical steps.

Firstly, the test begins with the determination of a *baseline* model for each group separately which concerns the question: is the conceptual model fitting individual subsamples? If these models prove to be well-fitting, next step is to test the *configural* model which combines samples together and concerns with: does the multigroup model fit well after combining subsamples subject to put forth constraints? The last step examines the measurement and structural invariance in order to answer the question: are the loading coefficients within and between constructs equivalent across subsamples?

Fits step: The 21-item brand value scale discussed earlier provides the basis for the postulated model under test in the determination of the baseline model for each student group. CFA model was run individually for each group of students whereby the male group has 268 samples and the female group 242 samples. Goodness-of-fit statistics related to both CFA models are summarised in Table 5-15. While the fit for the male group perfectly meets the predefined cutoff levels (Hair, et al., 2010),

RMSEA value for the female group is slightly above the optimal value of .08. The convention in such case is to identify these parameters causing variance between samples and isolate them on incremental stringent basis (e.g. which construct causing the variance? Which item? and so forth) in order to report the significance of the variance.

**Table 5-15: GOF indices for baseline models**

Model	N	$\chi^2$	DF	CFI	RMSEA	ECVI
Male	268	404.936	179	.937	.069	1.906
Female	242	472.506	179	.928	.082	2.392
Both	510	623.351	179	.941	.070	1.429

However, according to Byrne (2010) and given that other fit indices are within suggested levels of good fitting, it would be inappropriate to incorporate further changes to the model because model parsimony is of utmost importance in tests for multigroup equivalence as it is the case with other SEM techniques. Therefore, the test proceeds with the resulting model fits. Findings from this testing for a baseline model ultimately yields one that is identically specified for male and female students i.e. possesses identical parameters (constructs, items, etc.). However, the equivalence of item measurements and underlying theoretical structure is yet to be statistically tested by testing parameters of equivalence in the configural model.

Second step: The procedure is accomplished via the Manage Groups function in AMOS. The initial step in testing for invariance requires only that the same number of factors and the factor-loading pattern be the same across groups (Byrne, 2010). As such, no equality constraints are imposed on any of the parameters. Even though the same test has been already conducted in the establishment of baseline models, the process is repeated because this multigroup model serves two important functions (Byrne, 2010). First, it allows for invariance tests to be conducted across the two groups simultaneously. In other words, parameters are estimated for both groups at the same time. Second, in testing for invariance, the fit of this configural model provides the baseline value against which all subsequently specified invariance models are compared.

The goodness-of-fit statistics for the multigroup-configural model combining both groups of students are reported in Table 5-16. The results reveal the  $\chi^2$  value to be 877.442 with 358 degrees of freedom. The CFI and RMSEA values are .932 and .053, respectively. From this information, it can be concluded that the hypothesised multigroup model of brand value scale structure is perfectly well fitting across male and female students. Having established goodness-of-fit for the configural model, testing for the invariance of factorial measurement and structure across groups comes next (Byrne, 2010).

**Table 5-16: GOF indices for configural model**

N	<i>m</i>	$\chi^2$	DF	<i>p</i>	CFI	TLI	RMSEA
510	21	877.442	358	.000	.932	.922	.053

N = number of observations (sample size)

*m* = number of observed variables (items)

$\chi^2$  = chi-square statistics

DF = degree of freedom

*p* = probability value

CFI = comparative fit index

TLI = Tucker Lewis index

RMSEA = root mean square error of approximation.

**Third step:** This final step tests for measurement and structural invariance to explore the extent to which parameters in the measurement and structural components of the model (e.g. item loadings) are equivalent across groups. To assist the model, though, Byrne (2010) argues that from a practical perspective, the  $\chi^2$  difference test represents an excessively stringent test of invariance and particularly in light of the fact that SEM models at best are only approximations of reality. In this context, Cheung and Rensvold (2002) calculate that invariance decisions should be based on a difference in CFI ( $\Delta$ CFI,  $p < 0.01$ ) rather than on  $\chi^2$  values.

To perform the test, all factor loadings (between items and latent construct) be equally labelled. Upon running the model test, comparison of this constrained model and the previously tested configural model is used to judge multigroup invariance. The results shown earlier in Table 5-16 and these in Table 5-17 reveal the fit of the constrained model to be consistent with that of the configural model (CFI = .931; RMSEA = .053). Computation of the difference between CFI values yields that  $\Delta$ CFI



= .001 which contends that the measurement model is completely invariant as this value is less than the .01 cutoff point suggested by Cheung and Rensvold (2002). Presented with these findings, further analyses to compare subsequent models are not needed since the measurement model proves that the brand value scale is invariant across both groups of students.

**Table 5-17: GOF indices for measurement model**

N	<i>m</i>	$\chi^2$	DF	<i>p</i>	CFI	TLI	RMSEA
510	21	902.668	374	.000	.931	.920	.053

N = number of observations (sample size)

*m* = number of observed variables (items)

$\chi^2$  = chi-square statistics

DF = degree of freedom

*p* = probability value

CFI = comparative fit index

TLI = Tucker Lewis index

RMSEA = root mean square error of approximation.

In conclusion, the statistical tests in this section have proved the dimensionality of the developed scale of the brand value construct. Other psychometric properties such as convergent validity, discriminant validity, nomological validity and construct reliability are found to match standard measures suggested in the scale development literature (Churchill, 1979; Sweeney & Soutar, 2001; Tsai, 2005). Furthermore, the scale shows a consistent performance across surveyed samples irrespective of their gender. Hence, it can be argued that the scale is generalisable amongst male and female students in the laptop product category.

#### **5.4 Assessment of the conceptual model**

In this section, the data is analysed using structural equation modelling analysis (SEM) with the involvement of all constructs in this study. Through undertaking SEM, the analysis is useful for examining the research hypotheses and confirming the relationships amongst the variables in the research conceptual model. SEM thus used to test the pattern of causal structure linking the dimensions of brand value scale presented earlier with two constructs of brand considerations (antecedents) and two constructs of brand loyalty (consequences).

As was the case with the factor analytic applications illustrated previously, those structured as full SEMs are presumed to be of a confirmatory nature. That is to say, SEM works best in theory testing studies (Bagozzi & Heatherton, 1994), and thus postulated causal relations among all variables in the hypothesised model must be grounded in theory and/or empirical research (Byrne, 2010). Typically, the hypothesis to be tested argues for the validity of specified causal linkages among the variables of interest. In this study, there are 16 hypotheses which are postulated based on theory (i.e. consumption values theory and brand associations theory). However, running simultaneous test of multiple relationships involving interdependent variables is an approach that can be performed only by SEM techniques (Hair, et al., 2010).

#### **5.4.1 Structural equation modelling**

Structural equation modelling (SEM) is a statistical technique for testing and confirming causal relationships using a combination of theoretical causal assumptions and quantitative data. It combines and integrates both factor analysis and path analysis. Indeed, SEM offers several distinct advantages for testing hypotheses. Firstly, it performs a confirmatory rather than exploratory approach to data analysis. Through the assessment and modifications of theoretical models, SEM offers great potential for further development of theories (Anderson & Gerbing, 1988). Secondly, SEM considers explicit estimates of error variance parameters. Compared to traditional multivariate procedures where error terms are frequently ignored, SEM offers a more accurate estimation that is closer to the reality by removing measurement error from theory testing procedure (Iacobucci, 2009).

Thirdly, SEM allows the analysis to be undertaken using observed measurements as well as unobserved variables. These unobserved variables are referred to as latent variables (e.g. constructs) that are not directly measured, but estimated in the model from measured variables (e.g. multiple item scale) which are assumed to tap into the latent variables (Iacobucci, 2009).

Furthermore, SEM models constitutes of a measurement model, which relates the variables to the constructs (e.g. CFA), and a structural path model, which relates the constructs to other constructs (Iacobucci, 2009). According to Byrne (2010), because

(a) the structural portion of a full structural equation model includes relations among only latent variables, and (b) the major concern in working with a full SEM model is to assess the extent to which these relations are valid, it is critical that the measurement of each latent variable is psychometrically sound. Thus, an important preliminary step in the analysis of full models is to test first for the validity of the measurement model (Hair, et al., 2010). Accordingly, CFA procedures are used in testing the validity of the indicator variables. Once it is known that the measurement model is operating adequately, one can then have more confidence in findings related to the assessment of the hypothesised structural (conceptual) model.

Therefore, this study follows the two-step approach recommended by Anderson and Gerbing (1988) by performing an assessment on, first, the measurement model and, second, the structural model.

#### **5.4.2 The measurement model**

The first step in this approach is to develop an acceptable measurement model before building on this model to predict causal relationships among the study variables. In this approach, conducting the path analysis requires the foundation of valid, reliable and interrelated constructs to be confirmed before testing for postulated links between those constructs in the conceptual model. In this model, macro brand considerations (brand leadership and corporate image) are hypothesised to impact positively on brand value dimensions, which in turn are hypothesised to impact positively on both repurchase intent and positive WOM.

#### ***Confirmatory factor analyses***

As has been shown earlier in item minimisation for brand value scales, a similar process of scale purification was first incorporated to other variables in the conceptual model prior to examining them all together. Item-to-total correlation plot followed by principal component analysis were performed to confirm initial unidimensionality of the constructs and reduce scales to more cohesive, manageable number of items. Table 5-18 summarises the results of the analysis at this stage.

**Table 5-18: Scale purification for antecedents and consequences**

Construct	Original no. of items	Item-to-total correlation test	PCA results	Final scale
Brand leadership	6	1	1	4
Corporate image	5	1	0	4
Repurchase intent	4	0	0	4
Positive word of mouth	4	1	0	3

Next, CFA was conducted for the whole model ( $m=36$ ; 21 for brand value constructs and 15 for others) to test the validity of the measurement model. The model fit results are reported in Table 5-19. The goodness-of-fit for the CFA model is found to be exceptionally good with CFI=.95 and RMSEA= .051. Other GOF indices not reported in Table 5-19 are GFI = .88, AGFI = .85 and SRMR = .0546. Given that the solution for the CFA meets requirements, the next step is to test the model's validity and reliability.

**Table 5-19: GOF indices for measurement model**

N	$m$	$\chi^2$	DF	$p$	CFI	TLI	RMSEA
510	36	1293.275	558	.000	.950	.944	.051

N = number of observations (sample size)

$m$  = number of observed variables (items)

$\chi^2$  = chi-square statistics

DF = degree of freedom

$p$  = probability value

CFI = comparative fit index

TLI = Tucker Lewis index

RMSEA = root mean square error of approximation.

The standardised factor loadings for 31 of the 36 items across all constructs exceed the 0.70 standard that indicates that each measure is accounting for 50 per cent or more of the variance in the latent underlying construct. Thus, these measures display adequate within-method convergent validity. Furthermore, the Cronbach alpha for all constructs is over 0.80, significantly exceeding the 0.70 level (Nunnally, 1978) and

supporting the unidimensionality of the measures (see Table 5-20). Moreover, the correlations between all of the constructs are significant, supporting the nomological validity of the constructs.

The convergent and discriminant validity tests (Fornell & Larcker, 1981) were also conducted. The average variance extracted (AVE) is well above 0.50 for all constructs, indicating that the constructs display a high degree of convergent validity. In addition, AVE was higher than the squared correlation between that construct and any other construct in the model which support the discriminant validity. Therefore, the constructs are both theoretically and empirically distinct from each other.

In short, CFA helps to confirm the validity and reliability of the constructs and that a satisfactory fit is achieved, which suggests that the measurement model is validated. The structural model testing should be conducted next (Anderson & Gerbing, 1988). This entails the designated relationships between interdependent and dependent variables to be drawn in AMOS as depicted in the conceptual model.

**Table 5-20: Descriptive statistics of SEM constructs**

Construct	Item	AVE	Composite Reliability	Standardised loadings	$\alpha$
Functional Value	FUNC5	0.581	0.846	.641	.827
	FUNC3			.693	
	FUNC2			.851	
	FUNC1			.843	
Economic Value	ECON4	0.577	0.803	.695	.799
	ECON2			.797	
	ECON1			.782	
Social Value	SOCI7	0.656	0.883	.657	.880
	SOCI6			.873	
	SOCI5			.829	
	SOCI4			.861	
Emotional Value	EMOT4	0.737	0.933	.919	.931
	EMOT3			.820	
	EMOT2			.867	
	EMOT1			.788	
	EMOT5			.892	
Epistemic Value	EPIS6	0.665	0.908	.821	.905
	EPIS5			.897	
	EPIS4			.885	
	EPIS2			.733	
	EPIS7			.725	
Brand Leadership	LEAD1	0.697	0.901	.869	.901
	LEAD2			.880	
	LEAD3			.842	
	LEAD4			.740	
Corporate Image	IMAG1	0.725	0.913	.886	.911
	IMAG2			.896	
	IMAG3			.870	
	IMAG4			.744	
Repurchase Intent	REPI1	0.692	0.895	.909	.877
	REPI3			.922	
	REPI4			.935	
	REPI2			.467	
Positive WOM	PWOM1	0.722	0.885	.916	.877
	PWOM2			.896	
	PWOM4			.723	

### 5.4.3 The structural (full) model

Having identified and confirmed the underlying dimensions of the research constructs, the main purpose of this phase of data analysis is to examine the structural relationships among these constructs as postulated in the conceptual framework. Of important at this stage is to test the model fit indices after specifying

the relationships between the constructs and check if the satisfactory figures of fit found for the measurement model do not change dramatically to become unacceptable upon drawing the relationships.

Selected goodness-of-fit statistics related to the structural model are presented in Table 5-21, which observes that the overall  $\chi^2$  value, with 577 degrees of freedom, is 1782.907. In reviewing other fit indices, it can be concluded that the structural model is also well fitting, as indicated by a CFI of .919 and a RMSEA value of .064, which is well within the recommended range of acceptability (for  $m \geq 30$ : RMSEA value  $< .07$  with CFI of .90 or higher) (Hair, et al., 2010). Furthermore, given that comparing rival models will be of interest, the ECVI is also presented in Table 5-21. This value, as noted earlier, has no substantive meaning; rather, it is used within a relative framework.

**Table 5-21: GOF indices for the conceptual model**

N	$m$	$\chi^2$	DF	$p$	CFI	TLI	RMSEA	ECVI
510	36	1782.907	577	.000	.919	.910	.064	3.852

N = number of observations (sample size)

$m$  = number of observed variables (items)

$\chi^2$  = chi-square statistics

DF = degree of freedom

$p$  = probability value

CFI = comparative fit index

TLI = Tucker Lewis index

RMSEA = root mean square error of approximation.

Finally, to find out whether the model fitting is acceptable across male and female student groups, multigroup analysis procedures were followed. The model proved to be stable across all relevant models, starting with baseline models, configural models and subsequent constrained models. As depicted from AMOS output (Table 5-22), no significant difference of CFI computed for comparative models, so the model can be assumed generalisable in spite of gender differences.

**Table 5-22: Model comparisons of CFI values**

Model	NFI	RFI	IFI	TLI	CFI
	Delta1	rho1	Delta2	rho2	
Unconstrained (the configural model)	.843	.829	.908	.898	<b>.907</b>
Measurement weights	.841	.831	.907	.900	<b>.907</b>
Structural weights	.841	.832	.907	.902	<b>.907</b>
Structural covariances	.840	.832	.907	.902	<b>.906</b>
Structural residuals	.839	.832	.906	.902	<b>.906</b>
Measurement residuals	.834	.832	.903	.901	<b>.903</b>
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

#### 5.4.4 Hypotheses testing

These findings, the foundation of a well-fitting model with supportive psychometric properties along with its consistent equivalence among different samples, indicate the suitability of the model to represent the gathered data. The analysis proceeds to examine the proposed links between the independent and dependent variables as they are portrayed in the conceptual model in order to accept or reject the associated statements of hypotheses.

By clicking the Estimate command in AMOS, both standardised and unstandardised estimates can be retrieved. Where the results show an acceptable level of significance (e.g.  $p < .1$  or smaller), the hypothesis is considered acceptable and the reverse is also true. Further, the regression weight (the estimate value) indicates the relative strength of the relationship.

Table 5-23 reports the resultant estimates as well as  $p$  values for each estimated link (hypothesis) in the conceptual model. As shown in Table 5-23, 14 hypotheses are supported whereby two hypotheses failed to receive a statistical support by the present data. Furthermore, inconsistent estimates' weights (e.g. coefficients) can be seen between different dependents and independent variables as well as the associated levels of significance (e.g.  $p$  value). Further discussion about these results will be illustrated in the next chapter (Chapter Six).



**Table 5-23: Hypotheses testing results**

Path	Hypothesis	Unstandardised Estimate	Standardised Estimate	<i>p</i>	Result
LEAD → FUNC	H1	.225	.360	***	Accepted
LEAD → SOCI	H2	.791	.793	***	Accepted
LEAD → EPIS	H3	.569	.708	***	Accepted
IMAG → FUNC	H4	.339	.416	***	Accepted
IMAG → ECON	H5	.247	.287	***	Accepted
IMAG → EMOT	H6	.660	.671	***	Accepted
FUNC → REPI	H7	.367	.382	***	Accepted
FUNC → PWOM	H12	.533	.408	***	Accepted
ECON → REPI	H8	.019	.021	.612	Rejected
ECON → PWOM	H13	.195	.158	***	Accepted
SOCI → REPI	H9	.091	.150	**	Accepted
SOCI → PWOM	H14	.108	.132	*	Accepted
EMOT → REPI	H10	.333	.417	***	Accepted
EMOT → PWOM	H15	.518	.479	***	Accepted
EPIS → REPI	H11	.027	.036	.463	Rejected
EPIS → PWOM	H16	.117	.115	*	Accepted

\*\*\* Regression is significant at 0.001 level ( $p < 0.001$ ).

\*\* Regression is significant at 0.01 level ( $p < 0.01$ ).

\* Regression is significant at 0.05 level ( $p < 0.05$ ).

FUNC: functional value; ECON: economic value; SOCI: social value; EMOT: emotional value; EPIS: epistemic value; LEAD: brand leadership; IMAG: corporate image; REPI: repurchase intent; PWOM: positive word of mouth.

## 5.5 Chapter conclusion remarks

This chapter has detailed the procedures followed to adequately analyse the data in this thesis. To achieve the chapter's aim, a range of different statistical tests were administered on the data. These include general descriptive analysis, item-to-total plotting, principal components analysis (PCA), confirmatory factor analysis (CFA), *post-hoc* analysis, invariance tests and structural equation modelling.

After demonstrating the missing data manipulation processes, the preliminary analysis provides a descriptive overview of the sample group as well as the research constructs. The findings suggest that the majority of participated students use five brands in the laptop category, base their purchase decisions on advice received from those close to them such as family and friends, and use their laptops for two years or

so. Furthermore, ANOVA tables provide evidence of the variant perceptions held by various brands' users with regard to how the brand is perceived in their minds.

The chapter also details the empirical development of the multidimensional scale proposed to assess the brand value construct. Item-to-total correlations and PCA were first undertaken to purify the measures used for functional value, economic value, social value, emotional value and epistemic value. Further purification was performed by CFA, which resulted in a final set of 21 items representing the five dimensions of brand value. These included four items relating to functional value, three items for economic value, four items for social value, five items for emotional value, and five items for epistemic value. The results of CFA proved that the five dimensions represent valid constructs and they are theoretically and empirically distinct from each other. A cluster of scale psychometric properties was also examined and found indicative of a parsimonious and reliable scale. The findings from the invariance test (e.g. multigroup analysis) revealed that there is no significant difference between Saudi female and male students in respect of their assessment criteria of brand value.

Finally, the research conceptual model validity among postulated links between independent and dependent variables was tested by means of structural equation modelling. First, variables constituting the antecedents and consequences in the model were purified in similar procedures followed with brand value constructs. The model was then examined in AMOS and the results proved that the whole framework performs consistently with acceptable fitness indices (i.e. CFI = 0.92, RMSEA = 0.06). The resultant measures provide a platform to look at the hypotheses results whereby two of them were rejected. Discussions of these results, as well as other reported findings in this chapter will be presented in the next chapter.

---

## CHAPTER SIX –DISCUSSION

### 6.1 Introduction

The systematic statistical procedures in the previous chapter proved a high level of uniformity between the conceptualised measures and the real data collected from the student sample, and the findings were generally supportive for research objectives and hypotheses. In particular, the multidimensional scale proposed to measure the brand value construct (research objective #1) received a substantial statistical support as proved by the criterion of its psychometric properties. Subsequently, the comprehensive model combining the dimensions of brand value along with antecedents and consequences (research objective #2) was tested and superior model-data fit was also reported.

In this chapter, further to highlighting these two objectives with respect to the results obtained in Chapter Five, detailed discussions will be confined to the other two research objectives. Specifically, the results of hypotheses testing which relate to how macro brand considerations incrementally and individually influence distinct dimensions of brand value (research objective #3) will be discussed and linked to previous literature findings. Likewise, the impact of various dimensions of brand value on loyalty will be revisited bearing in mind the differences between value and loyalty constructs. In line with discussions of the relevant literature, real-world examples as well as qualitative scripts retrieved from the focus group discussions will be used to support the provided argument.

The structure of this chapter is as follows. First, the results of the brand value scale are firstly discussed. The validated findings of brand value dimensionality and related concerns of brand meanings in pertinent literature are highlighted. Next, the findings of hypotheses testing are reviewed and explanation of the supported as well as the rejected hypotheses is provided. This will be covered in two subsections. The hypotheses related to the antecedent effects of macro brand considerations on brand value (H1- H6) followed by the hypotheses discussing consumer loyalty aspects as salient consequences of value (H7- H16). Finally, the chapter closes with a brief section of conclusion.

## 6.2 Measurement of value at the brand level

The concept of value has been described by pertinent authors as subjective, complex, dynamic, multifaceted and nebulous (Sanchez-Fernandez & Iniesta-Bonillo, 2007). Certainly, whether perceived value is a unidimensional or multidimensional construct has received a little consensus (Tsai, 2005). Furthermore, within multidimensional paradigm, number and nature of the representative dimensions of value is rather undecided (Petrick, 2002; Gallarza & Saura, 2006). The complexity of value seems more controversial at the brand level, because the brand holds both physical and abstract meanings.

The importance of orchestrating brand value is also documented in trade publications. For instance, in a recent report by the renowned *Forbes*, ‘value is the deal’ was on the top list of branding matters in the upcoming decade (Forbes, 2011). However, the proposed scale is assumed to provide answers to a market-need toolkit that has generated several calls for research about the pressing need for “*the creation of bridges from postmodernist critiques of brand phenomena to actionable, substantive contributions in the brand management domain*” (Thompson, 2004, p. 99). Thus, it is expected that the developed scale has strong potential to contribute to the debate in the literature by introducing a comprehensive, theoretically sound measure for the brand value.

Indeed, several past studies show attempts to elaborate on the domain of value by introducing relevant concepts in certain contexts of research. For instance, Koller, et al. (2011) study a different type of value, termed ecological value, in a green automotive context. Also Pihlström and Brush (2008) propose convenience value to perceived value domain in a mobile services industry. The point made in this study, though, is that developing such scales should be based on a well-established theory to maximise chances of comprehensiveness and generalisability across samples of customers and product categories, hence the adaptation of consumption values theory (Sheth, et al., 1991a).

### 6.2.1 Scale development

The findings of the brand value scale development suggest three important implications related to the structure, definition and reference of the brand value constructs. First, value is a multi-dimensional construct and it is thus difficult to specify the *number* of dimensions that can comprehend the scope of the concept. This is in line with Petrick (2002, p. 122) who states that “*current efforts to measure perceived value have shown it is difficult to quantify value*”. It can be then argued that no universal definition exists for the term. However, the presence of a holistic framework such as one provided by consumption values theory (Sheth, et al., 1991a) served as a departure point to develop value scale in previous research (Sweeney & Soutar, 2001; Park & Rabolt, 2009; Koller, et al., 2011). In congruence, the present study argues for the comprehensiveness provided by the developed scale to offer an all-inclusive measure of the value of brands as conceived of by individual consumers.

Second, each dimension has been defined in the literature from variant perspectives with terms used synonymously. For instance, emotional value has been termed affective value (Tsai, 2005) and hedonic value (Na, et al., 2007). Similarly, discrete aspects of epistemic value construct have been touched in a small amount of previous studies including variety seeking (Wakefield & Barnes, 1996), novelty seeking (Duman & Mattila, 2005), technological innovations (Gelder, 2005) and high-technology adaptation (Hamann, et al., 2007). It is nonetheless the attempt of this study to adapt a wide-ranging framework to define and operationalise each dimension of value as depicted by the framework of consumption values theory (Sheth, et al., 1991a).

Third, the adaptation to the brand level should be made with careful consideration. These dimensions might carry different meanings for branded products compared with generic products. For instance, functional value of a product could be foreseen by the consumer as the product’s ability to last as long a time as possible with little pre-consumption expectations (Zeithaml, 1988). At the brand level, though, it is a general assumption about brand’s ability to deliver reliable products compared with rival brands, which is usually judged based on a longer time of intrapersonal as well as interpersonal relationship with the brands (Keller, 2012).

Likewise, the meanings of social value differ at product level (e.g. newness, rarity, etc.) and the brand level (image, power, etc.) (McCracken, 1988; 2005). For instance, brand meaning studies focus on the “perceptual space” of brands in consumers’ mindset (e.g. (Aaker, et al., 2001) whereby value is a concept that is accumulatively formed based on both perceptions (Christopher, 1996) and subjective experience (Zeithaml, 1988). Therefore, a care should be taken in developing questions that reflect on brand, rather than generic products, understanding.

### **6.2.2 Brand value dimensionality**

At the conceptualisation stage, the scale was developed to be multidimensional with functional, economic, social, emotional and epistemic constructs based on consumption values theory’s framework (Sheth, et al., 1991a). The reliabilities, factor structure and validity tests indicate that the 21-item brand value scale and its five dimensions have sound and stable psychometric properties. Additionally, the scale was found to be reliable and valid in for students from both genders.

The scale demonstrates that consumers assess brands, not just in functional terms of expected performance and value for money or just for emotional benefits by affectively related oneself to a brand, but also in terms of the social consequences of what the brand communicates to others (social value) and the knowledge and novelty provided by the brand (epistemic value). Indeed, recognition of the importance of the different dimensions of value has been reported in several previous studies (Sweeney & Soutar, 2001; Tsai, 2005; Pihlström & Brush, 2008). It is expected that more nuanced understanding of value dimensionality and creation process can provide brand managers with crucial information of how consumer behaviour evolves (Tsai, 2005; Keller, 2002).

The dimensionality of brand value as confirmed by the present study is consistent with those reported in consumer value literature. For instance, the EFA shows a clear five-factor structure for the overall scale including those validated in previous research i.e. functional, economic, social and emotional value and the newly introduced dimension to value structure i.e. epistemic value. Not only EFA confirms the unidimensionality of the new and old constructs, but does explain the effect of

having five rather than four dimensions of value, the case with PERVAL the most comprehensive scale found in the consumer literature (Sweeney & Soutar, 2001).

In effect, running EFA on the final 21 items reveal the first five components with eigenvalues exceeding 1 explain 45.9%, 11.2%, 6.5%, 5.3% and 5.2% of the variance, respectively. At the accumulative levels, the five factors could explain 74.1% of variance whereby only 68.9 is explained by a four factor structure. Likewise, the CFA confirms the constructs' discriminant, convergent, and nomological validity, which support the claims about the theoretical and empirical distinction of value dimensions (Pihlström & Brush, 2008). These findings highlight the significance of having a five-factor scale to only having four (or less); in order to explain consumer behaviour in more analytic manner.

The findings of this research suggest that by and large, high-technology users' perceptions regarding the value constructs measured tend to be more positive as a brand provides superior added value in specific dimensions. The general consensus among Saudi students about brand superiority (e.g. Apple) in multiple aspects of value reflects that brands are conceived of from different angles. Further, the variation in other dimensions as the brand name changes also confirms the dimensionality of brand value. As a result, some suggestions can be provided to help brand consultants manage different communication strategies based on the nature and strength of value dimensions.

Global brands in particular should be aware of the fact that sending message about their added value may be extremely complex and therefore they need to be prepared to continuously assess their value position in consumers' minds. One of the focus group participants commented:

*"I usually spend months before deciding to buy or get a new durable product such as laptop. I believe the final choice is not easy but as long as you bear all considerations in mind, you can ultimately make a good decision"*  
(Waleed, M1 session).

These findings are somewhat contrasting some previous studies in brand value research which argue for the necessity of positioning a brand in a “unique/exclusive” set of mental associations (Kapferer, 2004). Park, et al. (1986) provide one of the influential notions in managing brands in their BCM (brand concept management) framework whereby general advice given is to follow a specific branding approach; functional, sensory or social. The present study shows that multiple levels of analysis reside in consumers’ minds and drive their evaluations of brands which are determined by functional, economic, social, emotional and epistemic aspects associated with a brand in question.

The dimensional framework presented and validated in the present study, the study argues, contributes greatly to the existing debate among brand equity and brand value researchers. The value of brands is multi-faceted and, based on rigorous theoretical and empirical foundations, there are five dimensions that constitute the value as perceived by consumers. The ‘big mistake’ highlighted by Keller (2012), which relates to firms’ concentration of certain advantages of brands and an underestimation of other sources, can be avoided by using such an insightful tool to assess the brand value from multiple perspectives.

### **6.2.3 Construction of items and constructs**

The measures for value dimensions were integrated from well-established literature on brand value and further were enhanced by interviewing actual users of the laptop brands through focus group methods. This results in an initial set of 36 value statements (24 from the literature and 12 from focus group verbatim) representing the five dimensions of brand value. After collection of the survey data, the integrative scales were subjected to three rounds of data reduction (item-to-total correlations plot, EFA and CFA) and several statistical tests resulted in the removal of 15 items. The final scale of brand value with respective dimensions and items is reported in Table 6-1.

All scales are found to be well above widely accepted criteria such as the minimum reliability of 0.7 (Nunnally, 1978) and the reliabilities ranged from .80 (economic value) to .93 (emotional value). In particular, the new factor of epistemic value has a quite good reliability score of .90, which reflects the cohesive nature of the



developed sample of items. To compare resulting reliabilities with the original scale they were adapted from, the last column of Table 6-1 reports the original scales' reliabilities.

Apart from the functional value factor, other reliabilities have been improved in the present study or at least kept to the same level of the original study. Interestingly, social value and emotional value components show the most significant increase. Reliabilities improved from .75 in Vazquez, et al. (2002) to .88 in the present study for social value, and from .81 in Tsai (2005) to .93 for emotional value. While economic value had identical reliability over Sweeney and Soutar (2001) and this study (.80), their measure of Quality had higher reliability, perhaps because the functional component of value is, in part, product-specific (Sheth, et al., 1991a).

Finally, the items used to measure constructs are meant to be somewhat amendable. According to Sweeney and Soutar (2001), for example, dimensions of quality construct (i.e. functional value) should be modified when researchers apply the construct to services. Another example is the applicability of measurement items of social value scale used in other contexts. Although Saudi respondents concurred with each other in the importance of this value, they pointed out that items such as '*this brand would help me to feel acceptable*' or '*would improve the way I am perceived*' which are used in previous studies (Sweeney & Soutar, 2001) might be perceived negatively in their social setting.

Never the less, as far as the content of each dimension is concerned, the operationalisation of value constructs appears to depend on research settings (e.g. context, industry, category, etc.), types of consumers (e.g. users vs. non-users) and level of comparison (products, brands, etc.). For instance, when asked to explain what a valuable brand is like, Saudi students find it difficult to precisely describe brands they have not experienced. Furthermore, they preferred to emphasise personal experiences with brands in 'storytelling' scenarios rather than describing generic products. This resembles the findings of studies such as Sweeney and Soutar (2001) and Muñiz and Schau (2005).

**Table 6-1: Brand value scale and constructs reliabilities**

Dimension	Item	C.R.	Source	C.R
Functional Value	This brand has high quality	.83	Sweeney and Soutar (2001)	.91
	This brand is well made			
	This brand has a high-speed processor*			
	This brand is not prone to breakdown			
Economic Value	This brand is good pricewise	.80	Sweeney & Soutar (2001)	.80
	This brand is reasonably priced			
	This brand would be economical			
Social Value	This brand is a symbol of prestige	.88	Vazquez, et al. (2002)	.75
	This brand is endorsed by celebrities			
	This brand is attractive to other people			
	This brand is suitable for my social class			
Emotional Value	This brand is enjoyable for me	.93	Tsai (2005)	.81
	This brand puts me in a good mood			
	I may see this brand like a friend to me			
	I feel happy using this brand			
	I feel relaxed with this brand			
Epistemic Value	I use this brand to experiment new technology	.90	New construct	
	This brand stimulates my curiosity about latest technology*			
	This brand provides me with knowledge about latest technology*			
	This brand stimulates my creativity*			
	This brand provides variety*			

\* New items developed from focus group discussions. C.R.= Construct reliability

With regard to the research context, as suggested in Gofman, et al. (2009), metropolitan areas are more appropriate for conducting studies dealing with novelty or innovative brands. In keeping with that point of view, the main survey was limited to respondents living in a major metropolitan city in Saudi Arabia. The idea, though, is to select and develop scales that are universally acceptable and can be validated cross-culturally. For instance, the symbolic value scale proposed by Vazquez, et al. (2002) has been developed in Spain and successfully replicated in Turkey (Koçak, et al., 2007) and thus was used by this study to measure the social value construct. As Sheth, et al. (1991a) and Sweeney and Soutar (2001) point out, functional value items will usually be vulnerable for a great deal of adaption or perhaps the addition of new items to reflect the meaning of functionality for different market sectors.

### 6.3 The conceptual model

The research model was basically developed to link dimensions of brand value with relevant macro brand considerations (brand leadership and corporate image) and brand loyalty (repurchase intent and positive WOM). By doing so, a fruitful explanation of the brand-value-loyalty dynamism can be produced to the brand management literature and practice.

Structural equation modelling techniques were used to examine the study data because of its appropriateness for studies that cannot be directly observed, but “*can only be measured through observable measures or indicators that vary in their degree of observational meaningfulness and validity*” (Steenkamp & Baumgartner, 2000, p. 196) which proves very useful in such a perception-based study. SEM is also suitable for studying a complex model with nine constructs such as employed in this thesis (Hair, et al., 2010), and testing a theory and hypotheses that expectedly affirms dissimilar path weights will be revealed between one dimension and another (Steenkamp & Baumgartner, 2000).

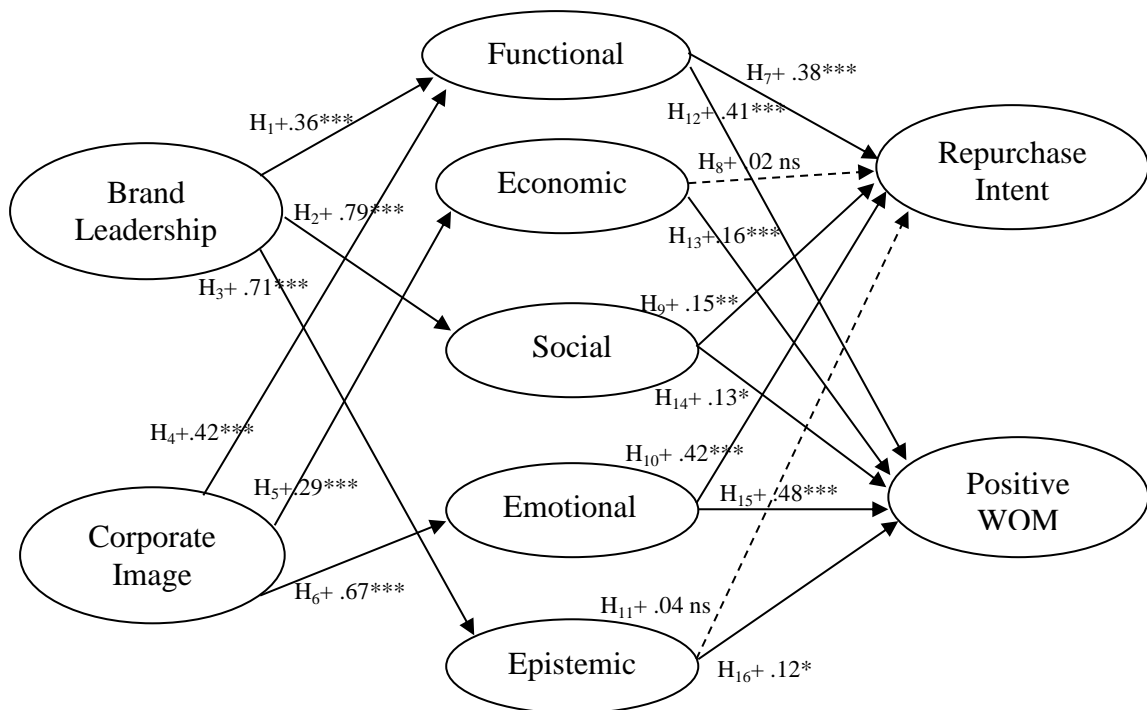
The AMOS 18 program was used to run the model using maximum likelihood estimation in order to provide confirmatory factor analysis, the fit of the scales, and the fit of the conceptual model. The fits were evaluated by examining chi-square statistics ( $\chi^2$ ), Root Mean Square Error or Approximation (RMSEA), comparative fit index (CFI), and Tucker-Lewis index (TLI) in addition to other fit indices used to compare models such as the expected cross-validation index (ECVI). These indices are selected because of their extensive use in the marketing literature and the availability of clear cutoff levels in multivariate analysis texts (Hair, et al., 2010).

Following Hair, et al.’s (2010) of considering the complexity of models in assessing their fits, the following cuts off points were adopted: for  $N > 250$  and  $m \geq 30$ : RMSEA value  $< .07$  with CFI of  $.90$  or higher (Hair, et al., 2010); whereby  $m$  indicates the number of items and  $N$  the sample size. Evaluation tables show that the model is well matched with these criteria with CFI =  $.919$  and RMSEA =  $.064$ . While these are not the perfect fits, it still acceptable given that in social science research “*the fact that postulated models (no matter how good) can only ever fit real-world data approximately and never exactly*” (Byrne, 2010, p. 76).

### 6.3.1 Path analysis results

The standardised estimates for fourteen out of sixteen hypotheses were statistically significant and in the hypothesised direction. Thus, these hypotheses were supported. In contrast, two hypotheses failed to receive statistical support, and thus were rejected. Accepted and rejected links, along with their standardised estimates, are presented psychometrically in Figure 6-1 and Table 6-2.

**Figure 6-1: Path analysis results of the conceptual model**



Dotted lines indicate rejected paths.

Loading shown in standardised estimates.

\*\*\*  $p < 0.001$ ; \*\*  $p < 0.01$ ; \*  $p < 0.05$ ; ns: regression is insignificant,  $p > 0.1$ .

The first hypothesis proposed in the conceptual model postulates that brand leadership positively influences functional value and suggests that when a brand is perceived as a market leader, then the brand has a superior functionality. The findings demonstrate that the hypothesised impact of leadership on perceived functional value is significant and thus Hypothesis H1 is substantiated. The result ( $H1: \beta = 0.36, p < 0.001$ ) indicates that the level of leadership a buyer believes a brand merits is positively related to its functional value.

**Table 6-2: Strength of the hypothesised relationships**

Path	Hypothesis	Estimate	<i>p</i>	Result
LEAD → FUNC	H1	.360	***	Accepted
LEAD → SOCI	H2	.793	***	Accepted
LEAD → EPIS	H3	.708	***	Accepted
IMAG → FUNC	H4	.416	***	Accepted
IMAG → ECON	H5	.287	***	Accepted
IMAG → EMOT	H6	.671	***	Accepted
FUNC → REPI	H7	.382	***	Accepted
ECON → REPI	H8	.021	.612	Rejected
SOCI → REPI	H9	.150	**	Accepted
EMOT → REPI	H10	.417	***	Accepted
EPIS → REPI	H11	.036	.463	Rejected
FUNC → PWOM	H12	.408	***	Accepted
ECON → PWOM	H13	.158	***	Accepted
SOCI → PWOM	H14	.132	*	Accepted
EMOT → PWOM	H15	.479	***	Accepted
EPIS → PWOM	H16	.115	*	Accepted

Loading shown in standardised estimates.

\*\*\*  $p < 0.001$ ; \*\*  $p < 0.01$ ; \*  $p < 0.05$

FUNC: functional value; ECON: economic value; SOCI: social value; EMOT: emotional value; EPIS: epistemic value; LEAD: brand leadership; IMAG: corporate image; REPI: repurchase intent; PWOM: positive word of mouth.

Similarly, hypotheses H2 and H3 postulate that brand leadership positively influences perceived social value and epistemic value. When a brand is leading the market, the levels of its perceived social benefits and epistemic capabilities will improve. The positive effects of brand leadership on social value (H2:  $\beta = 0.79$ ,  $p < 0.001$ ) and epistemic value (H3:  $\beta = 0.71$ ,  $p < 0.001$ ) proved significant. Thus, the findings support hypotheses H2 and H3.

The fourth hypothesis H4 suggests that corporate image positively influences functional value. It suggests that better image of the company producing the brand will lead to better perceptions about its products' reliability and durability. The findings suggest that the positive effect of corporate image on perceived functional value is significant (H4:  $\beta = 0.42$ ,  $p < 0.001$ ), hence hypothesis H4 is supported. Likewise, hypotheses H5 and H6 postulate a positive effect of corporate image on

economic and emotional value, respectively. The hypothesised impact of corporate image on economic value is significant (H5:  $\beta = 0.29$ ,  $p < 0.001$ ), suggesting that when consumers perceive there to be good image, there will be a high level of its products' value for money. As a result, hypothesis H5 is supported. Similarly, hypothesis H6 posits a positive relationship between corporate image and emotional value, i.e. when buyers perceive there to be superior image of the corporate brand, then they are likely to be emotionally satisfied. This hypothesis was also supported (H6:  $\beta = 0.67$ ,  $p < 0.001$ ).

Hypotheses H7 and H12 postulate that functional value positively influences repurchase intent and positive word of mouth. Hypothesis H7 suggests that when there is high functional value of the used product, consumers will be more willing to repurchase the same brand. Hypothesis H12, meanwhile, posits that when there is better functional value perceived by consumers, they do also recommend other people to buy the brand. The results indicate that the impact of functional value on repurchase intent (H7:  $\beta = 0.38$ ,  $p < 0.001$ ) and positive word of mouth (H12:  $\beta = 0.41$ ,  $p < 0.001$ ) are both significant, and the two hypotheses are supported.

Hypotheses H8 and H13 suggest a positive effect of economic value on repurchase intent and word of mouth recommendations. Hypothesis H8 posits a positive relationship between perceived economic value, i.e. when buyers perceive there to be higher degrees of value for money, then they are likely to repurchase the same brand next time they need the same product. However, the result indicates that although the impact of economic value on repurchase intent is positive, it is not significant (H8:  $\beta = 0.02$ ,  $p < 0.612$ ), offering no support for hypothesis H8. In contrast, the hypothesised positive impact of economic value on positive word of mouth is significant (H13:  $\beta = 0.16$ ,  $p < 0.001$ ), suggesting that when consumers perceive there to be high economic value received from the merchandise of a specific brand, they will talk positively about the brand and communicate supportive comments about their experience. As a result, hypothesis H13 is supported.

Hypotheses H9 and H14 postulate that social value positively influences repurchase intent and word of mouth. Hypothesis H9 suggests that when there is high social value, consumers will be more willing to buy the brand again. Hypothesis H14,

meanwhile, posits that when there are higher levels of social value gained by using the brand, users will talk positively about the brand. The results indicate that the impact of social value on repurchase intent (H9:  $\beta = 0.15$ ,  $p < 0.01$ ) and positive word of mouth (H14:  $\beta = 0.13$ ,  $p < 0.05$ ) are both significant, and the two hypotheses are accepted.

Hypotheses H10 and H15 describe positive paths between emotional value and repurchase intent as well as positive word of mouth. The hypothesised positive impact of emotional value on repurchase intent is significant (H10:  $\beta = 0.42$ ,  $p < 0.001$ ), suggesting that when consumers perceive a brand to offer superior emotional benefits, then they are likely to repatronise the brand. Consequently, hypothesis H10 is supported. Similarly, H15 posits a positive relationship between emotional value and positive word of mouth i.e. when consumers perceive there to be high levels of affective benefits provided by a brand, they recommend the brand to others. The results indicate that the relationship is significant (H15:  $\beta = 0.48$ ,  $p < 0.001$ ), and thus H15 is supported.

Finally, hypotheses H11 and H16 postulate that epistemic value positively influences repurchase intent and word of mouth. They assume that when a consumer is satisfied with the epistemic incentives provided by the product, her or his intentions to purchase the brand again and/or recommend other people to buy the brand will be more likely to occur. However, the hypothesised relationship between perceived epistemic value and repurchase intent failed to receive the postulated support (H11:  $\beta = 0.04$ ,  $p < 0.463$ ). This result indicates that epistemic value cannot be used as a strong indicator of repurchase intent and thus hypothesis H11 is rejected. In contrast, the statistical support for H16 (H16:  $\beta = 0.12$ ,  $p < 0.05$ ) confirms the positive relationship between epistemic value and positive word of mouth. Therefore, H16 is accepted.

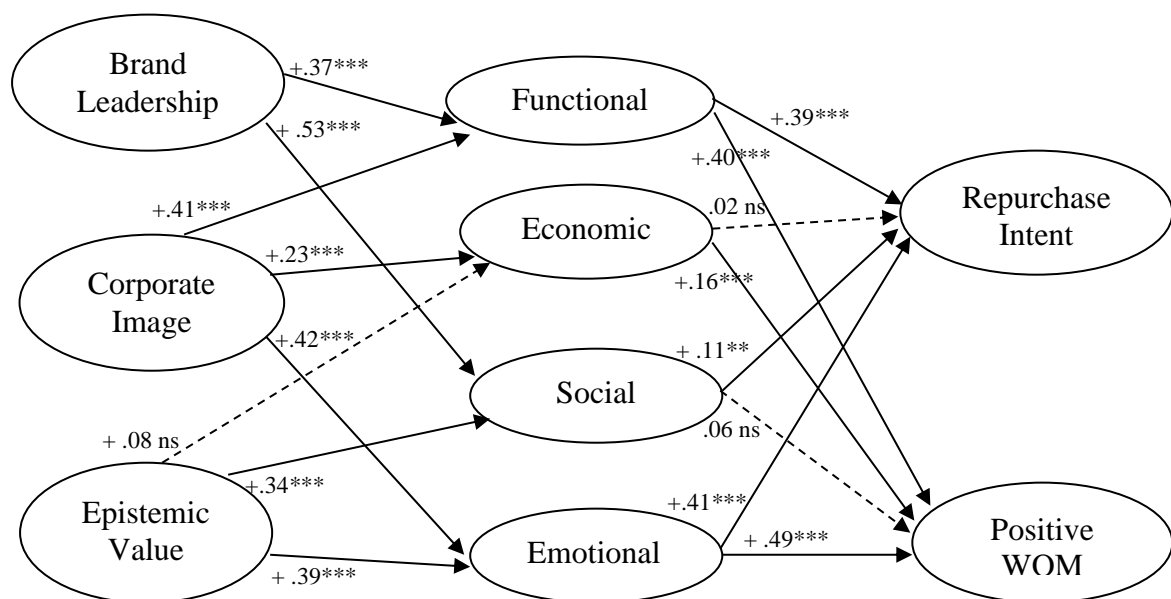
### 6.3.2 Model superiority over rival models

Prior to the discussion of these results, it is first recommended to check whether the postulated model holds superior criteria to represent the data and that no other rival models could represent the data in a better manner. A good procedure acclaimed by

methodologists of SEM models (e.g. Byrne, 2010; Hair, et al., 2010) is to test rival models suggested in related literature.

Bollen and Long (1992) suggest that research using structural equation modelling should compare rival models rather than just testing a proposed concept. In response to this, a rival model is presented (see Figure 6-2). It tries to posit that epistemic value is an antecedent to other dimensions of value, in particular economic, social and emotional value, thereby omitting the direct path between epistemic value and repurchase intent and between epistemic value and positive WOM. This is similar to the approach adopted by Pihlström and Brush (2008), where they positioned epistemic value as an antecedent to monetary, convenience, emotional and social value.

**Figure 6-2: A rival model**



Dotted lines point rejected paths.

Loading shows in standardised estimates.

\*\*\*  $p < 0.001$ ; \*\*  $p < 0.01$ ; \*  $p < 0.05$ ; ns: regression is insignificant,  $p > 0.1$ .

The GOF indices for both the rival model and the developed conceptual model in this research are shown in Table 6-2. Other indices are SRMR = .1840, GFI = .83 and AGFI = .81. Even though these values represent a fit that is modestly good at best, the



hypothesised model, by having epistemic value at the same order with other values, produced a superior fit compared with its rival.

In particular, the latter scored higher on Expected Cross-Validation Index (ECVI) value, which used to compare models' fit whereby the higher value, the inferior the model. Thus, the proposed model with lower ECVI possesses "*the greatest potential for replication*" (Byrne, 2010, p.82) which relates to the generalisation attempts of the current study.

Furthermore, the differences in CFI ( $\Delta\text{CFI}=.011$ ) between the two models is considered significant, according to Cheung and Rensvold's (2002) test, contending that the former model (i.e. the research model) is better since it possesses higher CFI value.

Moreover, not only model fit indices appeared more satisfactory in the research model, but also the number of hypotheses supported whereby the rival model has lower number of accepted hypotheses (13 compared to 14). Therefore, it can be concluded that the conceptual model provides more substance than the rival model, suggesting that the epistemic value is at the same order of other value dimensions as suggested by the focal theory (Sheth, et al., 1991a).

**Table 6-2: GOF indices for the conceptual model and rival model**

Model	$\chi^2$	DF	$p$	CFI	TLI	RMSEA	ECVI
Hypothesised	1782.907	577	.000	.919	.910	.064	3.852
Rival	1939.623	577	.000	.908	.900	.068	4.160

$\chi^2$  = chi-square statistics

DF = degree of freedom

$p$  = probability value

CFI = comparative fit index

RNI = relative non-centrality index

RMSEA = root mean square error of approximation.

#### **6.4 Positive effects of brand considerations on perceived value**

It has been a long-lasting debate in the brand management literature about the underlying influence of brand-level considerations on perceived value of the products (Gardner & Levy, 1955). The findings of the present study contribute empirical evidence to what is developed in brand paradigm to be known as ‘theory of brand associations’ (Heding, et al., 2009). The evidence provided here confirms that brand beliefs and expectations stored in consumers’ minds work as ‘predictive cues’ (Janiszewski & van Osselaer, 2000) or ‘mental associations’ (Kapferer, 2004) to predict brand value from multiple perspectives. In particular, brand leadership and corporate image are tested in this research and found to contribute significantly to positive evaluations of perceived value of brands. All postulated paths linking these abstract concepts with respective dimensions of value are statistically supported which confirms the largely conceptual literature on the strong impact of brand associations on consumer evaluations (Grimes & Doole, 1998; Yoo, et al., 2000; Broyles, et al., 2009).

##### **6.4.1 Effects of brand leadership**

In this study, brand leadership has been proved to exert positive influence on the relevant dimensions of brand value. In particular, brand leadership has a statistically significant relationship with functional value, social value and epistemic value. These suggest that, other things being equal, the more superior leadership a brand is perceived to have, the more valuable that brand is. Therefore, and in support of hypotheses developed in this study, a brand that obtains a leading status in the market can signal its audience, especially consumers, that it is durable, socially desirable and able to offer cutting-edge knowledge.

In competitive markets with several tiers of prominence, ‘leader brands’ are perceived very well by consumers, hence the superior value. Previous research indicates the foundation of a strong relationship between market leadership and brand value (Aaker, 1996) and at best was able to provide partial evidence of the impact of brand leadership on perceived (economic) value (Miller & Mills, 2012). Besides, whereas *“most companies founded in the past, e.g. Ivory or Coca Cola, managed to establish their strong brand in the consumer’s mind and became one of the market leaders...Brands in the high-technology segment follow the same rule”*

(Hamann, et al., 2007, p. 98), it is a matter of fact that the present research is the first of its kind to provide a delineated account on the systematic influence of brand leadership on multiple dimensions of value in a single framework.

The findings of the present study confirm that those brands able to obtain growing popularity in their own market segment signal to consumers that they deliver reliable products with high levels of effectiveness, efficiency and durability. Thus, high levels of functional value are expected from brand leaders more than their counterparts producing the same product. By achieving a leading position, a brand can leverage its equity (Aaker, 1996) and thus improve the probability that customers perceive it as authentic and credible (Keller, 2006). For instance, global brand leaders are known for their delivery of products of superior quality and serviceability (Steenkamp, et al., 2003). Two students in the focus group discussion expressed their thoughts about the effect of obtaining a leading position in the market as follows:

*“Overall, I believe the leader brand would not achieve priority without working hard from A to Z... in terms of management, innovation, delivery, marketing and looking after customers’ desires. That is, if we compare brands selling the same product, the brand leading others is easily recognisable with superior quality, service and customer support.”* (Maher, M2 session)

*“I certainly agree with this idea. When a brand is seen as a leader or one of the leading brands in the market, that should guarantee a high standard of quality and consistent performance. I can say Apple is leading others with high-speed Mac and a battery than does not die without reason like others do.”* (Basim, F2 session)

Furthermore, this notion of superiority could also be reflected on brand users in relevant social settings (Steenkamp, et al., 2003). Attaining market leadership can enhance social value as it signals that a brand can deliver ‘best’ available products and technologies as soon as they are released in the market. People who patronise ‘No. 1’ brands feel they are distinguished, prestigious and trendy. Indeed, this epitomises individuals’ ambition to be socially appreciated through scarce objects

they possess in a ‘meaning transfer’ process (McCracken, 1988; McCracken, 2005; Cayla & Arnould, 2008). Moreover, objects such as products and brands help set people apart according to their social class order; the upper class gets the better brand (Parker, et al., 2007). Lastly, leading brands are also easily recognisable by others, which makes their users more frequently visible and attractive in their in-group as well as out-group social networks. According to Arnould and Thompson (2005), social forces are a major source in forging self-identity projects and enhancing social status and brand leaders in this study proved to endow users with such value.

A brand can also enhance its perceived epistemic value via its associations with market leadership. According to the research findings, these brands that are populated with cutting-edge practices are judged by users to be leading innovation and will be able to boost their superior value by gaining positive valuation from consumers. The brand that implements creative and forward-looking exercises such as satisfying customers’ standards of desire for knowledge can influence customers’ favourable perceptions (Doyle, 1998).

This concurs with the findings of Gofman, et al. (2009) along with those of Manning, et al. (1995), Rindova and Petkova (2007), and Gehlhar, et al. (2009), who further clarify that claims of innovation and leadership could have a particularly strong impact on a consumer’s perception of high-end products and services – or at least such claims could make high-end brands much stronger and sharper. Other facets of epistemic value include curiosity stimulation and heightened knowledge of latest technology sought after by consumers and are most likely found in leading brands. One female student pointed out this relationship:

*“When people are feeling so excited by high-end offerings provided usually by the well-known popular brands, they do not expect higher levels of quality because they are... you know... probably made in the same factory... they are pretty much waiting to explore the ‘new thing’ they have been hearing about for a long time.”* (Rema, F2 session)

In the realm of brand management, the explanation of the direct impact of perceptions of market leadership on perceptions of brand value can be found in the

theory of brand associations. According to Keller (1993, p. 3), “*Brand associations are... informational nodes linked to the brand node in memory and contain the meaning of the brand for consumers*”. Indeed, brand leadership can be classified as a ‘propositional representation’ i.e. abstract brand associations derived from brand awareness and experience (Franzen & Bouwman, 2001). For Heding, et al. (2009), moulding these types of associations held in consumers’ minds is a prerequisite in the creation of brand value. Thus, claiming leadership (e.g. No.1—first—biggest—etc.) when it reflects reality can serve as a profound source of positive value assessment in terms of brand quality/performance, and social and epistemic values.

Another noteworthy issue is the discussion of the relative strength of brand leadership impacts on distinct value dimensions. It is managerially and theoretically fruitful to understand how brand leadership individually affects brand value constructs as there has been no literature addressing this issue before. The influence of leadership triggered on each value dimension can be thus assessed by comparing associated weights of standardised coefficients ( $\beta$  coefficients) reported in Table 6-2. In a descending order, the beta coefficients equal to .79, .71 and .36 for brand leadership paths with social, epistemic and functional value, respectively ( $p < .001$ ).

These results provide empirical evidence of the varying importance of brand leadership with regard to pertinent value constructs and show that social and epistemic values have stronger causal relationships with brand leadership than functional value. This is considered sensible, at least in a global branding context, because leadership conventionally related more significantly to perceived quality (Steenkamp, et al., 2003). These findings concur with Cayla and Arnould (2008) and Askegaard (2006), amongst others, who argue that brands compete today on more complex meanings than merely at the ‘quality cue’ level (Yip, 1995). This fact is more evident in high-tech industry where physical products would have so much in common in terms of physical properties (Alden, et al., 1999).

Epistemic value is found to be a strong outcome of those judged as ‘market leaders’ or ‘in the no. 1 syndrome’ (Aaker, 1996). Owing to the sheer volume of high-tech products in the modern marketplace (Hamann, et al., 2007), this finding confirms the

importance of considering the new dimension in such a straightforward, measurable construct. Therefore, for brands claiming the provision of superior epistemic value, a parallel claim of market leadership seems warranted so message can be easily encoded by brand audience. However, whether a brand is the 'real' leader in the market (e.g. in terms of sales volume or market share), or merely as a function of 'consumer quirkierness' (Na, et al., 2007), is an issue to be discussed in further research in order to disentangle the influence of perceptions on consumer judgement about 'real' and 'perceived to be' brand leaders.

In summary, attaining leading position in the market can help a brand effectively influence the impression formed in consumers' minds about the perceived value of the brand. By committing to continuous innovation and growth, a brand is more likely to change the way its consumers live and thus gain superior evaluations of its social, epistemic and functional worthiness.

#### **6.4.2 Effects of corporate image**

Marketing activities of companies behind brands have been purported to influence audience perceptions about the value of a brand and its consumer-based equity (Olins, 2000; Souiden, et al., 2006). In a very similar way to brand leadership, corporate image has been found to exert a considerable impact on consumer perceptions about individual brands' value. In fact, perceived functional, economic and emotional values are three tested and supported outputs of favourable corporate image; the better the image of the firm behind the brand, the greater the magnitude of perceived value of individual products will be.

The findings of the path analysis (Table 6-2) support the significant relationships between corporate image and consumer evaluations of its products. For instance, in concurrence with studies of Andreassen and Lindestad (1998), de Ruyter and Wetzels (2000) and Çifci and Koçak (2012), a good image of the company can serve as a positive indicator of expected product serviceability and quality standards. Despite its relative order in the market, when a company is perceived to be successful and self-confident on its own, this abstract perception is 'extended' to the goods and services it produces (Souiden, et al., 2006). Thus, support has been given to the relationship between corporate image and perceived functional value.

Furthermore, corporate-level activities can drive consumer perceptions about what ‘fair price’ should be expected for its products (Oh, 2003; Na, et al., 2007), thus indicating better received value for money. Consumers often have a tendency towards assessing the economic value of buying a specific brand based on the ratio between ‘what is given’ and ‘what is received’ with important reference to the firm image (Ryu, et al., 2008). A similar concept is discussed by Tsai (2005), who argues for the role of imagery in customer acceptability of branded products’ prices. Consistent with these arguments, in this study, the positive impact of corporate image on perceived economic value is confirmed. A male student expressed his overall perceptions about products’ performance and relative pricing deals.

*“I agree with people who nowadays care about the name of the company behind the product. The high-tech products do change very frequently and you want a reliable, well-known name you can rely on to make decisions with a peaceful mind. I can imagine when I face similar set of choices with comparative prices, I will go for the product produced by a company I appreciate even for somewhat higher prices.”* (Mazin, M1 session)

Finally, corporate image is affirmed in the present study as a potential source for perceived emotional value. For instance, firm-constructed activities that consider ethical procedures in line with persuasiveness and intelligence are found to be important in moulding emotional feedback from consumers. Indeed, emotional bonds derived by consumption can be traced back to the pioneering work of Holbrook and Hirschman (1982), which provided evidence of the corporate abilities to draw out positive feelings on customers. In the present-day businesses, marketing concepts such as *lovemarks* (Roperts, 2005) could have successfully provided a virtual place where consumers around the world get access to express their affective attitude towards the corporate brands they love. This affords a testimony for the increasing influence of corporations on individual consumers’ attitude and perceptions which are more likely to admire offered products.

According to Table 6-2, although the relationships between corporate image and the three dimensions of value are found to be strong, the segregated weights of relationship significance are different. In this case, corporate image relates to emotional ( $\beta = .67$ ), functional ( $\beta = .42$ ) and economic value ( $\beta = .29$ ), all with  $p < .001$ . These results are theoretically and managerially insightful because they designate how corporate image contributes to distinct types of brand value.

Whereas considerable accounts of corporate image literature affirm the extraordinary impact of perceived image on aspects of functional value such as perceived quality (Andreassen & Lindestad, 1998) and other utilitarian benefits like risk avoidance (de Ruyter & Wetzels, 2000), the results in this study introduce emotional value as a stronger outcome of good corporate image. The impact of corporate image on functional value, as mentioned earlier, concurs with extant studies in the field. Thus, this study confirms the extant knowledge in a post-consumption context and shows that the impression of the firm is still viable even long after the purchase of the merchandise took place. To a less extent than the influence on functional and emotional value, purchasers can still find relationship between their perceptions of good value from money of brands delivered by corporates possess healthy images.

Managerially, the statistical support of related hypotheses (H<sub>4</sub> to H<sub>6</sub>) suggests that a firm can actively maintain and reinforce its image by orchestrating an overall positive impression to its audience about its achievements, stability, persuasiveness and ethical conduct. Furthermore, an exploitation of the influence of image on consumers' affective response could be more efficient in some brand categories than continuous claims of outstanding performance. For instance, Pampers has achieved a tremendous growth upon the transparent switch in its imagery strategy from the company that cares about 'customers' to the company that cares about 'mums and babies' (Stengel, 2011). Therefore, when a corporate image is better regarded and positioned, it will have a higher chance to successfully influence its image in the public eye and gain better assessment on the value provided by its individual products and brands. To conclude, the findings from this bundle of hypotheses suggest that corporations should maintain their image in the highly competitive value-seeking markets.



## **6.5 Dissimilar impacts of brand value on loyalty**

The discussion in this section is confined to the consequences of brand value as postulated in the conceptual model i.e. brand loyalty. It is argued in the present study that the brand value concept could persistently lead to positive outcomes from the customer side as previous conceptual as well as empirical research advocates (Gallarza, et al., 2011). The important indications of brand loyalty tested here are repurchasing intentions and the spread of positive word of mouth (Oh, 1999; Johnson, et al., 2006). In general, the linkage between value and loyalty has received substantial support from the research data. However, a few unexpected relationships emerged. Hence, further discussion is needed on these results with a special focus on the unsupported paths between economic and epistemic value and repurchase intent.

### **6.5.1 Impacts on repurchase intentions**

In this section, hypotheses of the relationships between the five dimensions of brand value and repurchase intent (H7 to H11) are discussed. From the marketing viewpoint, purchase likelihood (Bolton & Drew, 1991; Chang & Wildt, 1994) and repeat purchases (Wakefield & Barnes, 1996; Tsai, 2005) indicate the level to which individual consumers appreciate brands they find valuable (Steenkamp, et al., 2003). Perceived value is viewed as a ‘summary’ cue that reflects the brand’s overall capability to respond to various needs and wants of consumers (Sweeney & Soutar, 2001), thus the intent to repeatedly purchase the same brand to get similar outcomes of value which considered a potent indicator of consumer loyalty.

Christopher (1996) affirms that customers hold stronger perceptions to repatronise a valuable brand only if they are convinced of its overall worth and perceive that the value attached to its products is maximal. Therefore, the research instrument was designed to determine both the participants’ perceptions about the five dimensions of brand value together with her or his willingness to repurchase the same brand, and positive relationships were postulated amongst all associated links. But the question that needs to be asked is whether value dimensions contribute equally, if at all, into the repurchase decision process? The answer to this question was provided by the findings of the conducted path analysis.

From Table 6-2, the results provide genuine evidence of the dissimilar effects triggered by variant dimensions of brand value on repurchase willingness. For instance, in the present research context, only three dimensions (functional, emotional and social) were found to reflect significant relationships with repurchase intent whereby two paths (economic and epistemic) were found to be non-significant. In particular, emotional value (H10,  $\beta = .42, p < .001$ ) and functional value (H7,  $\beta = .38, p < .001$ ) were the strongest predictors of repurchase intent. To a lesser extent is the impact of social value (H9,  $\beta = .15, p < .01$ ). These results replicate findings of Sweeney and Soutar (2001) about the prominence of emotional and functional value in predicting future consumption decisions and reassert the fundamental foundations of functional, emotional and social value in relevant brand value scale (Tsai, 2005).

The significant positive relationship between functional value and repurchase intent can be explained by utility maximisation theory. Basically, the utility theory postulates that perceptions of an incentive are derived from an individual's judgment of its principal and instrumental capabilities (Sheth, et al., 1991a). Thus, a product's intrinsic (real) attributes are dominant in consumer assessment of the whole consumption experience and often lead to positive attitudes such as intentions to repatronise a brand or service provider. Therefore, attributes that are associated with brands in the consumer mindset such as high standards of quality and being well made, along with more specific attributes such as the provision of a high-speed processor, have been found to motivate repurchase intentions. Indeed, the significant relationship between functional value and repurchase intent in the high-tech industry replicates findings of previous research in various contexts such as product-level studies (Pihlström & Brush, 2008; Koller, et al., 2011) and services (Oh, 1999; Cronin, et al., 2000).

On the other hand, happiness, fantasy and convenience are said to have strong impact on consumers' mood and conduct (Holbrook & Hirschman, 1982). In the branding milieu, Carroll and Ahuvia (2006) introduced the concept of 'brand love' whereby emotional ties and personal connections naturally lead to consumer engagement with the brand. Given the paramount importance of the foundation between emotions and commitment, most recent empirical research has focused on the maintain of strong consumer-brand relationships (Albert, et al., 2012; Loureiro, et al., 2012). Even

though brand value authors such as de Chernatony (2002) and Steenkamp, et al. (2003) note that characteristics of brand in which initial concerns of consumers are functional values rather than emotional values, the coefficient weights in the present context ( $\beta_{\text{FUNC}} = .38$ ,  $\beta_{\text{EMOT}} = .42$ ;  $p < .001$ ) show these two dimensions are almost equivalent in the high-tech brand market.

### 6.5.2 Impacts on word of mouth behaviour

The other outcome tested in this study versus perceived brand value is positive WOM. In the conceptual framework, five hypotheses (H12 to H16) investigate whether this aspect of loyalty behaviour can be leveraged by increasing levels of brand value and postulate that WOM communications as a likely positive outcome of well perceived value. In comparison to the previously discussed loyalty outcome wherein only three dimensions of value were found to relate significantly to repurchase intent, all value dimensions in this cluster of hypotheses are found to significantly impact on WOM in the proposed positive direction. Likewise, the dissimilar levels of significance upon the path analysis assert the fact that although dimensions of value accumulatively measure the same concept, they do behave differentially at interaction with other constructs.

The impacts of functional, emotional and social constructs were reported in a very similar manner to previous results. The statistical support of H15 (“the relationship between emotional value and positive WOM is positive and statistically significant”), H12 (“the relationship between functional value and positive WOM is positive and statistically significant”), and H14 (“the relationship between social value and positive WOM is positive and statistically significant”) is evidence of this claim ( $\beta_{\text{EMOT}} = .48$ ;  $p < .001$ ;  $\beta_{\text{FUNC}} = .41$ ,  $p < .001$ ;  $\beta_{\text{SOC}} = .13$ ,  $p < .05$ ). Moreover, the impact of economic and epistemic constructs switched over to be significantly related to WOM ( $\beta_{\text{ECON}} = .16$ ,  $p < .001$ ;  $\beta_{\text{EPIS}} = .12$ ,  $p < .05$ ).

Therefore, much of the discussion illustrating the effects of perceived brand value on repurchase intent can be applied to positive WOM recommendation. For instance, similar notions of utility maximisation and consumer seeking happiness and convenience can also provide explanations of the prevailing importance of functional and emotional aspects on consumers’ post-purchase behaviour. However, results

show that whereby consumers are not quite willing to repurchase the brand for its economic and epistemic value, they still talk about it in a positive manner and might recommend it to other people.

### 6.5.3 Discussion of the unsupported hypotheses

The links to repurchase intent from both economic value and epistemic value have been reported as insignificant and thus associated hypotheses were rejected. Discussions of these two hypotheses (H8 and H11 in Table 6-2) are offered as follows.

H8: Economic value → repurchase intent: ( $\beta = .02$ ,  $p < .612$ )

Whereas several studies of consumer research report that value for money (e.g. economic value) is a profound predictor of repeat purchases (Murphy, et al., 2000; Petrick, 2002; Grace & O'Cass, 2005), the findings in this study did not confirmed the conventional belief at any level of significance. The explanation of this unexpected result can be related to one out of four sources: analysis level, product category, living costs and methodological issues.

Firstly, whereby the majority of abovementioned studies and several others were conducted in a product-level context, it is might be a matter of fact that the repurchase intent – as a loyalty construct- holds different meanings for the brand construct. Repurchase intentions at the product level might be based on ‘habitual’ behaviour or to save time and money but not as ‘attitudinal’ behaviour of loyalty (Pura, 2005). At the brand level, though, it is a “*commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior*” (Oliver, 1999, p. 34). It might also because brands are seen by some people to be overrated compare to generic products as declared by respondents during focus groups discussion. If so, this will be in line with previous research shows why overpricing strategies reduce purchasers’ intentions to rebuy (Oh, 2003).

With respect to the product category, laptop is a durable product that could last for long time as shown in the present study where the average time of use was about two

years. This would make the evaluation of the laptop's value for money outdated, and not necessarily leading to thinking of repurchasing the same brand again. Therefore, it might be expected that low-profile products (e.g. fast-moving consumer goods) which are purchased on more frequently basis would benefit more from the concept of economic value.

The third justification might be related to the economic situation of the consumer markets nowadays. Research has given proof of the influential impact of rising living costs and the associated figures of declining purchasing power on consumers' price evaluations (Christopher, 1996; Yelkur, 2000). Such 'economical reasons' have encouraged 'product switching' behaviour to satisfy the pressing need to get greater 'value for money' (Chiou, 2004). This is more evident in the high-tech market wherein a large choice of similar products is available to consumers (Hamann, et al., 2007). By this, commitment to certain brands will diminish for the sake of buying cheaper offers regardless of brand names.

Lastly, a statistical explanation of this could also justify the contrary finding in the present study to previous research on economic value. Owing to the used SEM theory which allows for simultaneous examination of interdependent variables, the importance of economic value might have been minimised by the presence of other constructs. As shown in Chapter Five, bivariate analysis proved the significant correlation between economic value and repurchase intent ( $r = .33, p < .01$ ) which seemed to collapse upon the SEM test of interdependence. Similar results emerged from dependence techniques such as multiple regression analysis which showed the predictive coefficient of economic value became minimal when entered along with more dominant values (e.g. functional value and emotional value). This finding gives proof of the insufficient use of the value construct as a unidimensional or 'summary' construct (refer to Chapter Two; value as a price-based concept).

Epistemic value  $\rightarrow$  repurchase intent (H11,  $\beta = .04, p < .463$ )

In a comparable manner, the proposed relationship between epistemic value and repurchase intent has failed to receive statistical support. The interpretation in this case could be reasoned by the selected product category. Overall, high-tech brands "*exist in a global village in which today's innovation can be tomorrow's low cost*

*copy*” (Hamann, et al., 2007, p. 110). Thus, the market segment of high technology is changing rapidly and consumers might not have yet decided about the brand they intend to patronise. This ultimately occurs at the expense of sustaining a profitable customer base for global brands and might explain the general decline of loyalty among present-day consumers (Askegaard, 2006).

Furthermore, whereas specific brands are associated in consumers’ minds with high efficiency of delivering innovative products, laptops in particular could exemplify infrequent efforts towards providing novel features compared to other high-end devices in the marketplace. Future research could employ more convergent products (e.g. smartphones, tablets, etc.) to examine whether the same results of consumers’ reluctance to retry the same brand apply in different product categories.

Furthermore, a portion of the developed epistemic value measure is concerned with the notion of ‘variety seeking’. This kind of behaviour entails frequent searching for new things which might suggest more tendency to swap brands (Wakefield & Barnes, 1996). Therefore, even though epistemic value seekers enjoy the afforded technologies at the time of using the product, their willingness to try a different brand might be strong as well. Since the branding race necessitates a strong differentiation strategy (Kapferer, 2004), consumers in search of novelty would expect different brands to provide the kind of unique features they would like to try rather than keeping themselves engaged with a certain brand.

Finally, the same theory of statistical significance applies here as well. Even higher correlation factor reported between epistemic value and repurchase intent at the preliminary analysis stage ( $r = .51, p < .01$ ) is found to become insignificant in SEM. Indeed, the failure to find statistical support of the relationships between epistemic and economic values and repurchase intent points out the utmost importance of testing the concept of value in a comprehensive, multidimensional way. The rejection of these two hypotheses would not be clarified without such an all-inclusive test of multiple dimensions of value and loyalty, even though further research should examine these relationships in different settings of research (product category, consumer segment, etc.) and find out whether the same results hold or change accordingly.

### Note about social value's weak impact

A special note could be also made on the findings of the weaker effect of social value on both aspects of consumer loyalty. Results of path analysis read that even when consumers perceive the brand to be socially preferable, the coefficient weights associated with their intentions to repurchase the brand ( $\beta = .15, p < .01$ ) or spread encouraging WOM about it ( $\beta = .13, p < .05$ ) are relatively low. A possible explanation is drawn out from the context in question. Firstly, high-tech industry is in continuous change so that what is considered highly appreciated by consumer society today may not be so tomorrow (Hamann, et al., 2007). In contrast to, for instance, luxury or automotive brands where the prestigious statue is granted upon decades of experience and branding strategies, high technology brands seem to not have achieved such stability or definite consumer judgment yet. As a result, social value seekers would be either be hesitating to buy the same brand again or just be waiting for more interesting offers.

With regard to WOM recommendation, this could be interpreted through other aspects of behaviour. Those who find prestigious brands to extend oneself in a society (Arnould & Thompson, 2005) would be reluctant, or might be shy, to speak loudly about how this meaning transfer occurs. For instance, it might be difficult for someone to express an opinion about how Brand X contributes to her/his social membership to a group of high class people, and so on.

In synthesis, the significant coefficients of the various relationships between brand value components and positive WOM indicate a similar view to that in value-behaviour research, as existing literature generally suggests that the higher the value a brand possesses, the more likely a customer patronises the brand and recommends it accordingly. These findings provide further insights to the paramount role of WOM recommendation in brand strategies today; perhaps more important than before where interpersonal communications have become extraordinary connected in the “*more networked society*” (Gallarza & Saura, 2006, p. 189) in the conventional marketplace as well as the virtual world of the Internet (Yang, et al., 2012).

## 6.6 Chapter conclusion remarks

This chapter provides a detailed course of discussions on the results obtained by analysing the research data in the previous chapter. In accordance with the predefined thesis objectives, the new integrative scale for measuring the brand value construct has been discussed with relation to the more than satisfactory results reported of its psychometric properties. Not only does the multidimensional scale provide more systematic understanding of how the value of a brand is assessed in consumers' minds, but it also explains the distinct relationships between each dimension of value and other relevant constructs in the conceptual model. According to perceived value authors such as Gallarza, et al. (2011) and Koller, et al. (2011), this practice has utmost importance in understanding the structured decision-making process followed by purchasers and brand loyalists.

The chapter also delineates the results of hypotheses testing, which confirmed fourteen relationships and rejected two hypothesised links. Upon the simultaneous statistical tests of the nine research constructs presented in the conceptual model, a considerable consent has been found between the developed hypotheses put forth by this research and the data analysis. The statistical findings supported a proposition that a brand may be able to leverage its perceived value via an emphasis on market leadership and the sustaining of favourable corporate image.

Moreover, favourable perceptions of value have been found to contribute positively to brand loyalty through the full support of WOM communications and the partial support of repurchase intentions. Whereby the examination of brand value in a comprehensive approach helped in drawing a full picture of the interplay between value perceptions and loyalty decisions, possible explanations of the unsupported relationships have been also provided within the discussion of hypotheses testing. In general, reasons related to the level of analysis (product vs. brand), market characteristics (high-tech offers shift dramatically) and methodological issues (SEM testing more variables simultaneously) are argued to cause contradictory findings in the present research compared to past literature.



---

## CHAPTER SEVEN – SUMMARY AND CONCLUSIONS

### 7.1 Introduction

With the motivation of understanding brand value as a comprehensive concept and investigating how it can influence consumer loyalty, this research has developed a multidimensional measurement for the brand value construct and then tested it in a conceptual model that combines key dimensions of value as well as other brand-level dimensions. The previous chapters describe the rigorous strategies used to define the research problem and objectives (Chapter One), to critically review the literature (Chapter Two), to develop the conceptual model (Chapter Three), to describe the research methodology and data collection methods (Chapter Four), to analyse the data (Chapter Five), and to discuss the research findings (Chapter Six).

This final chapter begins with an overview of the research, by drawing together the research process and the key findings into a broad conclusion. Afterwards, the theoretical contributions are discussed. Next, managerial implications are presented. This is followed by addressing the limitations of the study and, finally, areas for future research are identified.

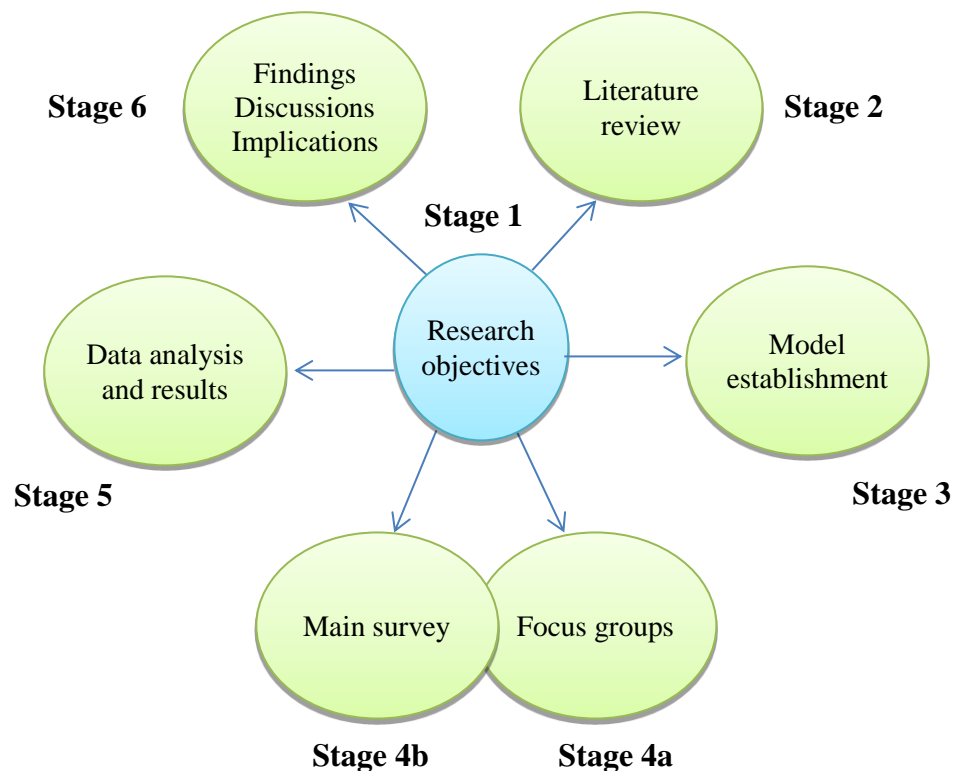
### 7.2 Summary of the thesis

An overview of the research is provided in this section by drawing together the research footprints and the key findings into a broad conclusion. Figure 7-1 illustrates the overall research structure, which helps define the processes followed to work out the predefined research objectives and summarise the research conclusions. In brief, the research develops over six stages. In all stages, these steps were underpinned and linked with the stated research objectives to provide a cohesive work with intensive contribution to the field. In the following subsections, each of the research stages is summarised.

### 7.2.1 Research aim

The first stage of the research began with the idea of promoting better consumer loyalty by helping brand managers to assess the value of their brands as perceived by actual brand consumers. The research developed with a clearly defined aim to develop an all-inclusive measurement for brand value to overcome the limited sources of academic literature on the topic (Broyles, et al., 2009). Further supporting research objectives include the test of the developed model in a path modelling setting to evaluate the mechanism of the brand-value-loyalty process in order to draw out realistic implications for marketing managers based on the research findings.

**Figure 7-1: The research process**



### 7.2.2 Literature review

Based on the research propositions, this study began with an extensive review of the published literature on consumer values from both product and brand perspectives. This was considered essential in order to understand these different standpoints and for establishing an integrative measurement that incorporates various constructs of value at the brand level.

Research acknowledges that value is a dynamic area that has gained growing interest from academics and traders (Sanchez-Fernandez & Iniesta-Bonillo, 2007). Value-driven marketing builds the strategies and operations of firms' organisational structure and departmental activities (Christopher, 1996; Payne & Holt, 2001). For instance, market segmentation, product differentiation, brand positioning and customer relations are amongst activities that can be designed with a prime focus on value orientations to ensure consumer acceptance and interaction (Gallarza, et al., 2011). From the customer perspective, well-received value can lead to favourable attitude and behaviour expressed by users. Previous studies report that value is a fundamental cause of favourable behaviour such as satisfaction (Ostrom & Iacobucci, 1995; Tam, 2004) and loyalty intentions (Pihlström & Brush, 2008; Koller, et al., 2011).

While the term 'value' might refer to "*the regard that something is held to deserve; the importance, worth, or usefulness of something*" (Oxford English Dictionary, 2012), its definitions in consumer literature diverge. In particular, consumer value at product level consists of literature drawn from three key perspectives. Firstly, studies of price-based value perceptions (Dodds & Monroe, 1985; Monroe & Chapman, 1987; Monroe, 1990), have defined value as a coincidence of product price. For instance, this approach indicates that when a consumer is faced with various choices, the cheapest product has the greatest value. This view was extended after the pioneering research of Zeithaml (1988) who proposed that more 'subjective' factors can moderate consumers' evaluations such as time and effort. The 'net gain' value then can be calculated by a rational judgement over 'given costs' and 'received benefits'. Indeed, these two schools of thought reflect the 'economic/utilitarian' perspective (Tsai, 2005) by considering buyers to have mental calculators measuring value on monetary bases.

Further progress in the value literature suggested that value must be considered as a multidimensional concept to illustrate the richness of the construct (Sheth, et al., 1991a; 1991b). Although the utilitarian perspective (i.e. price & ratio) provides a useful foundation for researching value, the integrative approach demonstrates that instead of focusing on an individual dimension, value tends to be more complex as it develops the consumer's mindset and drives her or his brand choices (Tsai, 2005;

Keller, 2012). That is because consumers would purposefully prioritise non-utilitarian benefits at the expense of derived 'value for money' buying decisions (Sweeney & Soutar, 2001).

When consumer value is discussed at the brand level, consumer-based brand equity appears the closest area of research. Despite the financial valuation of the brand as intangible assets in the firm's balance sheet, the brand owns a 'perceptual' value or equity drawn from the consumer perspective (Keller, 1993). From a traditional view, considering the brand as a tool used to differentiate the identity of suppliers and signal quality to consumers, the brand and branding became a global phenomenon that transmits multiple levels of meanings (Askegaard, 2006; Cayla & Arnould, 2008). The perceptions held in consumers' minds often vary about competitive brands providing the same physical product, with extensive focus on provided value. The valuations of a brand value usually follow a systematic manner, wherein all relevant advantages are assessed from both rational and irrational perspectives (de Chernatony & Dall'Olmo Riley, 1998b). These can include, but are not limited to, superior performance, economical price, social appraisal, emotive bonds and novel features (Sheth, et al., 1991a)

Several limitations then surfaced as a result of the extensive review of literature on consumer value at the product and brand levels. First, most of the previous studies on value have neglected the foundation of brands in their research design. Different from generic products, the value of brands depends to a large extent on consumers' beliefs, attitudes, and experiences, and on persuasive brand communications (Yoo, et al., 2000) to form a final perception of both brand tangibles and intangibles. Second, the literature lacks an all-inclusive measurement of value at the brand level. The conceptualisation of brand value construct has been normative and conceptual (Broyles, et al., 2009). Third, the absence of crucial dimensions such as epistemic value from previous measurement of brand value indicates the necessity of the reliance on a comprehensive theoretical framework to operationalise the construct and its respective dimensions in a single scale.

Fourth, another limitation noted concerns the lack of studies testing the antecedents and consequences of brand value dimensions in a path analysis (Keller, 2008). In

specific terms, the influence of macro brand considerations on perceived value of the branded products has been mainly normative (e.g. Keller, 1993; Aaker, 1996), with a severe lack of empirical studies. Finally, the segregated influence of value and its considerable dimensions on loyalty decisions is still, crucially, under-researched (Gallarza, et al., 2011; Koller, et al., 2011).

### **7.2.3 Model establishment**

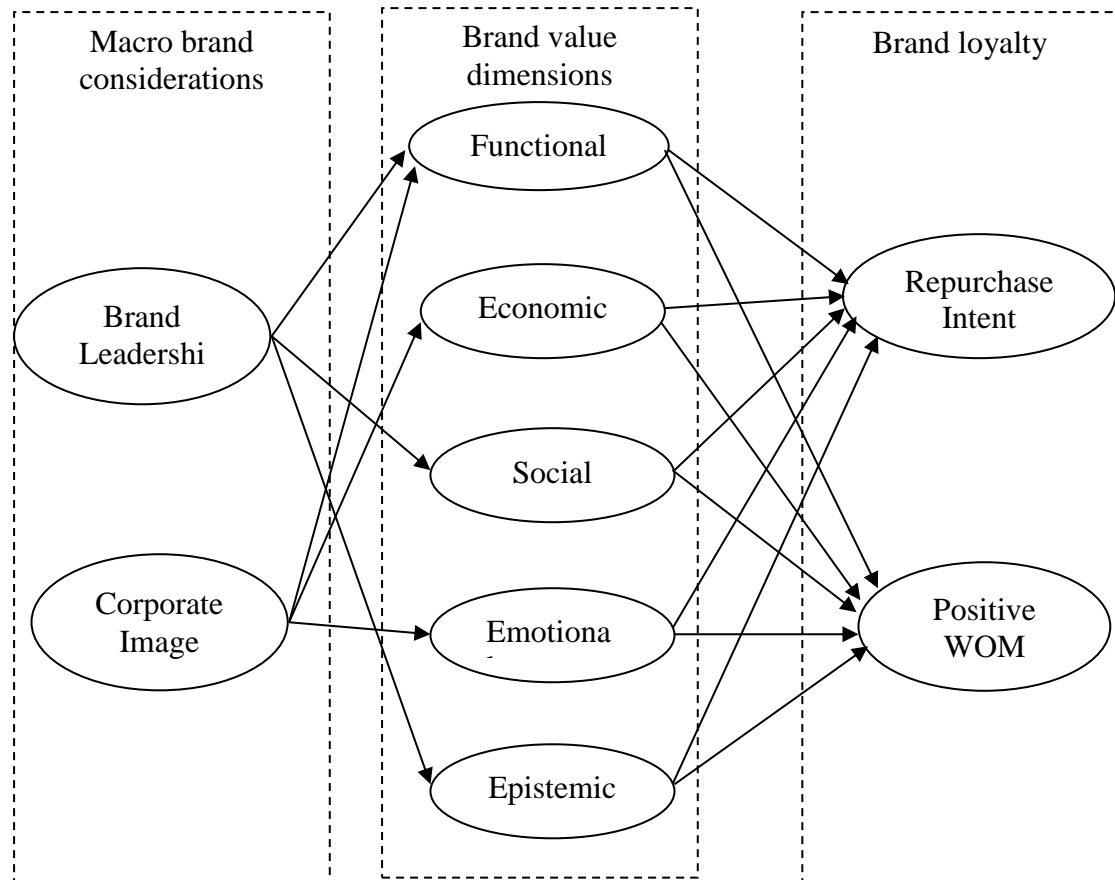
A conceptual model was then proposed to overcome the salient gaps found in the brand value literature. The model consists of nine constructs representing antecedents, dimensions and consequences of the focal construct in this research i.e. brand value. Following the consumption values theory (Sheth, et al., 1991a; 2011) and subsequent frameworks (Sweeney & Soutar, 2001; Pihlström & Brush, 2008), brand value was conceptualised by five dimensions which include functional, economic, social, emotional and epistemic values. The model includes also two antecedents: brand leadership and corporate image; and two consequences: repurchase intent and positive WOM.

In this framework, 16 hypotheses are depicted to test how the exogenous variables of brand leadership and corporate image influence brand value perceptions as conceptually supported by the theory of brand associations (Keller, 1993; Heding, et al., 2009), and how brand value dimensions, in turn, lead to repurchase intent and positive WOM (Sheth, et al., 1991b; Sweeney & Soutar, 2001; Koller, et al., 2011). The model is represented schematically in Figure 7-2.

### **7.2.4 Data collection**

The brand value model tested on university students because their homogeneity is considered advantageous in theory testing research (Yoo, et al., 2000) and they become a targeted segment for global brands (Dimofte, et al., 2008) owing to their high levels of brand consciousness (Holt, et al., 2004) and convergent attitudes towards global brands (Solomon, 2007; Cayla & Arnould, 2008), especially in technology-related products (Foscht, et al., 2008). Saudi Arabia also represents a lucrative market for international firms due to its exceptionally young population and high purchasing power parity (Bhuian, 1997).

Figure 7-2: The research model



The empirical research was conducted in two sequential phases (Collis & Hussey, 2003). The first phase was qualitative and undertaken via focus group discussions with twenty-four university students (equally split male/female) in Saudi Arabia. The major objectives of this stage were to enhance existing measures for established dimensions of brand value (i.e. functional, economic, social and emotional), to develop new measures for the epistemic value construct and to gain further understanding of other research variables in the target market.

Transcripts of four audio-taped focus groups were analysed using NVivo software. In effect, the exercise was considered most useful for clarifying and developing measures for various constructs in the model. In particular, items for the epistemic value were generated from the verbatim transcript as a first step for operationalising the new construct.

Following the qualitative fieldwork, the main survey questionnaire was developed using seven-point Likert scales measuring students' perceptions of the brands of their laptops amongst the nine dimensions expressed in the conceptual model. The composite questionnaire containing both literature-based and qualitative findings was subjected to several rounds of face validity and content development with marketing professors and industry experts whereby translation to Arabic was done with the help of bilingual professors and PhD students. Following a pilot study with 62 students, 1020 questionnaires were disseminated to seven pre-agreed schools in Jeddah, the biggest metropolitan, multicultural city in the Western province of Saudi Arabia. Following the complete case approach (Hair, et al., 2010), 510 complete questionnaires out of 771 returned (response rate = 64.7%) were eventually used for the analysis.

### **7.2.5 Data analysis**

The findings from the descriptive analysis show that in Saudi Arabia, five brands (Apple, Dell, HP, Sony and Toshiba) dominate laptop sales amongst university students and that the purchased laptops are used for a couple of years on average. In addition, Saudi students often refer to groups of people close to them, such as family and friends, to make buying decisions and brand choices.

A variety of statistical techniques were used to accomplish the first research objective in terms of delineating a five-dimension measurement scale for brand value. Following data minimisation and scale purification stages using item-to-total correlation and Principle Components Analysis in SPSS, a total of 23 items were proved to represent the five dimensions of brand value. This set of items was subjected to Confirmatory Factor analysis using AMOS to confirm the psychometric properties of the emergent scale from PCA. The results of CFA confirmed a condensed set of 21 items to be better representing the discriminant and convergent validity of the scale. Table 7-1 reports the 21-item brand value scale in which 4 items measure functional value, 3 for economic value, 4 for social value, 5 for emotional value, and 5 items for epistemic value.

**Table 7-1: The final scale of brand value**

Dimension	Item
Functional Value	This brand has high quality
	This brand is well made
	This brand has a high-speed processor*
	This brand is not prone to breakdown
Economic Value	This brand is good pricewise
	This brand is reasonably priced
	This brand would be economical
Social Value	This brand is symbol of prestige
	This brand is endorsed by celebrities
	This brand is attractive to other people
	This brand is suitable for my social class
Emotional Value	This brand is enjoyable for me
	This brand puts me in a good mood
	I may see this brand like a friend to me
	I feel happy using this brand
	I feel relaxed with this brand
Epistemic Value	I use this brand to experiment with new technology
	This brand stimulates my curiosity about latest technology*
	This brand provides me with knowledge about latest technology*
	This brand stimulates my creativity*
	This brand provides variety*

\* New items developed from focus group discussion

Afterwards, the structural equation modelling was run to validate the conceptual model and test the hypotheses. The fitness indices summarised in Table 7-2 confirmed both measurement model (CFA) and full model (SEM) to be well fitting to the data and thus enabling the direct implication of hypotheses testing. While fourteen hypotheses were supported and therefore generally confirmed the links between brand considerations—brand value—brand loyalty, two hypotheses failed to receive statistical support by this set of data. In particular, the hypotheses indicate that repurchase intent is significantly related to perceived economic value (H8) and epistemic value (H11) were not supported and discussions were offered on the possible effects of the fast pace of change in high-technology market as well as rising living costs on consumer's willingness to repatronise specific brands.



**Table 7-2: Summary of Goodness-of-Fit for the conceptual model**

Model	$\chi^2$	DF	P	TLI	CFI	RMSEA
CFA	1293.275	558	.000	.94	.95	.051
SEM	1782.907	577	.000	.91	.92	.064

### 7.2.6 Findings

The final step before tapping into the implications of this study is discussion of the key outcomes of the research. Findings of qualitative and quantitative fieldworks confirmed the necessity of treating the value concept in general, and the value of brands in particular, in a multidimensional perspective. This helps in the assessment of various sources of brand value in a synchronised manner and the avoidance of misleading findings if value is discussed from narrower perspectives (Sweeney & Soutar, 2001). After all, the 21-item brand value scale is proved to have combined scattering pieces of research on the brand value (or equity) from the consumer perspective. Instead of considering fewer dimensions of value or developing a 'summary' construct to represent the value concept in generic term, the proposed scale aims at producing brand value from a more comprehensive, yet quantifiable, perspective.

The statistical support found for hypotheses H1-H6 confirmed the conceptual links proposed in the brand value literature between brand-related concepts and the physical product's value. This suggests that global brands should maintain a leadership position in order to generate positive value perceptions in consumers' minds. Similarly, firms should keep an eye on their marketing as well as other activities to keep their image healthy and favourable so as to attract consumers' positive evaluations. The rest of the hypotheses (H7-H6) also confirmed that heightened levels of value naturally lead to positive loyalty decisions. Therefore, by delineating the differential impacts of value dimensions upon aspects of loyalty such as positive WOM and repurchase intent and with congruence with similar vein of research (Pihlström & Brush, 2008), further evidence is provided of the ultimate efficiency of treating value as a multidimensional construct even at the brand level.

### 7.3 Theoretical contributions

The findings of this research have several implications for academics researching in the area of brand meanings, brand equity or value and consumer loyalty. First, this research study is the first of its kind to operationalise the brand value construct based on rigorous theoretical framework (i.e. Consumption Values Theory). Not only does the framework provide comprehensive measurement for consumption values at brand choice level (Brand A vs. Brand B), but it also offers a practical foundation for the development of dimensions appropriately (Sheth, et al., 1991a).

Although significant number of studies have provided evidence of the validity of theory in variety of consumption contexts and product categories (e.g. William & Soutar 2000; Pura, 2005; Pihlström & Brush, 2008; Park & Rabolt, 2009), extensive review of brand value research contends that the theory has not been utilised at brand value measurement research yet, irrespective of its empirical implication at brand choice level. Hence, no such measurements for perceived epistemic value coexists, neither does exist empirical results on how the antecedent of epistemic value integrates into other value dimensions in value-behaviour chains. While various studies have been conducted on consumers' general learning and novelty-seeking concerns, an integration of epistemic attitudes and value perceptions is yet to come.

Thus, the present study utilised the framework to discuss, develop and test a new construct, termed 'epistemic value', together with the development of an integrated, cohesive scale to measure the brand value. Indeed, the introduction of this domain to the brand management literature and associated endeavours to measure the brand value construct would open new windows for complementary research. For instance, enquiries about how perceived epistemic value interacts with other elements of brand value or consumer behaviour constructs could be addressed in further research.

Second, most studies in consumer value and consumer behaviour have ignored the brand-related effects (Abou Aish, et al., 2003), that actually moderate consumers' evaluations of consumption experiences. This study contributes to existing knowledge by examining how consumer perceptions of tangible products are constructed through abstract associations of the brands. Although some studies about consumer-based brand assessment have already been conducted (e.g. Broyles, et al.,

2009), they tend to focus only on specific factors (e.g. marketing mix) and ignore other potential forces of brand associations.

This research is the first empirical work that synthesised concepts from three main fields (brand associations, consumption values, and consumer behaviour) to explain a value formation process in a more holistic manner. In particular, the relative impacts of different types of macro brand considerations (e.g. brand leadership and corporate image) on brand value are evaluated. In addition, the study examines behavioural outcomes of brand value (e.g. positive word of mouth) whereas others mainly focus on the intentional outcome of value (e.g. willingness to buy, willingness to recommend, etc.).

Statistical results show that apart from economic and epistemic values' impacts upon repurchase intent, other hypotheses are accepted. These mean that overall brand leadership and corporate image are found to be significantly correlated with brand value perceptions. The relative explanatory powers of these two antecedents on different types of value are found to be asymmetrical. Brand value is also, in general, significantly associated with consumer loyalty. These findings indicate that not only micro concepts (e.g. brand knowledge, brand personality, etc.) but also macro concepts (e.g. brand leadership and corporate image) can be used to effectively explain the variation in brand value assessment and its consequences.

Third, this study advances current understanding about a generative process by which brand value is formed and a mechanism by which brand loyalty is acquired. Some studies (e.g. Yoo, et al., 2000; Souiden, et al., 2006; Broyles, et al., 2009) conceptualised the direct impacts of macro brand variables on value assessment but none has empirically examined the mediating effects involved in creating value in a loyalty- building setting before. This study finds that overall each type of brand value mediates the impact of brand considerations on loyalty decisions. In other words, brand value explains why brand associations can lead to brand loyalty. This helps researchers to better understand why and how building unique associations can promote loyalty decisions (Kapferer, 2004).

Fourth, the study provides further evidence to a long-standing debate about whether perceived value construct is unidimensional or multidimensional. Some past studies operationalised value as a unidimensional construct (e.g. Grewal, et al., 1998; Oh, 2003); whereas others (e.g. Petrick, 2002; Koller, et al., 2011) argued that it is not so. For instance, Sweeney and Soutar (2001) showed that taking value as a unidimensional (value for money) construct can only explain less than fifty per cent of the variance in behaviour outcomes explained by multiple value dimensions whereby in the present study it has been shown that influence of economic value might be minimal compared to other dimensions such as functional and emotional value.

Having said that, recent contributions nonetheless still treat the value construct as a unidimensional construct that is taken from an economic perspective (e.g. Johnson, et al., 2006). At the brand level, though, some studies would take partial elements of the brand value such as its emotional value (Loureiro, et al., 2012), utilitarian value (Miller & Mills, 2012) or combination of just these two dimensions (Danes, et al., 2012). Such suppressed representation of the brand value would result in misleading findings about the value of brands in forming consumer outputs.

This study shows that brand value is a multifaceted concept. It also reveals that the components of value are not equally related to different types of brand considerations or brand loyalty decisions. To consumers, at least in the high-technology context, social benefits attained from acquiring a particular brand and the epistemic value provided are two most important aspects which they can personally attain from leader brands. Other functional dimensions (e.g. quality), which have been considered critical to brand leaders (Crimmins, 2000; Steenkamp, et al., 2003; Na, et al., 2007), appear less relevant.

Moreover, another widely studied dimension i.e. corporate image, is found to be less pertinent to consumers' economic value assessment (Tsai, 2005) and more relevant to emotional utilities. Instead of generic propositions about the impact of corporate image on product evaluations (Brown & Dacin, 1997), this study provides a new theoretical approach by testing the differential impacts of particular associations on each (rather than overall) dimensions of value. These findings suggest that future

research should incorporate other brand concepts (brand attitude, brand knowledge, etc.) and be cautious in identifying the domain of brand value construct with regard to different micro and macro brand considerations.

Fifth, this study provides evidence to another enduring debate about the relationship between value and consumer behaviour. Many researchers (Sirohi, et al., 1998; Kashyap & Bojanic, 2000; Ryu, et al., 2008; Koller, et al., 2011) found significant and positive effects of value on loyalty, whereas others (e.g. Wakefield & Barnes, 1996; Yoo, et al., 2000; Oh, 2003) reported a reverse causal, yet positive, relationship. In addition, other researchers (e.g. Wang, et al., 2004; Pihlström & Brush, 2008) have discovered a partial or non-significant relationship between dimensions of value and loyalty.

The relationship between economic value and repurchase intent is found not to be statistically significant. This suggests that any loyalty building strategies based heavily on economic value may not be effective for every type of product and setting. Economic value is considered an imperative determinant of repurchase intent, and thus loyalty in most cases (Tsai, 2005), but may be less important for students or youth segments who would have a different set of priorities and financial concerns. Similarly, the epistemic value is found to exert positive, but non-significant, influence on repurchase intentions. As this debate is still inconclusive, further research dealing with brand innovations' impact on consumer behaviour should authenticate or refute these findings using more exciting products, e.g. convergent products or adventure themes parks, to test whether the type of stimulus can stifle value-behaviour relationships.

In terms of methodology, the contribution of this study is twofold. First, this research is one of the few that test value-behaviour models outside of the Western and Far Eastern contexts. Researchers into consumer behaviour in general (Sojka & Tansuhaj, 1995) and branding in particular (Whitelock & Fastoso, 2007) have highlighted a global trend in international brand management and raised their concerns about the necessity of cross-cultural research. Other researchers in general have also been aware of the applicability of their theories across nations and have encouraged new studies to establish the external validity, e.g. Hirschman (1993). The

research partly responds to those calls for global investigations by testing a value-loyalty building model in Saudi Arabia, an Arabic country in the Middle East. Examining the model there could create additional insights into extant literature because Saudi consumers and their cultural backgrounds are substantially different from those of Western and Asian countries (Hofstede, 1991).

The findings of the study suggest that brand value is recognised as an important concept not only to Western and Asian consumers, but also Saudis. Saudi students show their similar understanding about the overall concept and its various dimensions to that reported in literature and even placed similar weights on the different domains. In line with Sweeney and Soutar's (2001) study conducted in Australia, functional and emotional value perceptions are found to be salient predictors of behaviour. Such congruence in findings enables researchers to find out whether these values are universally dominant across cultures and brand categories.

Second, this study verifies, adapts, and purifies conceptual relationships between nine variant variables in the brand value literature by means of structural equation modelling. An extensive review of the literature showed no such holistic model coexists in a path modelling setting (Gallarza, et al., 2011). This multivariate method offers advantages superior to those of traditional analyses, which are confined to prove correlation coefficients between relationships in questions. The use of SEM technique provides empirical evidence that even if two constructs appear to correlate positively and significantly in bivariate analysis, the involvement of additional constructs in path modelling would result in dramatic changes of the preliminary findings. This offers insightful discussion in understanding the reasons for the divergence of degree of importance among tested variables.

#### **7.4 Managerial implications**

Current consumer value models have mostly been formulated from an economic or particularistic angle. Often, global brands begin to realise the effect of unutilised dimensions of value on their overall imagery process when it is too late (Krueger & Nandan, 2008). Strategies for switching identities and market positioning have always been employed in response to market changes such as sales downturns and

customer resistance. Brands tend to actively manage their value perceptions with regard to consumer expectation.

Globalisation, new technologies and rapid changes of contemporary consumer expectations together with witnessed slow sales growth, financial recessions and other forces (Christopher, 1996; Raggio & Leone, 2009; Kainth & Verma, 2011) necessitate that firms be skilful and adept at their marketing management. In parallel, managers of brands are faced with continual challenges (e.g. competitive pressures, anti-branding sentiment, anti-globalisation, boycotting campaigns) (Cayla & Arnould, 2008; Dimofte, et al., 2008), and being a responsive marketer is becoming a vital prerequisite for existence and success (Christopher, 1996; Aaker, 2010).

This study offers practical guidelines for managers in both actively and proactively managing the associations of their brands to handle market pressures and to appear favourable with multiple facets of value to the consumer. The findings from this research suggest that brands, particularly those which are durable and require more resources to buy, such as electronics and high-tech products, can enhance their value perceptions via the achievement of market leadership and the maintaining of healthy image. Firms that can maintain their offerings according to the standards required by consumers or users will be able to improve their individual brands' value perceptions because they are discerned as being likeable and admirable.

In practice, brands can obtain better and unique associations in consumers' hearts and minds by complying with brand building activities (Yoo, et al., 2000) but being more easily distinguishable than rivals. For instance, associations of leadership can be achieved by continuous commitment to research and development (Christopher, 1996), attaining victory in the race for innovation (Cheng, et al., 2007), and being reachable in global markets (Steenkamp, et al., 2003). From real-world examples, it can be noticed that leadership claims such as 'No.1 syndrome' (Aaker, 1996) are a successful tactic to attract new consumers and perhaps convince existing clients about the superior value provided by the brand when compared to competitors. Thus, leadership claims should be supported with continual achievement of excellence and constant progress towards improvement and innovation.

Moreover, corporations that show their responsiveness to both immediate and long-term interests of consumers, being socially responsible and proving credible and reliable will be able to improve consumers' evaluations through the enhancement of the firm's picture in the public eye. Corporations can use different tactics to underscore their ethical behaviour or, for firms with a poor image, reset their overall image in the public domain to gain consumers' respect and confidence. The substantial, positive impact of corporate image on value perceptions might suggest why specific brands, although having comparable offerings in terms of manufacturing capabilities, triumph others in, for instance, sales figures. In the current study, for example, during the focus groups, respondents admitted that Dell, HP and Toshiba more or less provided similar physical products – as one respondent puts it, '*probably made in the same factory*' – but still individual perceptions about the company behind the brand moderates product evaluations. Therefore, firms should employ different techniques to publicise their successes, innovation, ethical behaviour and leadership, perhaps in the forms of leaflets, newsletters, and wide use of social networks, including Facebook, Twitter, etc.

Furthermore, given a specific industry, brands may design a set of policy so as to conform to short-term customers' expected values. Clear evidence on this is the large-scale tendency by global brands to adapt sought-after technologies into their products (e.g. wifi into a Samsung camera). They could also take a more proactive measure by incorporating their consumers' views into the product development process (i.e. let their customers take parts in designing new products). In short, this is akin to the concepts about ongoing commitments and relationship exchanges with consumers in the customer relationship marketing (CRM) research and practice.

On the other hand, managers may use tactics based on the distinct nature of value perceptions as a means to manage the loyalty programmes of their consumers. To academics, loyalty management has been closely linked with the idea of affective attachment to the brand, the administration of activities that directly affects the emotional bonds formed between the consumer and the brand (Chaudhuri & Holbrook, 2002; Loureiro, et al., 2012). Pragmatically, companies can use more than emotional bonds to delight consumers and enlarge their customer base of loyalties. This study shows that not only emotional outcomes lead to high levels of consumer



commitment to the brand, but also other dimensions can contribute to loyalty decisions including repurchase intention and the spread of positive word of mouth.

However, some cautions must be noted. First, the findings from this study suggest that several types of value are not equally effective in shaping loyalty intentions and behaviour. A statistical comparison indicates that perceived functional and emotional value are more effective in explaining repurchase intention and the spread of positive word of mouth than other dimensions in the high-tech brand context. To a lesser extent is perceived social value. Furthermore, perceptions of either economic or epistemic value are found to impact on positive word of mouth but not repurchase intent in the laptop category. In other environments, nevertheless, more research is needed to investigate the relative influence of different value perceptions.

Second, the setting in which value dimensions are promoted could suppress or promote their results. That is, competition factors at global and national scales may moderate this causal relationship (Steenkamp, et al., 2003). Third, to receive sustainable benefits from value-oriented marketing activities, the tactics employed should be perceived as legitimate and must anchor the reality. The findings clearly point out that various dimensions of value fully or partially account for loyalty intentions, hence implying that the effect of perceived brand value will be more salient when it is also perceived as justifiable and proper. For instance, Roth (1995) asserts that value-based marketing strategy which concurs with local market needs (e.g. culture) can be more effective than standardised marketing communications.

Finally, this study informs managers about the dimensionality of all relevant concepts. The knowledge about the domains of value and loyalty should be especially valuable for designing instruments to evaluate these characteristics. According to marketing management professionals (e.g. Christopher, 1996; Berthon, et al., 2007), appraising perceived value and other factors is an important building block towards a successful strategy for business existence and growth. It can be argued that if things cannot be measured, how managers can know if it is worth planning and implementing value-based marketing programmes such as CRM. Better relationships can be bridged with customers if their wants and needs are specifically and precisely met.

By knowing the type of value(s) that is more wanted or needed at either individual level or market segment level, such relationships will be more effective and straightforward. The same applies for consumer behaviour aspects. If a market or collection of customers is characterised by, for instance, high interpersonal communications, brand managers should emphasise the value that leads to synergistic positive word of mouth about their products. This concurs with Akaka and Alden's (2010) comment about the firm's tendency to identify across-globe segments with common standards of needs. In a similar vein of research, AlMakrami and Wilson (2011) argue that Muslim people which count for a massive segment across continents can be reached through more understanding for their 'value system' driven by common religious beliefs and practice and guide their rational and irrational consumption choices (e.g. consuming halal food). In other words, a clear understanding about the dimensions of relevant concepts can eventually help managers to devise meaningful value-based marketing activities and effectively allocate budgets to them.

### **7.5 Research limitations**

Like other studies in marketing and consumer behaviour, this research contains some imitations. This study provides an extensive examination of the construct of brand value, its underlying dimensions, its antecedents and its consequences in the high-technology context. However, it is difficult to make a study that provides a comprehensive investigation of all elements causing a phenomenon. Therefore, while salient independent variables affecting brand value have been studied, other variables probably could be used and even have been more effective. These include micro brand considerations such as brand personality, brand attitude, etc. as well as other macro brand considerations (Keller, 2006).

This study is cross-sectional representing static relationships between variables in the framework. Although the general association between variables is likely to remain, the strength of linkages may be altered as brand meanings and competitive pressures are continuously re-evaluated over time. Possible causes of change include shifting consumer culture or the individual development of customers (e.g. in term of education, income level, etc.), especially when considering the financial and

behavioural differences between students and ordinary consumers. Thus, the generalisability of findings and strength of linkages is open to question.

The causality between variables cannot be fully proved and so caution is necessary about inferring the exact direction of cause and effect in the relationships among the constructs in this research. Since cross-sectional data capture the linkages of variables at a point in time, there may be idiosyncratic instances which will not be detected if the data were to be collected at other periods. Besides, it is not possible to discover temporal variance information in this study. To understand the development of brand value perceptions over time, longitudinal data collection would be necessary.

This study was conducted in a single setting, which provided the researcher with a better control over market and environmental anomalies (Conant, et al., 1990) and industry effects (Souiden, et al., 2006) but does limit the generalisability of findings. The high-tech and electronics market segment also enabled the researcher to clearly detect the effects of various aspects of value because of its divergent nature and the active involvement of both tangible values (e.g. functional, economic and epistemic) and intangible values (emotional and social), at least at the brand level. On the other hand, high-tech brands are somewhat atypical among brands in drawing a clear line between rivals, with the exception of the prominent Apple brand. While this branding problem is common amongst present-day brands, it is more obvious in the high technology sector whereby attaining unique selling point (USP) is hard to achieve (Hamann, et al., 2007), therefore suggesting that the generalisability of the findings to other brands should be adequate.

In line with Yoo and Donthu (2002), Murase and Bojanic (2004) and Koçak, et al. (2007), administrators and professors were relied upon to distribute the student surveys as the researcher was allowed neither to access the female departments nor to directly contact participating students. Further lack of access to national census data prevented the identification and enumeration of sampling units and made random sampling of respondents impossible. Like other marketing studies conducted in Saudi Arabia (e.g. Yavas, et al., 1994; Sohail, 2005; Abdul-Muhmin & Umar, 2007), the nonprobability sampling method was employed and this method could introduce bias

into the research design. However, a measure was undertaken to prevent potential problems. As explained in Chapter 4, the researcher instructed administrators to use a system in distributing questionnaires to avoid some of these problems. The instructions given was to approach different levels of students at different stages of study as well as focusing on random selection of classes which helped minimise the likelihood of biased survey results.

The lack of access to secondary data in the target market also resulted in another limitation in terms of comparing the gathered data to real state (e.g. the distribution of used brands in the surveyed market). In addition, it was not possible to obtain actual data measuring actual repurchase behaviour which led this research to refer to intentional factors to measure loyalty construct. Past empirical research (e.g. Hellier, et al., 2003; Broyles, et al., 2010) has showed that it is an appropriate choice when objective measurements (e.g. scanner data) are not available even though it is neither a perfect substitution for nor preferable to objective indicators.

This research may also possess a respondent bias towards students who have purchased and consumed particular brands of laptops. However, the selected group of respondents was desirable for this study, due to two reasons. First, it was the group that could judge their personal perceptions about the brands used and their intention to patronise the same brand in the future more accurately than others could do, due to their direct experience with brands. Second, it was one of the most accessible groups of respondents, which helped facilitate the survey procedure. Still, previous research pointed out the limitation of acquiring students sample in terms of suppressed generalisability and financial resources, and other sources defend the applicability of youth segments in brand-centred research given the fact that they represent a global segment which is 'large and getting larger' (Murase & Bojanic, 2004) and younger consumers might spend nowadays more than parents and professionals (Parker, et al., 2007).

Finally, the findings of this research may suffer from common method bias, which is likely to happen when perceptual data for independent (e.g. brand value) and dependent variables (e.g. brand loyalty) are collected from the same source (students). Therefore, Podsakoff and Organ's (1986) approach is followed to prevent

this bias. Harmon's one-factor test was performed in a confirmatory manner (e.g. Sweeney & Soutar, 2001). If the problem exists, CFA should yield a well-fitted one-factor model which contains all observed variables. For the brand value scale data, an estimated one-factor model fits the data very poorly ( $\chi^2 = 8742.90$ ,  $DF = 253$ ,  $p$ -value  $< 0.001$ ;  $RMSEA = 0.257$ ) whereas 5-factor model has a notably better fit ( $\chi^2 = 623.35$ ,  $DF = 179$ ,  $p$ -value  $< 0.001$ ;  $RMSEA = 0.070$ ). The difference of the chi-square statistics for these two models is also significant ( $\Delta\chi^2 = 8119.55$ ,  $DF = 74$ ; the critical chi-square statistic at  $p$ -value = 0.001 and  $DF = 74$  equals to 118). In other words, it suggests that all observed variables are not influenced by only a single construct and therefore the presence of common method bias is unlikely.

## 7.6 Direction for future research

Several venues for future research pertaining to the concept of brand value can be identified. First, this study focuses on a certain framework to conceptualise the brand value adopted from the consumption values theory (Sheth, et al., 1991). According to Berthon, et al. (2007), a brand may have manifold values with different types of contexts, constituents and product types. Future research should investigate whether the domains of the construct change and what particular dimensions appear important to a specific type of stakeholders. Future studies should also examine how the relationships in the proposed model vary with respect to the value associated with other types of product types (e.g. service value). This will involve the application of EFA and CFA techniques to assessing the overall fit of measurement structure and the significance of each dimension in particular.

Extensive studies about the relative influences of different dimensions of value on loyalty should also be conducted, which can partly help answer the question about whether value leads to loyalty in multiple course of consumptions (Gallarza, et al., 2011). Practically, it should also help managers to effectively select loyalty-building activities and allocate their budgets accordingly. For instance, empirical research could look at the impact of expressing value-oriented messages (e.g. customised email emphasise functional value for quality-seekers) on customer satisfaction and loyalty decisions.

Second, this research is conducted in a relatively distinctive product category where consumers have experienced remarkable shifts in their degree of acceptance and adaptation. Therefore, the influence of product involvement levels on relationships between variables can be momentous. On the other hand, consumers of high-tech brands seem to be less price-conscious in their buying decisions about technology (Hamann, et al., 2007). They usually spend time and effort to make their ultimate choice that fulfils different types of personal desires and requirements. These include both tangible and intangible benefits. According to Holbrook and Hirschman (1982), the level of emotional responses can vary across product categories and, for instance, the consumption of aesthetic products is more likely to elicit hedonic responses than consumer durables (e.g. automobiles). Future studies should explore whether the relationships found in this research also hold in other industries whose degree of consumer involvement with respect to type of value elicited are varied.

Since this study focuses on a consumer product brand, future investigations should also examine the applicability of the model in other brand settings. Some factors unique to service sectors may have strong influences on value perceptions and other variables in the model. For instance, customer support's friendliness may interact with perceived value in enticing customer loyalty. Besides, as functional value (e.g. quality) is somewhat more objective in goods than in many other service industries (Zeithaml, 1988), the difference in the degree of functional perceptions may affect brand value as product brands can offer consumers an actual evidence of quality (e.g. battery, processor, etc.). The examinations of these factors in service segments will offer more insights into the conditions in which the model is valid.

Third, this study assumes that consumers assess brand value systematically by interpreting various signals about a brand (e.g. brand associations). Future research should attempt to explore how consumers gather and process information about a brand. The effect of personal and environmental factors should also be incorporated into this type of study because they can affect consumers' assessment of value. Yoo, et al. (2000), for instance, indicated that a consumer's buying decision can be influenced by other marketing forces such as marketing mix, salespersons, distribution intensity and so forth.

One should also examine whether psychographic characteristics can impact consumers' cognitive and affective processes to interpret the same signal. For instance, previous research indicates that highly religious individuals tend to seek functional and economic attributes more than casually religious consumers do (Mokhlis, 2006) whereas the latter segment proved less loyal in their brand choices (Essoo & Dibb, 2004). By combining cultural and sociological theories with value-loyalty-building model, future studies can enhance the current knowledge about the consumer's attitude under different conditions and help marketing strategists to more effectively encounter the needs of diverse consumer groups.

Fourth, the role of communication platforms should be integrated into brand value research. Many studies (e.g. Roth, 1995; Alden, et al., 1999; Keller, 2002; Mikhailitchenko, et al., 2009) have already shown that the brand itself can signal value to consumers. However, some signals (e.g. price, quality, etc.) can be observed directly whereby others (e.g. emotions, innovation, etc.) are leveraged through media effects. Currently, there is a lack of understanding about how these signals are transmitted through communication channels and the roles that those channels, particularly the modern ones (e.g. social networks, chatrooms, and webboards), play in valuation process of brand value. Research on this issue will also help brand managers to effectively select appropriate channels of media to communicate with their clients or other stakeholders. To academics, studies on this topic will advance current knowledge about the influence of communication channels on value assessment.

Fifth, in term of methodology, future studies should attempt to extensively validate all measurement scales purified in this research. Despite the popular use of the concepts in existing studies, there have been calls for more developments of these scales (e.g. (Sheth, et al., 1991b; Sweeney & Soutar, 2001). Further investigations will facilitate additional cross-national research and help provide evidence about the generalisability of these concepts.

Finally, since the causal inference cannot be fully made in this research, other research strategies such as longitudinal study and experimental research can be used to address this issue. When resources are available, longitudinal study may be a more

appropriate design because it allows researchers to observe the dynamic of causal relationship over time (Collis & Hussey, 2003). According to Gallarza, et al. (2011), the nature of value is dynamic and elastic, consisting of short-term and long-term components. The use of longitudinal study will allow for separate examinations of these components. For example, short-term rumour (e.g. talks about a new feature) may have strong positive impacts on expected epistemic value of a newly released product in the short run but may or may not last for a long time. Moreover, brand leadership claims and corporate imagery process may help create only one component or have uneven influences on value perceptions. This line of research will advance extant knowledge about the structure and the temporal development of brand value.

### **7.7 Chapter conclusion remarks**

Over the last 30 plus years, the concept of value is so vital and relevant to the present-day marketing research and practice and it has been frequently shortlisted as ‘top’ area of research by Marketing Science Institute [2002-2004] (Kainth & Verma, 2011) and [2006-2008] (Sanchez-Fernandez & Iniesta-Bonillo, 2007). Indeed, marketers today, perhaps more than any time before, recognise the increasing legitimacy of researching consumer value orientations (Dodds, et al., 1991; Ryu, et al., 2008), because it is one of the most powerful forces in contemporary marketing (Albrecht, 1992). In general, within all value orientations, customer value is a concept that has useful implications for marketing management (Day, 1999; Gale, 1994; Nilson, 1992) for the sake of drawing new clients and keeping a loyal customer base (Christopher, 1996; Koller, et al., 2011).

However, research in the area of consumer and brand value has tended to be somewhat divergent, disconnected, dominated by economic views and atheoretical. In an attempt to broaden our understanding of the disciplines further and help promote brand loyalty, an integrative measurement of the brand value construct, together with a conceptual framework consisting of antecedents, dimensions and consequences of brand value, was discussed and tested in a Middle Eastern context with university students in Saudi Arabia. Based on the research findings and the



framework provided, this chapter has provided a conclusion for the thesis and discussed the implications for academics and practitioners alike.

Being one of the first studies that empirically adapted the consumption values theory into brand management research, this study has also provided a comprehensive scale for measuring the brand value construct and broken it down into functional, economic, social, emotional and epistemic values. In particular, a new measure has been developed in the present study for the epistemic value construct. Apart from this, other value constructs were measured by appropriate scales found in the pertinent literature, with a considerable adaptation to the research context through qualitative fieldwork with real users of brands. Finally, at empirical level, the research provides some practical guidance, e.g. applying pre-survey email requests in order to obtain a reasonable sample size and reasonable response rate.

For academics sharing similar interests, the research provides new directions by proposing a holistic model that incorporates both drivers and outcomes of brand value as conceived of in the consumer's mindset. Whilst the existing brand value and consumer behaviour literature has tended to focus on the overall impact of brand value on consumer loyalty, this study has attempted to provide academics with a new approach for developing the dimensions of brand value based on a rigorous theory and investigating the differential impacts of each dimension on variant loyalty aspects. Moreover, the findings of this research highlight the significant, but distinct, influence of exogenous brand variables on each dimension of brand value.

Besides academic implications, some managerial suggestions were also discussed in this chapter. For example, it is suggested that global brands keen to establish good loyal consumers focus their effort on creating and delivering value in the forms of functional (quality), economic (value for money), social (self and others' approval), emotional (affective attachment) and epistemic (novelty and knowledge), since these five dimensions collectively influence overall brand value perceptions – leading to greater purchase loyalty and word of mouth recommendations. Also, because macro-level concepts such as brand leadership and corporate image can exert differential impacts upon various value dimensions, several suggestions were offered to brand managers to fine-tune brand communication contents to reflect the multiple portions

of value or, depending on the market and segment circumstances, to emphasise these mostly sought-after types of value.

Since certain limitations exist, future research directions are also suggested to further complement this study. Theoretically, it is suggested that subsequent research examines the relationships between concepts from other stakeholders' perspectives (e.g. ordinary consumers, brand managers, advertisers, etc.) in diverse product categories. Moreover, anthropological and theological theories should also be incorporated into the explanation about those linkages. Methodologically, future studies are suggested to be conducted cross-culturally and over time. Measurement scales should also be re-examined to establish a strong basis for the generalisability of future findings. The findings from such research are likely to have a major impact on academic and practitioner discourse.

In summary, this doctoral research proposes a new way to explain the brand valuation process from the consumer perspective. In contrast to the prevalent economic view, it shows that other dimensions such as functional, social, emotional and epistemic values can well explain the incentives of brands which can be derived from macro level considerations such as brand leadership and corporate image (e.g. antecedents) and lead to favourable aspects of loyalty such as repurchase intent and positive word of mouth (e.g. consequences).

Finally, three main ideas can be drawn from the research. First, consumers perceive the value of the brand through a multidimensional lens. Therefore, brand managers and researchers should design and study the brand value from an analogous perspective. Second, brand value is positively linked with loyalty decisions by its consumers. These commitments can come in both monetary (repurchase intent) and non-monetary forms (word of mouth). Finally, considering the impact of brands on consumer perceptions, a company can influence its individual brands' value by conforming to the public favourable perceptions to improve its perceived image and enhance the evaluation by its consumers. Further, other macro brand concepts such as market leadership can be actively employed to enhance the brand value.

## REFERENCES

- Aaker, D. A., 1991. *Managing Brand Equity*. New York: The Free Press.
- Aaker, D. A., 1996. Measuring brand equity across products and markets. *California Management Review*, 38(3), pp. 102-120.
- Aaker, D. A. & Joachimsthaler, E., 2000. *Brand leadership*. New York: Free Press.
- Aaker, D. A. & Jacobson, R., 2001. The value relevance of brand attitude in high-technology markets. *Journal of Marketing Research*, 38(4), pp. 485-493.
- Aaker, D. A., 2010. Marketing challenges in the next decade. *Journal of Brand Management*, Volume 17, pp. 315–316. .
- Aaker, J. L., Benet-Martinez, V. & Garolera, J., 2001. Consumption symbols as carriers of culture: A study of Japanese and Spanish brand personality constructs. *Journal of Personality and Social Psychology*, 81(3), pp. 492-508.
- Abdul-Muhmin, A. G. & Umar, Y. A., 2007. Credit card ownership and usage behaviour in Saudi Arabia, The impact of demographics and attitudes toward debt. *Journal of Financial Services Marketing*, 12(3), pp. 219-234.
- Abou Aish, E. M., Ennew, C. T. & McKechnie, S. A., 2003. A cross-cultural perspective on the role of branding in financial services: The small business market. *Journal of Marketing Management*, 19(9), pp. 1021-1042.
- Achoui, M., 2009. Human resource development in Gulf countries: an analysis of the trends and challenges facing Saudi Arabia. *Human Resource Development International*, 12(1), pp. 35-46.
- Adam, F. & Healy, M., 2000. *Postgraduate Research in the Business Area*. Dublin: Blackhall Publishing.
- Ahmed, Z. U. & Johnson, J. P., 2002. Country-of-origin and brand effect on consumers' evaluation of cruise lines. *International Marketing Review*, 19(3), pp. 279-302.
- Aish, A. M. & Jöreskog, K. G., 1990. A panel model for political efficacy and responsiveness: An application of LISREL 7 with weighted least squares. *Quality and Quantity*, Volume 19, pp. 716–723.
- Akaka, M. A. & Alden, D. L., 2010. Global brand positioning and perceptions: International advertising and global consumer culture. *International Journal of Advertising*, 29(1), pp. 37-56.
- Albert, N., Merunka, D. & Valette-Florence, P., 2012. Brand passion: Antecedents and consequences. *Journal of Business Research*, In press.
- Albrecht, K., 1992. *The Only Thing that Matters*. New York: Harper Business.

- Alden, D. L., Steenkamp, J.-B. E. M. & Batra, R., 1999. Brand positioning through advertising in Asia, North America, and Europe: The role of global consumer culture. *Journal of Marketing*, 63(January), pp. 75-87.
- Alessandri, S., 2001. Modeling corporate identity: A concept explication and theoretical explanation. *Corporate Communications*, 6(4), pp. 173-82.
- Al-Ghamdi, S. M., Sohail, M. S. & Al-Khalidi, A., 2007. Measuring consumer satisfaction with consumer protection agencies: some insights from Saudi Arabia. *Journal of Consumer Marketing*, 24(2), pp. 71-79.
- Alharbi, B., 2012. Customer choice in mobile service providers in Saudi Arabia. *International Journal of Business and Social Science*, 3(18z), pp. 283-285.
- Al-maghrabi, T. & Dennis, C., 2012. The driving factors of continuance online shopping: Gender differences in behaviour among students – the case of Saudi Arabia. *Int. J. Business Information Systems*, 9(4), pp. 360-384.
- AlMakrami, A. H. & Wilson, J. A. J., 2011. Do we really know how one out of four consumers perceiving Brands? in *Proceedings of Thought Leaders in Brand Management Conference-PhD Consortium*. 10-12 March 2011, Lugano, Switzerland, Università della Svizzera italiana. [online] Available at: [http://www.brand-management.usi.ch/pag/PHD\\_pre-conference\\_consortium.html](http://www.brand-management.usi.ch/pag/PHD_pre-conference_consortium.html)
- Al-Sabbahy, H., Ekinici, Y. & Riley, M., 2004. An investigation of perceived value dimensions: Implications for hospitality research. *Journal of Travel Research*, Volume 42, pp. 226-234.
- AMA, 1960. *Marketing Definitions: A Glossary of Marketing Terms*. Chicago: American Marketing Association.
- AMA, 2004. [Online] Available at: <http://www.marketingpower.com/mg-dictionary.php>
- Ambler, T., 1997. How much of brand equity is explained by trust? *Management Decision*, 35 (4), pp. 283-292.
- Anderson, J. C., Jain, D. C. & Chintagunta, P. K., 1993. Customer value assessment in business markets: A state-of-practice study. *Journal of Business-to-Business Marketing*, 1(1), pp. 3-29.
- Anderson, J. & Gerbing, D., 1988. Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, Volume 103, pp. 411-423.
- Andreassen, T. & Lindestad, B., 1998. Customer loyalty and complex services. *International Journal of Service Industry Management*, 9(1), pp. 7-23.
- Arbuckle, J. L., 2007. *Amos™ 16 User's Guide*. Chicago: SPSS.

- Arnould, E. J., 1989. Toward a broadened theory of preference formation and the diffusion of innovations: Cases from Zinder Province, Niger Republic. *Journal of Consumer Research*, 16(September), pp. 239-267.
- Arnould, E. J. & Thompson, C. J., 2005. Consumer Culture Theory (CCT): Twenty years of research. *Journal of Consumer Research*, pp. 868-882.
- Arvidsson, A., 2006. *Brands: Meaning and Value in Media Culture*. USA: Taylor and Francis.
- Askegaard, S., 2006. Brands as a global ideoscape. In: J. E. Schroeder & M. Salzer-Mörling, eds. *Brand Culture*. Oxon: Routledge, pp. 91-102.
- Babin, B. J., Darden, W. R. & Griffin, M., 1994. Work and/or fun: Measuring hedonic and utilitarian shopping value. *Journal of Consumer Research*, 20(1), pp. 644-656.
- Bagozzi, R. & Heatherton, T. F., 1994. A general approach to representing multifaceted personality constructs: Application to state self-esteem. *Structural Equation Modeling*, 1(1), pp. 35-67.
- Bagozzi, R. P., 1992. The self regulation of attitudes, intentions, and behavior. *Social Psychology Quarterly*, Volume 55, pp. 178-204.
- Banerjee, S., 2008. Strategic brand-culture fit: A conceptual framework for brand management. *Journal of Brand Management*, 15(5), pp. 312-321.
- Barry, C. A., 1998. Choosing qualitative data analysis software: Atlas/ti and NUD.IST compared. *Sociological Research Online*, 3(3), Available at: <http://www.socresonline.org.uk/socresonline/3/3/4.html>.
- Bearden, W. & Etzel, M. J., 1982. Reference group influence on product and brand purchase decisions. *Journal of Consumer Research*, Volume 5, pp. 264-270.
- Bemmaor, A., 1995. Predicting behavior from intention-to-buy measures: The parametric case. *Journal of Marketing Research*, 32(2), pp. 176-191.
- Bentler, P. M., 2005. *EQS 6 Structural Equations Program Manual*. Encino, CA: Multivariate Software.
- Bergvall, S., 2006. Brand ecosystems: Multilevel brand interaction. In: J. E. Schroeder & M. Salzer-Morling, eds. *Brand Culture*. Oxon: Routledge, pp. 186-197.
- Berlyne, D., 1950. Novelty and curiosity as determinants of exploratory behavior. *British Journal of Psychology*, Volume 41, pp. 68-80.
- Berthon, P., Holbrook, M. B., Hulbert, J. M. & Pitt, L. F., 2007. Viewing brands in multiple dimensions. *MIT Sloan Management Review*, 48(2), pp. 37-45.
- Berthon, P., Holbrook, M. & Hulbert, J., 2003. Understanding and managing the brand space. *Sloan Management Review*, 44(2), pp. 49-54.

- Beverland, M., Napoli, J. & Lindgreen, A., 2007. Industrial global brand leadership: A capabilities view. *Industrial Marketing Management*, Volume 36, pp. 1082–1093.
- Bhat, S. & Srinivas, K. R., 1998. Symbolic and functional positioning of brands. *Journal of Consumer Marketing*, 15(1), pp. 32-43..
- Bhattacharya, C. & Sen, S., 2003. Consumer-company identification: A framework for understanding consumers' relationships with companies. *Journal of Marketing*, 67(2), pp. 76-89..
- Bhuiyan, S. N., 1997. Saudi consumers' attitudes towards European, US and Japanese products and marketing practices. *European Journal of Marketing*, 31(7), pp. 467-486.
- Biel, A. L., 1992. How brand image drives brand equity. *Journal of Advertising Research*, 32(November), pp. 6-12.
- Bitner, M., Booms, B. & Tetreault, M., 1990. The service encounter: Diagnosing favorable and unfavorable incidents. *Journal of Marketing*, 54(1), pp. 71-84.
- Bloor, M., Frankland, J., Thomas, M. & Robson, K., 2001. *Focus Groups in Social Research*. London, Thousand Oaks, New Delhi: Sage Publications.
- Bollen, K. & Long, S. J., 1992. Tests for Structural Equation Models: Introduction. *Sociological Methods and Research*, 21(4), pp. 123-131.
- Bolton, R. N. & Drew, J. H., 1991. A longitudinal analysis the impact of service changes on customer attitudes. *Journal of Marketing*, 55(January), pp. 1-9.
- Bowen, W., 2008. *The history of Saudi Arabia*. London:Greenwood Pub Group.
- Boyatzis, R., 1998. *Transforming qualitative information: Thematic analysis and code development*. Thousand Oaks, CA: Sage.
- Brakus, J. J., Schmitt, B. H. & Zarantonello, L., 2009. Brand Experience: What is it? How is it measured? Does it affect loyalty?. *Journal of Marketing*, 73(May), pp. 52–68.
- Brislin, R., 1970. Back translation and cross cultural research. *Journal of Cross Cultural Psychology*, Volume 1, pp. 185-216.
- Brodie, R. J., Whittome, J. R. M. & Brush, G. J., 2009. Investigating the service brand: A customer value perspective. *Journal of Business Research*, 62(3), pp. 345–355.
- Brown, S., 1995. *Postmodern Marketing*. London: Routledge.
- Brown, S., Kozinets, R. V. & Sherry, J. F., 2003. Teaching old brands new tricks: Retro branding and the revival of brand meaning. *Journal of Marketing*, 67(July), pp. 19–33.

- Brown, T. J., Barry, T. E., Dacin, P. A. & Gunst, R. F., 2005. Spreading the word: Investigating antecedents of consumers' positive word-of-mouth intentions and behaviors in a retailing context. *Journal of the Academy of Marketing Science*, 33(2), pp. 123-138.
- Brown, T. J. & Dacin, P. A., 1997. The Company and the product: Corporate associations and Consumer Product Responses. *Journal of Marketing*, 61(January), pp. 68-84.
- Broyles, S. A., Leingpibul, T., Ross, R. H. & Foster, B. M., 2010. Brand equity's antecedent/consequence relationships in cross-cultural setting. *Journal of Product & Brand Management*, 19(3), pp. 159-169.
- Broyles, S. A., Schumann, D. W. & Leingpibul, T., 2009. Examining brand equity antecedent/consequence relationships. *Journal of Marketing Theory and Practice*, 17(2), pp. 145-161.
- Bryman, A. & Bell, E., 2007. *Business Research Methods*. 2nd ed. New York: Oxford University Press.
- Buil, I., de Chernatony, L. & Hem, L. E., 2009. Brand extension strategies: perceived fit, brand type, and culture influences. *European Journal of Marketing*, 43(11/12), pp. 1300-1324.
- Butz, H. E. J. & Goodstein, L., 1996. Measuring customer value: Gaining the strategic advantage. *Organizational Dynamics*, 24(3), pp. 63-77.
- Byrne, B. M., 2010. *Structural Equation Modeling with AMOS: Basic Concepts, Applications, Programming*. 2nd ed. New York: Routledge.
- Carbone, L. P. & Haeckel, S. H., 1994. Engineering customer experiences. *Marketing Management*, 3(3), pp. 9-19.
- Carpenter, J. M., 2008. Consumer shopping value, satisfaction and loyalty in discount retailing. *Journal of Retailing and Consumer Services*, Volume 15, pp. 358-363.
- Carroll, B. A. & Ahuvia, A. C., 2006. Some antecedents and outcomes of brand love. *Marketing Letters*, 17(2), pp. 79 - 89.
- Caruana, A., 2002. Service loyalty: The effects of service quality and the mediating role of customer satisfaction.. *European Journal of Marketing*, 36(7/8), pp. 811-828.
- Catell, R. B., 1966. The scree test for number of factors. *Multivariate Behavioral Research*, Volume 1, pp. 245-276.
- Cayla, J. & Arnould, E. J., 2008. A Cultural approach to branding in the global marketplace. *Journal of International Marketing*, 16(4), pp. 86-112.
- CDSI, 2010. *Central Department of Statistics and Information*. [Online] Available at: <http://www.cdsi.gov.sa/english/> [Accessed 22 February 2012].

- Cengiz, E. & Yayla, H., 2007. The effect of marketing mix on positive word of mouth communication: Evidence from accounting offices in Turkey. *Innovative Marketing*, Volume 3, pp. 73–86.
- Chandon, P., Wansink, B. & Laurent, G., 2000. A benefit congruency framework of sales promotion effectiveness. *Journal of Marketing*, 64(October), pp. 65-81.
- Chang, T. Z. & Wildt, A. R., 1994. Price, product information, and purchase intention: An empirical study. *Journal of the Academy of Marketing Science*, 21(1), pp. 16–27.
- Chaudhuri, A. & Holbrook, M. b., 2002. Product-class effects on brand commitment and brand outcomes: The role of brand trust and brand affect. *Jouranl of Brand Management*, 10(1), pp. 33–58.
- Chen, C. F. & Tsai, D. C., 2007. How destination image and evaluative factors affect behavioural intentions? *Tourism Management*, Volume 28, pp. 1115–1122.
- Cheng, J. M.-S., Chen, L. S.-L., Lin, J. Y.-C. & Wang, E. S.-T., 2007. Do consumers perceive differences among national brands, international private labels and local private labels? The case of Taiwan. *Journal of Product & Brand Management*, 16(6), pp. 368-376.
- Cheung, G. W. & Rensvold, R. B., 2002. Evaluating goodness-of-fit indexes for testing measurement invariance. *Structural Equation Modeling: A Multidisciplinary Journal*, Volume 9, pp. 233–255.
- Childers, T. L., Carr, C. L., Peck, J. & Carson, S., 2001. Hedonic and utilitarian motivations for online retail shopping behaviour. *Journal of Retailing*, Volume 77, pp. 511–535.
- Chiou, J.-S., 2004. The antecedents of consumers' loyalty toward Internet Service Providers. *Information & Management*, Volume 41, pp. 685–695.
- Chisnall, P. M., 1997. *Marketing Research*. 9th ed. Maidenhead, Berks: McGraw-Hill.
- Chiu, H.-C., Hsieh, Y.-C., Li, Y.-C. & Lee, M., 2005. Relationship marketing and consumer switching behavior. *Journal of Business Research*, Volume 58, pp. 1681–1689.
- Christopher, M., 1996. From brand values to customer value. *Journal of Marketing Practice: Applied Marketing Science*, 2(1), pp. 55-66.
- Christopher, M., Payne, A. & Ballantyne, D., 1991. *Relationship Marketing*. Oxford: Butterworth Heinemann .
- Churchill, G. A., 1979. A paradigm for developing better measures of marketing constructs. *Journal of Marketing Research*, 16(February), pp. 64–73.
- Churchill, G. & Surprenant, C., 1982. An investigation into the determinants of customer satisfaction. *Journal of Marketing Research*, 19(4), pp. 491-504.



- Çifci, S. & Koçak, A., 2012. The impact of brand positivity on the relationship between corporate image and consumers' attitudes toward brand extension in service businesses. *Corporate Reputation Review*, 15(2), pp. 105–118.
- Cohen, J. W., 1988. *Statistical Power Analysis for the behavioral sciences*. 2nd ed. Hillsdale, NJ: Lawrence Erlbaum Associates.
- Cohen, L., Manion, L. & Morrison, K., 2000. *Research Methods in Education*. 5th ed. London: RoutledgeFalmer.
- Collis, J. & Hussey, R., 2003. *Business Research : A Practical Guide for Undergraduate and Postgraduate Students*. 2nd ed. UK: Palgrave Macmillan.
- Conant, J., Mokwa, M. & Varadarajan, P., 1990. Strategic types, distinctive marketing competencies, and organizational performance: A multiple measures-based study, *Strategic Management Journal*, 11(5), pp. 365-383.
- Cooper, R. & Schindler, P., 2001. *Business Research Methods*. 7th ed. New York: McGraw-Hill.
- Crimmins, J. C., 2000. Better measurement and management of brand value. *Journal of Advertising Research*, 40(6), pp. 136-144.
- Cronbach, L., 1951. Coefficient alpha and the internal structure of tests. *Psychometrika*, Volume 16, pp. 297–334.
- Cronin, J., Brady, M. K. & Hult, G. T. M., 2000. Assessing the effects of quality, value and customer satisfaction on consumer behavioural intentions in service environments. *Journal of Retailing*, 76(2), pp. 193–218.
- Cronin, J. J. et al., 1997. A cross-sectional test of the effect and conceptualization of service value. *Journal of Services Marketing*, 11(6), pp. 375–391.
- Danes, J. E., Hess, J. S., Story, J. W. & Vorst, K., 2012. On the validity of measuring brand images by rating concepts and free associations. *Journal of Brand Management*, 19(4), pp. 289–303.
- Das, S., Stenger, C. & Ellis, C. H., 2009. Managing tomorrow's brands: Moving from measurement towards an integrated system of brand equity. *Journal of Brand Management*, 17(1), pp. 26-38.
- Davis, F. D., 1989. Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 13(3), pp. 319-340.
- Dawes, J., 2008. Do data characteristics change according to the number of scale points used? *International Journal of Market Research*, 50(1), pp. 61-77.
- Day, E. & Crask, M., 2000. Value assessment: The antecedent of customer satisfaction. *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, Volume 13, pp. 42–50.

- Day, G. S., 1990. *Market Driven Strategy: Processes for Creating Value*. New York: The Free Press.
- Day, G. S., 1999. *Market Driven Strategy. Processes for Creating Value*. 2nd ed. New York: The Free Press:.
- de Chernatony, L., 1993. Categorizing brands: Evolutionary processes underpinned by two key dimensions. *Journal of Marketing Management*, 9(2), pp. 173-188.
- de Chernatony, L. & Dall'Olmo Riley, F., 1998b. Modelling the components of the brand. *European Journal of Marketing*, 32(11/12), pp. 1074-1090.
- de Chernatony, L. & Riley, F. D., 1998a. Defining a "Brand": Beyond the literature with experts' interpretations. *Journal of Marketing Management*, Volume 14, pp. 417-443.
- de Matos, C. A. & Rossi, C. A. V., 2008. Word-of-mouth communications in marketing: A meta-analytic review of the antecedents and moderators. *Journal of the Academy of Marketing Science*, Volume 36, pp. 578-596.
- de Ruyter, J., Wetzels, M., Lemmink, J. & J., M., 1997. The dynamics of the service delivery process: A value-based approach. *International Journal of Research in Marketing*, Volume 14, pp. 231-243.
- de Ruyter, K. & Wetzels, M., 2000. The role of corporate image and extension similarity in service brand extensions. *Journal of Economic Psychology*, Volume 21, pp. 639-59.
- DeCarlo, L. T., 1997. On the meaning and use of kurtosis. *Psychological Methods*, Volume 2, pp. 292-307.
- DeVellis, R., 1991. *Scale Development: Theory and Applications*. London: Sage.
- DeVellis, R., 2003. *Scale Development: Theory and Applications*. Thousand Oaks, CA: Sage.
- Dey, I., 1993. *Qualitative Data Analysis. A User-Friendly Guide for Social Scientists*. London: Routledge.
- Diamantopoulos, A., Schlegelmilch, B. & Reynolds, N., 1994. Pretesting in questionnaire design: the impact of respondent characteristics on error detection. *Journal of the Market Research Society*, 36(4), pp. 295-313.
- Dibb, S., Simkin, L., Pride, W. & Ferrell, O. C., 2001. *Marketing Concepts and Strategies*. Boston: Houghton Mifflin.
- Dimofte, C. V., Johansson, J. K. & Ronkainen, I. A., 2008. Cognitive and affective reactions of U.S. consumers to global brands. *Journal of International Marketing*, 16(4), pp. 113-135.

- Dinnie, K., 2008. *Nation Branding: Concepts, Issues, Practice*. Oxford: Butterworth-Heinemann.
- Dodds, W. & Monroe, K. B., 1985. The effects of brand and price information on subjective product evaluations. *Advances in Consumer Research*, Volume 12, pp. 85–90.
- Dodds, W., Monroe, K. & Grewal, D., 1991. Effects of price, brand and store information on buyers' product evaluations. *Journal of Marketing Research*, Volume 28, pp. 307-319.
- Douglas, S. P. & Craig, C. S., 1983. *International Marketing Research*. New Jersey: Prentice-Hall.
- Douglas, S. P. & Craig, C. S., 1997. The changing dynamic of consumer behavior: Implications for cross-cultural research. *International Journal of Research in Marketing*, 14(4), pp. 379–395.
- Doyle, P., 1998. Marketing and innovation. In: P. Doyle. & S. Bridgewater, eds. *Innovation in Marketing*. Oxford: Butterworth-Heinemann, pp. 1-16.
- Drucker, P., 1969. *The Age of Discontinuity; Guidelines to Our Changing Society*. New York: Harper and Row.
- Duman, T. & Mattila, A. S., 2005. The role of affective factors on perceived cruise vacation value. *Tourism Management*, Volume 26, pp. 311–323.
- Easterby-Smith, M., Thorpe, R. & Jackson, P. R., 2008. *Management Research*. 3rd ed. London: Sage.
- Elliott, R. & Wattanasuwan, K., 1998. Brands as symbolic resources for the construction of identity. *International Journal of Advertising*, 17(2), pp. 131-144.
- Engel, J. F., Blackwell, R. D. & Miniard, P. W., 1995. *Consumer Behavior*. 8th ed. Orlando : Dryden.
- Erdem, O. & Tuncalp, S., 1998. Advertising agency scene in Saudi Arabia. *Management Research News*, 21(1), pp. 1-8.
- Erdem, T. & Swait, J., 1998. Brand equity as a signalling phenomenon. *Journal of Consumer Psychology*, 7(2), pp. 131-15.
- Escalas, J. E. & Bettman, J. R., 2003. You are what they eat: The influence of reference groups on consumers' connections to brands. *Journal of Consumer Psychology*, 13(3), pp. 339-348.
- Essoo, N. & Dibb, S., 2004. Religious influences on shopping behaviour: An exploratory study. *Journal of Marketing Management*, 20(7/8), pp. 683-712.

- Fam, K.-S. & Waller, D. S., 2004. Ad likeability and brand recall in Asia: A cross-cultural study. *Journal of Brand Management*, 12(2), pp. 93-104.
- Fan, Y., 2005. Ethical branding and corporate reputation. *Corporate Communications: An International Journal*, 10(4), pp. 341-350.
- Farquhar, P. H., 1989. Managing brand equity. *Marketing Research*, 1(3), pp. 24-33.
- Feick, L., Coulter, R. A. & Price, L. L., 2003. Rethinking the origins of involvement and brand commitment: Insights from Postsocialist Central Europe. *Journal of Consumer Research*, 30 (September), pp. 151-69.
- Feldwick, P., 1996. What is brand equity anyway, and how do you measure it? *Journal of the Market Research Society*, 38(2), pp. 85-103.
- Fern, E. F., 2001. *Advanced Focus Group Research*. Thousand Oaks, London, New Delhi: Sage Publications.
- Fill, C., 1999. *Marketing Communications, Contexts, Contents and Strategies*. Hemel Hempstead: Prentice-Hall.
- Forbes, 2011. *The Brand Keys 12 for 12: brand and marketing trends for 2012*. [Online] Available at: <http://www.forbes.com/sites/marketshare/2011/12/13/the-brand-keys-12-for-12-brand-and-marketing-trends-for-2012-part-1/> [Accessed 13 12 2011].
- Fornell, C. et al., 1996. The American Customer Satisfaction Index: Nature, purpose and findings. *Journal of Marketing*, Volume 60, pp. 7-18.
- Fornell, C. & Larcker, D., 1981. Evaluating structural equation models with unobserved variables and measurement error. *Journal of Marketing Research*, 18(1), pp. 39-50.
- Foscht, T. et al., 2008. The impact of culture on brand perceptions: A six-nation study. *Journal of Product & Brand Management*, 17(3), pp. 131-142.
- Fournier, S., 1998. Consumers and their brands: developing relationship theory in consumer research. *Journal of Consumer Research*, 24(1), pp. 343-373.
- Fowler, F. J., 2002. *Survey Research Methods*. Thousands Oaks, CA: Sage.
- Franzen, G. & Bouwman, M., 2001. *The Mental World of Brands: Mind, Memory, and Brand Success*. Henley on Thames: World Advertising Research Centre.
- Friedman, J., 1990. Being in the world: Globalization and localization. *Global culture: nationalism, globalization and modernity*, pp. 295-310.
- Gale, B. T., 1994. *Managing Customer Value: Creating Quality and Service that Customers Can See*. New York: The Free Press.

- Gallarza, G. M., Arteaga, F. & Floristán E, G. I., 2009. Consumer behavior in a religious event experience: An empirical assessment of value dimensionality among volunteers. *International Journal of Culture, Tourism, & Hospitality Research*, 3(2), pp. 165–180.
- Gallarza, M. G. & Saura, I. G., 2006. Value dimensions, perceived value, satisfaction and loyalty: an investigation of university students' travel behaviour. *Tourism Management*, Volume 27, pp. 437–452.
- Gallarza, M. G., Saura, I. G. & Holbrook, M. B., 2011. The value of value: Further excursions on the meaning and role of customer value. *Journal of Consumer Behaviour*, Volume 10, pp. 179–191.
- Gardner, B. B. & Levy, S. J., 1955. The product and the brand. *Harvard Business Review*, Issue March-April, pp. 33-99.
- Garvin, D. A., 1983. Quality on the line. *Harvard Business Review*, 61(September-October), pp. 65-73.
- Gehlhar, M. J., Regmi, A., Stefanou, S. E. & Zoumas, B. L., 2009. Brand leadership and product innovation as firm strategies in global food markets. *Journal of Product & Brand Management*, 18(2), pp. 115–126.
- Gelder, S. v., 2005. The new imperatives for global branding: Strategy, creativity and leadership. *Journal of brand management*, 12(5), pp. 395-404.
- Gilly, M. C., 1992. Consumption values and market choices: Theory and applications by Jagdish N. Sheth; Bruce I. Newman; Barbara L. Gross. *Journal of Marketing Research*, 29(4), pp. 487-489.
- Gobe, M., 2001. *Emotional Branding: The New Paradigm for Connecting Brands to People*. New York: Allworth Press.
- Gofman, A., Bevolo, M. & Moskowitz, H. R., 2009. Role of corporate leadership and innovation claims on consumer perception of premium products. *International Journal of Innovation Management*, 13(4), pp. 665–681.
- Goodyear, M., 1996. Divided by a common language: Diversity and deception in the world of global marketing. *Journal of the Market Research Society*, 38(2), pp. 105-122.
- Gotlieb, J. B., Grewal, D. & Brown, S. W., 1994. Consumer satisfaction and perceived quality: Complementary or divergent constructs? *Journal of Applied Psychology*, 79(6), pp. 875–885.
- Grace, D. & O’Cass, A., 2005. An examination of the antecedents of re-patronage intentions across different retail store formats. *Journal of Retailing and Consumer Services*, Volume 12, pp. 227–243.

- Gremler, D. D. & Gwinner, K. P., 2000. Customer-employee rapport in service relationships. *Journal of Service Research*, Volume 3, pp. 82–104.
- Grewal, D., Monroe, K. & Krishnan, R., 1998. The effects of price-comparison advertising on buyers' perceptions of acquisition value, transaction value, and behavioral intentions. *Journal of Marketing*, 62(2), pp. 46–59.
- Griffin, A. & Hauser, J., 1993. The voice of the customer. *Marketing Science*, 12(Winter), pp. 1-27.
- Grimes, A. & Doole, I., 1998. Exploring the relationships between colour and international branding: A cross cultural comparison of the UK and Taiwan. *Journal of Marketing Management*, Volume 14, pp. 799-817.
- Grönroos, C., 1997. Value-driven relational marketing: From products to resources and competencies. *Journal of Marketing Management*, Volume 13, pp. 407-419.
- Groth, J., 1995. Exclusive value and the pricing of services. *Management Decision*, 33(8), pp. 22–29.
- Gulek, J. C. & Demirtas, H., 2005. Learning with technology: The impact of laptop use on student achievement. *The Journal of Technology, Learning, and Assessment*, 3(2), pp. 3-35.
- Gutman, J., 1982. A means-end chain model based on consumer categorization processes. *Journal of Marketing*, 46(1), pp. 60-72.
- Hair, J., Anderson, R., Tatham, R. & Black, W., 1995. *Multivariate Data Analysis With Readings*. Upper Saddle River, NJ: Prentice–Hall.
- Hair, J. F., Black, W. C., Babin, B. J. & Anderson, R. E., 2010. *Multivariate Data Analysis*. 7th ed. Upper Saddle River, New Jersey: Pearson.
- Hall, J. E., Shaw, M. R., Lascheit, J. & Robertson, N., 2000. Gender differences in a modified perceived value construct for intangible products. In *proceedings of ANZMAC Conference*. Melbourne, Australia.
- Hamann, D., Williams, R. L. & Omar, M., 2007. Branding strategy and consumer high-technology product. *Journal of Product & Brand Management*, 16(2), pp. 98-111.
- Heding, T., Knudtzen, C. F. & Bjerre, M., 2009. *Brand Management: Research, Theory and Practice*. London: Routledge.
- Heilbrunn, B., 2006. Brave new brands: Cultural branding between Utopia and A-topia. In: J. E. Schroeder & M. Salzer-Mörling, eds. *Brand Culture*. Oxon: Routledge, pp. 103-117.
- Heinonen, K., 2004. Reconceptualizing customer perceived value: The value of time and place. *Managing Service Quality*, 14(2/3), pp. 205-215.

- Hellier, P. K., Geursen, G. M., Carr, R. A. & Rickard, J. A., 2003. Customer repurchase intention: A general structural equation model. *European Journal of Marketing*, 37(11/12), pp. 1762-1800.
- Herr, P. M., Kardes, F. R. & Kim, J., 1991. Effects of word-of-mouth and product-attribute information of persuasion: An accessibility-diagnostics perspective. *Journal of Consumer Research*, 17(4), pp. 454-62.
- Heskett, J. L. et al., 1994. Putting the service-profit chain to work. *Harvard Business Review*, Volume 72, pp. 164–170.
- Heskett, J. L., Sasser, W. E. & Schlesinger, L. A., 1997. *The Service Profit Chain. How Leading Companies Link Profit and Growth to Loyalty, Satisfaction, and Value*. New York: The Free Press.
- He, Y. & Song, H., 2009. A mediation model of tourist's repurchase intentions for packaged tour services. *Journal of Travel Research*, 47(3), pp. 317–331.
- Hickson, D. & Pugh, D., 2001. *Management Worldwide: Distinctive Styles amid Globalization*. 2nd ed. England: Penguin Global.
- Hill, D., 2003. Why they buy: What really goes on in the mind of the consumer. *Across the Board*, 40(6), pp. 27.
- Hinchliffe, S., Crang, M., Reimer, S. & Hudson, A., 1997. Software for qualitative research: Some thought on "aiding" analysis. *Environment and Planning A*, Volume 29, pp. 1109-1124.
- Hirschman, E. C., 1993. Ideology in consumer research, 1980 and 1990: A Marxist and Feminist critique. *Journal of Consumer Research*, 19(March), pp. 537-555.
- Hocutt, M., 1998. Relationship dissolution model: Antecedents of relationship commitment and the likelihood of dissolving a relationship. *International Journal of Service Industry Management*, 9(2), pp. 189-200.
- Hofstede, G., 1991. *Cultures and Organizations: Software of the Mind*. London: McGraw-Hill.
- Holbrook, M., 1996. Customer value – A framework for analysis and research. *Advances in Consumer Research*, 23(1), pp. 138-41.
- Holbrook, M. B., 1994. The nature of customer value: An axiology of services in the consumption experience. In: R. Rust & R. L. Oliver, eds. *Service Quality: New Directions in Theory and Practice*. Thousand Oaks, CA: Sage, pp. 21-71.
- Holbrook, M. B., 1999. Introduction to consumer value. In: M. B. Holbrook, ed. *Consumer Value. A Framework for Analysis and Research*. London: Routledge, pp. 1-28.

- Holbrook, M. B. & Hirschman, E. C., 1982. The experiential aspects of consumption: Consumer fantasies, feelings, and fun. *Journal of Consumer Research*, 9(September), pp. 132-140.
- Holt, D. B., 1997. Post-structuralist lifestyle analysis: Conceptualizing the social patterning of consumption. *Journal of Consumer Research*, 23(March), pp. 326-350.
- Holt, D. B., 2002. Why do brands cause trouble? A dialectical theory of consumer culture and branding. *Journal of Consumer Research*, 29(1), pp. 70-90.
- Holt, D. B., 2004. *How Brands Become Icons: The Principles of Cultural Branding*. Boston, Mass.: Harvard Business School.
- Holt, D. B., Quelch, J. A. & Taylor, E. L., 2004. How global brands compete. *Harvard Business Review*, 82(September), pp. 68–75.
- Howcroft, B., 1993. Staff perceptions of service quality in a UK clearing bank: Some empirical findings. *International Journal of Service Industry Management*, 4(4), pp. 5-24.
- Hoyle, R. H., 1995. The structural equation modeling approach: Basic concepts and fundamental issues. In: R. H. Hoyle, ed. *Structural Equation Modeling: Concepts, Issues, and Applications*. Thousand Oaks, CA: Sage, pp. 1-15.
- Hsieh, M., Pan, S. & Setiono, R., 2004. Product-, corporate-, and country-image dimensions and purchase behavior: A multicountry analysis. *Journal of the Academy of Marketing Science*, 32(3), pp. 251-70.
- Hu, H.-H., Kandampully, J. & Juwaheer, T. D., 2009. Relationships and impacts of service quality, perceived value, customer satisfaction and image: An empirical study. *The Service Industries Journal*, 29(2), pp. 111–125.
- Hutchinson, J., Lai, F. & Wang, Y., 2009. Understanding the relationships of quality, value, equity, satisfaction and behavioral intentions among golf travelers. *Tourism Management*, 30(2), pp. 298–308.
- Iacobucci, D., 2009. Everything you always wanted to know about SEM (structural equations modeling) but were afraid to ask. *Journal of Consumer Psychology*, Volume 19, pp. 673–680.
- Jacoby, J. R. W. & Olson, J. C., 1985. *Perceived Quality*. Lexington, MA: Lexington Books.
- Jamal, A. & Goode, M. M. H., 2001. Consumers and brands: A study of the Impact of self-image congruence on brand preference and satisfaction. *Marketing Intelligence & Planning*, 19(7), pp. 482-492.
- Janiszewski, C. & van Osselaer, S. M. J., 2000. A connectionist model of brand-quality associations. *Journal of Marketing Research*, Volume 37, pp. 331-350.



- Jensen, H. R., 1996. The interrelationship between customer and consumer value. *Asia Pacific Advances in Consumer Research*, Volume 2, pp. 60–63.
- Jevons, C., 2005. Names, brands, branding: Beyond the signs, symbols, products and services. *Journal of Product & Brand Management*, 14(2), pp. 117-118.
- Johansson, U. & Holm, L. S., 2006. Brand management and design management. *Brand Culture*, pp. 136-151.
- Johnson, M. D., Herrmann, A. & Huber, F., 2006. The evolution of loyalty intentions. *The Journal of Marketing*, 70(2), pp. 122-132.
- Johnson, M. D., Herrmann, A. & Huber, F., 2006. The evolution of loyalty intentions. *Journal of Marketing*, 70(2), pp. 122-132.
- Jones, R., 2005. Finding sources of brand value: Developing a stakeholder model of brand equity. *Journal of Brand Management*, 13(1), pp. 10-32.
- Jones, T. & Sasser, W. J., 1995. Why satisfied customers defect. *Harvard Business Review*, Issue November-December, pp. 88-99.
- Joseph, C. & Taylor, S. A., 1992. Measuring service quality: A reexamination and extension. *Journal of Marketing*, Volume 56, pp. 55-68.
- Kainth, J. S. & Verma, H. V., 2011. Consumer perceived value: Construct apprehension and its evolution. *Journal of Advanced Social Research*, Volume 1, pp. 20-57.
- Kamakura, W. A. & Russel, G. J., 1993. Measuring brand value with scanner data. *International Journal of Research in Marketing*, 10(1), pp. 9-22.
- Kantamneni, S. P. & Coulson, K. R., 1996. Measuring perceived value: Scale development and research findings from a consumer survey. *Journal of Marketing Management*, 6(2), pp. 72-83.
- Kapferer, J. N., 2004. *The New Strategic Brand Management: Creating and Sustaining Brand Equity Long Term*. 3rd ed. London: Scotprint.
- Kashyap, R. & Bojanic, D., 2000. A structural analysis of value, quality, and price perceptions of business and leisure travellers. *Journal of Travel Research*, Volume 39, pp. 45-51.
- Katz, E. & Lazarsfeld, P., 1955. *Personal Influence*. Glencoe, IL: The Free Press.
- Keller, K. L, 1993. Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(January), pp. 1-22.
- Keller, K. L. & Aaker, D., 1997. *Managing the corporate brand: The effect of corporate marketing activity on consumer evaluations of brand extensions*, Cambridge, MA: Working Paper Report No. 97-106 Marketing Science Institute.

- Keller, K. L., 2002. Branding and Brand Equity. In: B. Weitz & R. Wensley, eds. *Handbook of Marketing*. London: Sage Publications, pp. 151-178.
- Keller, K. L., 2003. Brand synthesis: The multi-dimensionalities of brand knowledge. *Journal of Consumer Research*, Volume 29, pp. 595–600.
- Keller, K. L. 2006. Measuring brand equity. *The Handbook of Marketing Research: Uses, Misuses, and Future Advances*, pp. 546-568.
- Keller, K. L., 2008. *Strategic Brand Management, Building, Measuring, and Managing Brand Equity*. 3rd ed. Upper Saddle River: Pearson.
- Keller, K. L., 2012. Understanding the richness of brand relationships: Research dialogue on brands as intentional agents. *Journal of Consumer Psychology*, 22(2), pp. 186-190.
- Kelloway, K., 1998. *Using LISREL for Structural Equation Modeling: A Researcher's Guide*. London: Sage.
- Kim, H. S. & Drolet, A., 2003. Choice and self-expression: A cultural analysis of variety seeking. *Journal of Personality and Social Psychology*, 85(2), pp. 373-382.
- King, W. & He, J., 2006. A meta-analysis of the technology acceptance model. *Information and Management*, 43(6), pp. 740–755.
- Kline, R. B., 1998. Software programs for structural equation modelling: AMOS, EQS, and LISREL. *Journal of Psychoeducational Assessment*, 16(1), pp. 343-364.
- Koçak, A., Abimbola, T. & Özer, A., 2007. Consumer brand equity in a cross-cultural replication: An evaluation of a scale. *Journal of Marketing Management*, 23(1-2), pp. 157-173.
- Koller, M., Floh, A. & Zauner, A., 2011. Further insights into perceived value and consumer loyalty: A “Green” perspective. *Psychology & Marketing*, 28(12), pp. 1154–1176.
- Kotler, P., 1972. A generic concept of marketing. *Journal of Marketing*, Volume 36, pp. 46–54.
- Kotler, P. & Armstrong, G., 2001. *Principles of Marketing*. 9th ed. New Jersey: Prentice Hall.
- Kotler, P. & Keller, K. L., 2009. *Marketing Management*. 13th ed. Upper Saddle River: Pearson Prentice Hall.
- Kowalczyk, S. & Pawlish, M., 2002. Corporate branding through external perception of organizational culture. *Corporate Reputation Review*, 5(2/3), pp. 159-74.

- Kozak, M., 2001. A critical review of approaches to measure satisfaction with tourist destinations. In: A. Woodside, et al. eds. *Consumer Psychology of Tourism Hospitality and Leisure (Vol. 2)*. New York: CABI Publishing, pp. 303–320.
- Kropp, F., Lavack, A. & Silvera, D., 2005. Values and collective self-esteem as predictors of consumer susceptibility to interpersonal influence among university students. *International Marketing Review*, 22(1), pp. 7-33.
- Krueger, D. & Nandan, S., 2008. Branding in the global arena: The role of culture. *Marketing Management Journal*, 18(1), pp. 30-38.
- Krueger, R. A., 1994. *Focus Groups: A Practical Guide for Applied Research*. 2nd ed. Thousand Oaks: Sage Publications.
- Lam, D., Lee, A. & Mizerski, R., 2009. The effects of cultural values in word-of-mouth communication. *Journal of International Marketing*, 17(3), pp. 55-70.
- Lancaster, G. & Massingham, L., 2001. *Marketing Management*. 3rd ed. England: McGraw-Hill.
- Lassar, W., Mittal, B. & Sharma, A., 1995. Measuring customer-based brand equity. *Journal of Consumer Marketing*, 12(4), pp. 11-19.
- Lee, C. K., Yoon, Y. S. & Lee, S. K., 2007. Investigating the relationship among perceived value, satisfaction and recommendations: The case of the Korean DMZ. *Tourism Management*, Volume 28, pp. 204–214.
- Lee, S., Ha, S. & Widdows, R., 2011. Consumer responses to high-technology products: Product attributes, cognition, and emotions. *Journal of Business Research*, Volume 64, pp. 1195-1200.
- Lenartowicz, T. & Roth, K., 1999. A framework for culture assessment. *Journal of International Business Studies*, 30(4), pp. 781-198.
- Leuthesser, L., Kohli, C. & Harich, K. R., 1995. Brand equity: The halo effect measure. *European Journal of Marketing*, 29(4), pp. 57-66.
- Lichtenstein, D. R., Netemeyer, R. G. & Burton, S., 1990. Distinguishing coupon proneness from value consciousness: An acquisition-transition utility theory perspective. *Journal of Marketing*, 54(3), pp. 54-67.
- Likert, R., 1932. A technique for the measurement of attitudes. *Archives of Psychology*, Volume 140, pp. 44–53.
- Lin, C.-H., Sher, P. J. & Shih, H.-Y., 2005. Past progress and future directions in conceptualizing customer perceived value. *International Journal of Service Industry Management*, Volume 16, pp. 318–336.
- Lindemann, J., 2004. Brand valuation. In: *Brands and Branding an Economist Book*. New York: Interbrand, pp. 1-11.

- Li, W. & Monroe, K. B. C. D., 1994. The effects on country of origin, brand, and price information: A cognitive-affective model of buying intentions. *Advances in Consumer Research*, Volume 21, pp. 449–457.
- Long, M. & Schiffman, L., 2000. Consumption values and relationships: Segmenting the market for frequency programs. *Journal of Consumer Marketing*, 17(3), pp. 214–232.
- Loureiro, S. M. C., Ruediger, K. H. & Demetris, V., 2012. Brand emotional connection and loyalty. *Journal of Brand Management*, 20(1), pp. 13–27.
- Louro, M. J. & Cunha, P. V., 2001. Brand management paradigms. *Journal of Marketing Management*, Volume 17, pp. 849–75.
- Malai, V. & Speece, M., 2005. Cultural impact on the relationship among perceived service quality, brand name value, and customer loyalty. *Journal of International Consumer Marketing*, 17(4), pp. 7–39.
- Manning, K. C., Bearden, W. O. & Madden, T. J., 1995. Consumer innovativeness and the adoption process. *Journal of Consumer Psychology*, 4(4), pp. 329–345.
- Mathwick, C., K., M. N. & Rigdon, E., 2001. Experiential value: Conceptualization, measurement and application in the catalog and internet shopping environment. *Journal of Retailing*, 77(1), pp. 39–56.
- Mattsson, J., 1991. *Better Business by the Abc of Values*. Lund: Studentlitteratur.
- McCracken, G., 1988. *Culture and Consumption: New Approaches to the Symbolic Character of Consumer Goods and Activities*. Bloomington: Indiana University Press.
- McCracken, G., 2005. *Culture and Consumption II : Markets, Meaning, and Brand Management*. Bloomington: Indiana University Press.
- McDaniel, C. & Gates, R., 2004. *Marketing Research*. 6th ed. Hoboken, NJ: John Wiley and Sons Inc.
- McEnally, M. & de Chernatony, L., 1999. The evolving nature of branding: Consumer and managerial considerations. *Academy of Marketing Science Review*, Issue 2, pp. 1–26.
- McGivern, Y., 2009. *The Practice of Market Research: An Introduction*. Harlow, England: Prentice Hall.
- Menard, S. W., 2002. *Applied Logistic Regression Analysis*. 2nd ed. Thousands Oaks: Sage.
- Miller, K. W. & Mills, M. K., 2012. Contributing clarity by examining brand luxury in the fashion market. *Journal of Business Research*, 65(10), pp. 1471–1479.

- Ministry of Economic and Planning, 2006. *Achievement of the Development Plans - Facts and Figures*, s.l.: coincides with the start of implementation of the eight Development Plan (1970-2006), Twenty-Third issue, Saudi Arabia.
- Ministry of Higher Education ,2012. [Online] Available at:  
<http://www.mohe.gov.sa/ar/Ministry/Deputy-Ministry-for-Planning-and-Information-affairs/HESC/Pages/default.aspx>
- Mittal, B. & Lasser, W., 1998. Why do customers switch? The dynamics of satisfaction versus loyalty. *The Journal of Services Marketing*, 12(3), pp. 177 - 194.
- Mittal, V. & Kamakura, W., 2001. Satisfaction, repurchase intent, and repurchase behavior: Investigating the moderating effect of customer characteristics. *Journal of Marketing Research*, 38(1), pp. 131-42.
- Mokhlis, S., 2006. The effect of religiosity on shopping orientation: An exploratory study in Malaysia. *Journal of American Academy of Business*, 9(1), pp. 64-74.
- Monroe, K. B., 1973. Buyers' subjective perceptions of price. *Journal of Marketing Research*, 10(1), pp. 70-80.
- Monroe, K. B., 1990. *Pricing: Making Profitable Decisions*. 2nd ed. New York: McGraw-Hill.
- Monroe, K. B. & Krishnan, R., 1985. The effect of price on subjective product evaluation. In: O. J. C. Jacoby J, ed. *Perceived Quality: How Consumers View Stores and Merchandise*. Lexington M.A : Lexington Books, pp. 209–232.
- Monroe, K. & Chapman, J., 1987. Framing effects on buyers' subjective product evaluations. *Advances in Consumer Research*, Volume 14, pp. 193–197.
- Morgan, D. L. & Scannell, A. U., 1998. *Planning Focus Groups: Focus Group Kit 2*. Thousand Oaks: Sage Publications..
- Morgan, R. P., 1999/2000. A consumer-oriented framework of brand equity and loyalty. *Market Research Society*, 42(1), pp. 65-78.
- Morrison, M. & Moir, J., 1998. The role of computer software in the analysis of qualitative data: efficient clerk, research assistant or Trojan horse? *Journal of Advanced Nursing*, 28(1), pp. 106-116.
- Morse, E. L. & Richard, J., 2002. The battle for energy dominance. *Foreign Affairs*, 81(2), pp. 16-31.
- Morwitz, V., Johnson, E. & Schmittlein, D., 1993. Does measuring intent change behavior? *Journal of Consumer Research*, 20(1), pp. 46-61.
- Mueller, B., 1996. *International Advertising: Communicating Across Cultures*. California: Wadsworth.

- Muhammad, L. & Rana, G. e., 2012. Factors distressing internet banking adoption among adult students: Evidence from Kingdom of Saudi Arabia. *Business and Management Review*, 2(1), pp. 76 – 82.
- Mulhem, F. J., Williams, J. D. & Leone, R. P., 1998. Variability of brand price elasticities across retail stores: Ethnic, income, and brand determinants. *Journal of Retailing*, 74(3), pp. 427-446.
- Muñiz, A. M. J. & Schau, H. J., 2005. Religiosity in the abandoned Apple Newton brand community. *Journal of Consumer Research*, 31(4), pp. 737-747.
- Murase, H. & Bojanic, D., 2004. An examination of the differences in restaurant brand personality across cultures. *Journal of Hospitality Marketing & Management*, 11(2), pp. 97-113.
- Murphy, P., Pritchard, M. P. & Smith, B., 2000. The destination product and its impact on traveller perceptions. *Tourism Management*, Volume 21, pp. 43–52.
- Myers, J. H. & Shocker, A. D., 1981. The Nature of Product-Related Attributes. In: *Research in Marketing*. Greenwich, Conn.: JAI Press, pp. 211-236.
- Na, W., Son, Y. & Marshall, R., 2007. Why buy second-best? The behavioral dynamics of market leadership. *Journal of Product & Brand Management*, 16(1), pp. 16–22.
- Nelson, P., 1970. Information and consumer behavior. *Journal of Political Economy*, Volume 78, pp. 311-329.
- Netemeyer, R., Bearden, W. & Sharma, S., 2003. *Scaling Procedures: Issues and Applications*. London: Sage.
- Newberry, C. R., Klemz, B. R. & Boshoff, C., 2003. Managerial implications of predicting purchase behavior from purchase intentions: A retail patronage case study. *Journal of Services Marketing*, 17(6), pp. 609-620.
- Nguyen, N. & Leblanc, G., 2001. Corporate image and corporate reputation in customers' retention decisions in services. *Journal of Retailing and Consumer Services*, 8(4), pp. 227–236.
- Nilson, T. H., 1992. *Value-Added Marketing: Marketing Management for Superior Results*. Berkshire: UK: McGraw Hill.
- Novak, T. P., Hoffman, D. L. & Duhachek, A., 2003. The influence of goal-directed and experiential activities on online flow experiences. *Journal of Consumer Psychology*, 13(1), pp. 3-16.
- Nunnally, J., 1967. *Psychometric Theory*. New York: McGraw-Hill.
- Nunnally, J., 1978. *Psychometric Theory*. 2nd ed. New York: McGraw-Hill.

- Nunnally, J. & Bernstein, I., 1994. *Psychometric Theory*. 3rd ed. New York: McGraw-Hill.
- Oh, H., 1999. Service quality, customer satisfaction, and customer value: A holistic perspective. *International Journal of Hospitality Management*, 18(1), pp. 67-82.
- Oh, H., 2000. The effect of brand class, brand awareness, and price on customer value and behavioral intentions. *Journal of Hospitality and Tourism Research*, 24(2), pp. 136–162.
- Oh, H., 2003. Price fairness and its asymmetric effects on overall price, quality, and value judgments: the case of a upscale hotel. *Tourism Management*, Volume 24, pp. 241–249.
- Olins, W., 2000. How brands are taking over the corporation. In: *The Expressive Organization: Linking Identity, Reputation, and the Corporate Brand*. New York: Oxford University Press, pp. 77-96.
- Oliver, R., 1999. Whence consumer loyalty. *Journal of Marketing* , 63(special issue), pp. 33-44.
- Oliver, R. L., 1999. Value as excellence in the experience. In: M. B. Holbrook, ed. *Consumer Value: A Framework for Analysis and Research*. London: Routledge, pp. 43–62.
- Omar, M., Williams, R. L. & Lingelbach, D., 2009. Global brand market-entry strategy to manage corporate reputation. *Journal of Product & Brand Management*, 18(3), pp. 177-187.
- O'Reilly, D., 2005. Cultural brands/ branding cultures. *Journal of Marketing Management*, Volume 21, pp. 573-588.
- Ostrom, A. & Iacobucci, D., 1995. Consumer trade-offs and the evaluation of services. *Journal of Marketing*, Volume 59, pp. 17–28.
- Oxford English Dictionary, 2012. [Online] Available at:  
<http://oxforddictionaries.com/definition/english/value?q=value>  
[Accessed 17 September 2012].
- Pallant, J., 2007. *SPSS Survival Manual*. 3rd ed. New York: McGraw Hill.
- Parasuraman, A., 1997. Reflections on gaining competitive advantage through customer value. *Journal of the Academy of Marketing Science*, 25(4), pp. 332–342.
- Parasuraman, A. & Grewal, D., 2000. The impact of technology on the quality-value-loyalty chain: A research agenda. *Journal of the Academy of Marketing Science*, 28(1), pp. 168–174.

- Park, C. S. & Srinivasan, V., 1994. A survey-based method for measuring and understanding brand equity and its extendibility. *Journal of Marketing Research*, 31(May), pp. 271–288.
- Park, C. W., Jaworski, B. J. & MacInnis, D. J., 1986. Strategic brand concept–image management. *Journal of Marketing*, Issue October, pp. 135–45.
- Parker, R. S., Schaefer, A. D. & Hermans, C. M., 2007. An investigation into teen's attitudes towards fast-food brands in general. *Journal of Foodservice Business Research*, 9(4), pp. 25-40.
- Park, H.-J. & Rabolt, N. J., 2009. Cultural value, consumption value, and global brand image: A cross-national study. *Psychology & Marketing*, 26(8), pp. 714-735.
- Patterson, P. G. & Spreng, R. A., 1997. Modelling the relationship between perceived value, satisfaction and repurchase intentions in a business-to-business, services context: an empirical examination. *International Journal of Service Industry Management*, Volume 8, pp. 414–434.
- Patton, M., 2002. *Qualitative Research and Evaluation Methods*.. Thousand Oaks, CA: Sage.
- Payne, A. & Holt, S., 2001. Diagnosing customer value: Integrating the value process and relationship marketing. *British Journal of Management*, Volume 12, pp. 159–182.
- Pedhazur, E. & Schmelkin, L., 1991. *Measurement, design, and analysis: An integrated approach*. Hillsdale, NJ: Lawrence Erlbaum.
- Peter, J., 1979. Reliability: A review of psychometric basics and recent marketing practices. *Journal of Marketing Research*, Volume 16, pp. 6–17.
- Petrick, J. F., 2002. Development of a multi-dimensional scale for measuring perceived value of a service. *Journal of Leisure Research*, 34(2), pp. 119–136.
- Petrick, J. F., Morais, D. D. & Norman, W. C., 2001. An examination of the determinants of entertainment vacationers' intentions to revisit. *Journal of Travel Research*, Volume 40, pp. 41–48.
- Petrick, J. R. & Backman, S., 2002. An examination of golf travellers' satisfaction, perceived value, loyalty, and intentions to revisit. *Tourism Analysis*, 6(3-6), pp. 223–237.
- Pihlström, M. & Brush, G. J., 2008. Comparing the perceived value of information and entertainment mobile services. *Psychology & Marketing*, Volume 25, pp. 732–755.
- Podsakoff, P. & Organ, D., 1986. Self-reports in organizational research: Problems and prospects. *Journal of Management*, 12(4), pp. 531-544.



- Price, L., Arnould, E. & Tierney, P., 1995. Going to extremes: Managing service encounters and assessing provider performance. *Journal of Marketing*, 59(2), pp. 83-97.
- Pugsley, L., 1996. Focus groups, young people and sex education. In: *Gender and Qualitative Research*. Aldershot: Avebury, pp. 114-130.
- Pura, M., 2005. Linking perceived value and loyalty in location-based mobile services. *Managing Service Quality*, 15(6), pp. 509-538.
- Raggio, R. D. & Leone, R. P., 2009. Drivers of brand value, estimation of brand value in practice and use of brand valuation: Introduction to the special issue. *Journal of Brand Management*, Volume 17, pp. 1-5.
- Rao, A. & Monroe, K., 1989. The effect of price, brand name, and store name on buyers' perceptions of product quality: An integrative review. *Journal of Marketing Research*, Volume 26, pp. 351-357.
- Ravald, A. & Grönroos, C., 1996. The value concept and relationship marketing. *European Journal of Marketing*, 30(2), pp. 19-30.
- Raykov, T. & Marcoulides, G. A., 2000. *A First Course in Structural Equation Modeling*. Mahwah, NJ: Erlbaum.
- Reichheld, F. F., 1996. Learning from customer defections. *Harvard Business Review*, Volume 74, pp. 56-69.
- Richards, L. & Richards, T., 1991. The transformation of qualitative method: Computational paradigms and research processes. In: *Using Computers in Qualitative Research*. London: Sage, pp. 38-53.
- Rindova, V. P. & Petkova, A. P., 2007. When is a new thing a good thing? Technological change, product form design, and perceptions of value for product innovations. *Organization Science*, 18(2), pp. 217-232.
- Roberts, K., 2004. *Lovemarks: The Future Beyond Brands*. New York: Powerhouse Books.
- Robson, C., 1993. *Real World Research. A Resource for Social Scientists and Practitioner-Researchers*. Oxford: Blackwell Publishers.
- Roth, M. S., 1995. The Effects of culture and socioeconomics on the performance of global brand image strategies. *Journal of Marketing Research*, 32(May), pp. 163-175.
- Rubera, G., Ordanini, A. & Griffith, D. A., 2011. Incorporating cultural values for understanding the influence of perceived product creativity on intention to buy: An examination in Italy and the US. *Journal of International Business Studies*, Volume 42, pp. 459-476.

- Ruiz, D. M., Gremler, D. D., Washburn, J. H. & Carrión, G. C., 2008. Service value revisited: Specifying a higher-order, formative measure. *Journal of Business Research*, Volume 61, pp. 1278–1291.
- Ryu, K., Han, H. & Kim, T.-H., 2008. The relationship among overall quick-casual restaurant image, perceived value, customer satisfaction and behavioural intentions. *International Journal of Hospitality Management*, Volume 27, pp. 459–469.
- Sahlins, M., 1972. The first affluent society. In: M. Sahlins, ed. *Stone Age Economics*. Chicago: Aldine.
- SAMA, 2008. *Saudi Arabian Monetary Agency Annual Report*, Issue No. 44, Riyadh, Saudi Arabia: Saudi Arabian Monetary Agency.
- SAMA, 2011. *Saudi Arabian Monetary Agency Annual Report*, Issue No. 47, Riyadh, Saudi Arabia: Saudi Arabian Monetary Agency.
- Sánchez-Fernández, R. & Iniesta-Bonillo, M. A., 2007. The concept of perceived value: A systematic review of the research. *Marketing Theory*, 7(4), pp. 427-451.
- Sánchez-Franco, M. J. & Roldán, J. L., 2005. Web acceptance and usage model: A comparison between goal-directed and experiential Web users. *Internet Research*, Volume 15, pp. 21–48.
- Sánchez, J., Callarisa, L., Rodríguez, R. M. & Moliner, M. A., 2006. Perceived value of the purchase of a tourism product. *Tourism Management*, Volume 27, pp. 394–409.
- Saudi Gazette, 2010. *Saudi Gazette*. [Online] Available at: <http://www.saudigazette.com.sa/index.cfm?method=home.regcon&contentID=2010072779277> [Accessed 22 February 2012].
- Saunders, M., Lewis, P. & Thornhill, A., 2009. *Research methods for business students*. 5th ed. Rotolito Lombard. Italy: Mark Saunders, Philip Lewis and Adrian Thornhill Publication..
- Schroeder, J. E., 2009. The cultural codes of branding. *Marketing Theory*, 9(1), pp. 123-126.
- Schultz, M., Antorini, Y. M. & Csaba, F. F., 2005. *Corporate Branding: Purpose, People, Process*. Copenhagen: Copenhagen Business School Press.
- Seidel, J., 1991. Method and Madness in the Application of Computer Technology to Qualitative Data Analysis. In: *Using Computers in Qualitative Research*. Newbury Park: Sage, pp. 107-116.
- Sekaran, U., 2000. *Research Methods for Business: A Skill Building Approach*. 3rd ed. New York, NY: Wiley,.

- Shapiro, C., 1982. Consumer information, product quality, and seller reputation. *The Bell Journal of Economics*, 13(1), pp. 20-35.
- Sheth, J. N., Newman, B. I. & Gross, B. L., 1991a. *Consumption Values and Market Choices, Theory and Applications*. Cincinnati, Ohio: South-Western Publishing Co.
- Sheth, J. N., Newman, B. I. & Gross, B. L., 1991b. Why we buy what we buy: A theory of consumption values. *Journal of Business Research*, Volume 22, pp. 159-170.
- Shocker, A., Srivastava, R. & Ruekert, R., 1994. Challenges and opportunities facing brand management: An introduction to the special issue. *Journal of Marketing Research*, Volume 31, pp. 149-158..
- Silverman, G., 2001. The power of word of mouth. *Direct Marketing*, 64(5), pp. 47-52.
- Simeon, R., 2006. A conceptual model linking brand building strategies and Japanese popular culture. *Marketing Intelligence & Planning*, 24(5), pp. 463-476.
- Simon, C. J. & Sullivan, M. W., 1993. The measurement and determinants of brand equity: A financial approach. *Marketing Science*, 12(Winter), pp. 28-52.
- Sin, L. Y. M., Cheung, G. W. H. & Lee, R., 1999. Methodology in cross-cultural consumer research: A review and critical assessment. *Journal of International Consumer Marketing*, 11(4), pp. 75-96.
- Sirdeshmukh, D., Singh, J. & Sabol, B., 2002. Consumer trust, value, and loyalty in relational exchanges. *Journal of Marketing*, 66(1), pp. 15-37.
- Sirohi, N., Mclaughlin, E. W. & Wittink, D. R., 1998. A model of consumer perceptions and store loyalty intentions for a supermarket retailer. *Journal of Retailing*, 74(2), pp. 223-245.
- Slater, S. F., 1997. Developing a customer value-based theory of the firm. *Journal of the Academy of Marketing Science*, 25(2), pp. 162-167.
- Snoj, B., Pisnik Korda, A. & Mumel, D., 2004. The relationships among perceived quality, perceived risk, and perceived product value. *Journal of Product and Brand Management*, 13(3), pp. 156-167.
- Sobh, R. & Belk, R., 2011. Domains of privacy and hospitality in Arab Gulf homes. *Journal of Islamic Marketing*, 2(2), pp. 125-137.
- Sohail, M., 2005. Saudi consumers' perception of foreign products. *Journal of International Business and Entrepreneurship*, Vol. 11 (1), pp. 93-106.
- Sojka, J. Z. & Tansuhaj, P. S., 1995. Cross-cultural consumer research: A twenty-year review. *Advances in Consumer Research*, Volume 22, pp. 461-474.
- Solomon, M., 2007. *Consumer behavior*. 7th ed. Upper Saddle River, NJ: Prentice Hall.

- Solomon, M. R., 1983. The role of products as social stimuli: A symbolic interactionism perspective. *Journal of Consumer Research*, 10(December), pp. 319-329.
- Souiden, N., Kassim, N. M. & Hong, H.-J., 2006. The effects of corporate branding dimensions on consumers' product evaluation: A cross-cultural analysis. *European Journal of Marketing*, 40(7/8), pp. 825-845.
- Steenkamp, J. E. M. & Trijp, H. V., 1991. The use of LISREL in validating marketing constructs. *International Journal of Research in Marketing*, 8(4), pp. 283-299.
- Steenkamp, J. E. M. & Baumgartner, H., 1992. The role of optimum stimulation level in exploratory consumer behavior. *Journal of Consumer Research*, 19(3), pp. 434-448.
- Steenkamp, J. E. M. & Baumgartner, H., 2000. On the use of structural equation models for marketing modeling. *International Journal of Research in Marketing*, 17(2/3), pp. 195-202.
- Steenkamp, J. E. M., Batra, R. & Alden, D. L., 2003. How perceived brand globalness creates brand value. *Journal of International Business Studies*, 34(1), pp. 53-65.
- Stengel, J., 2011. *Grow: How Ideals Power Growth and Profit at the World's Greatest Companies*. New York: Grown Business.
- Strizhakova, Y., Coulterb, R. A. & Price, L. L., 2008. The meanings of branded products: A cross-national scale development and meaning assessment. *International Journal of Research in Marketing*, 25(2), pp. 82-93.
- Sung, Y. & Tinkham, S. F., 2005. Brand personality structures in the United States and Korea: Common and culture-specific factors. *Journal of Consumer Psychology*, 15(4), pp. 334-350.
- Swait, J., Erdem, T., Louviere, J. & Dubelaar, C., 1993. The equalization price: A measure of consumer-perceived brand equity. *International Journal of Research in Marketing*, 10(1), pp. 23-45.
- Sweeney, J., Soutar, G., Whiteley, A. & Johnson, L., 1996. Generating consumption value items: A parallel interviewing process approach. *Asia Pacific Advances in Consumer Research*, Volume 2, pp. 108-115.
- Sweeney, J., G.N., S. & Johnson, L. W., 1999. The role of perceived risk in the quality-value relationship: A study in a retail environment. *Journal of Retailing*, 75(1), pp. 77-105.
- Sweeney, J. C. & Soutar, G. N., 2001. Consumer perceived value: The development of a multiple item scale. *Journal of Retailing*, 77(2), pp. 203-220.
- Tabachnick, B. G. & Fidell, L. S., 2007. *Using Multivariate Statistics*. 5th ed. Boston: Pearson Education.

- Tarn, J. L. M., 2000. The effects of service quality, perceived value, and customer satisfaction on behavioural intentions. *Journal of Hospitality and Leisure Marketing*, 6(4), pp. 31–43.
- Tam, J. L. M., 2004. Customer satisfaction, service quality and perceived value: An integrative model. *Journal of Marketing Management*, Volume 20, pp. 897–917.
- Teas, R. K. & Agarwal, S., 2000. The effects of extrinsic product cues on consumers' perceptions of quality, sacrifice, and value. *Journal of the Academy of Marketing Science*, 28(2), pp. 278–290.
- Tellis, G. J. & Gaeth, G. J., 1990. Best value, price-seeking, and price aversion: The impact of information and learning on consumer choices. *Journal of Marketing*, Volume 54, pp. 34–45.
- Thaler, R., 1985. Mental accounting and consumer choices. *Marketing Science*, Volume 4, pp. 199–214.
- Thompson, C. J., 2004. Beyond brand image: analyzing the culture of brands. *Advances in Consumer Research*, 31(1), pp. 98-99.
- Thompson, C. J., Rindfleisch, A. & Arsel, Z., 2006. Emotional branding and the strategic value of the doppelgänger brand image. *Journal of Marketing*, 70(1), pp. 50–64.
- Tifferet, S. & Herstein, R., 2010. The effect of individualism on private brand perception: A cross-cultural investigation. *Journal of Consumer Marketing*, 27(4), pp. 313-323.
- Tilley, C., 1999. Built-In Branding: How to engineer a leadership brand. *Journal of Marketing Management*, Volume 15, pp. 181-191.
- Timmerman, E. M., 2001. Starting from scratch: Rethinking brand image research and identifying cues and contexts as influential factors. *Asia Pacific Advances in Consumer Research*, Volume 4, pp. 156–161.
- Tranfield, D., Denyer, D. & Smart, P., 2003. Towards a methodology for developing evidence-informed management knowledge by means of systematic review. *British Journal of Management*, Volume 14, pp. 207-222.
- Treacy, M. & Wiersema, F., 1993. Customer intimacy and other value disciplines. *Harvard Business Review*, 71(1), pp. 84-93.
- Tsai, S., 2005. Utility, cultural symbolism and emotion: A comprehensive model of brand purchase value. *International Journal of Research in Marketing*, 22(3), pp. 277-291.
- Tuncalp, S., 1988. Strategy planning in export marketing: the case of Saudi Arabia. *The Columbia Journal of World Business*, 23(3), pp. 69-76.

- Tuncalp, S. & Al-Ibrahim, A., 1991. Saudi Arabia's petrochemical industry: Growth and performance. *The Journal of Energy and Development*, 16(2), pp. 287-306.
- Um, S., Chon, K. & Ro, Y., 2006. Antecedents of revisit intention. *Annals of Tourism Research*, 33(4), pp. 1141–1158.
- Uncles, M. D., 2010. Broadening the scope of brand management. *Journal of Brand Management*, Volume 17, pp. 395 – 398.
- Unger, L. S. & Kernan, J. B., 1983 . On the meaning of leisure: An investigation of some determinants of the subjective experience. *Journal of Consumer Research*, Volume 9, pp. 381–392.
- Urban, G. L., 2005. Customer advocacy: A new era in marketing? *Journal of Public Policy & Marketing*, 24(1), pp. 155-159.
- Urbany, J. E. & Bearden, W. O., 1989. Reference price effects on perceptions of perceived offer value, normal prices, and transaction utility. In: P. Bloom et al., eds. *Enhancing Knowledge Development in Marketing*. Chicago: American Marketing Association, pp. 45-49.
- Usunier, J. C. & Lee, J. A., 2005. *Marketing Across Cultures*. 4th ed. FT: Prentice Hall.
- Vargo, S. L. & Lusch, R. F., 2004. Evolving to a new dominant logic for marketing. *Journal of Marketing*, 68(1), pp. 1-17.
- Vaughn, S., Schumm, J. S. & Sinagub, J., 1996. *Focus Group Interviews in Psychology and Education*. Thousand Oaks: Sage Publications.
- Vazquez, R., Rio, A. B. d. & Iglesias, V., 2002. Consumer-based brand equity: Development and validation of a measurement instrument. *Journal of Marketing Management*, 18(1/2), pp. 27-48.
- Wacker, J. G., 2004. A theory of formal conceptual definitions: Developing theory-building measurement instruments. *Journal of Operations Management*, Volume 22, pp. 629–650.
- Wakefield, K. L. & Barnes, J. H., 1996. Retailing hedonic consumption: A model of sales promotion of a leisure service. *Journal of Retailing*, 72(4), pp. 409–427.
- Wang, Y., Lo, H., Chi, R. & Yang, Y., 2004. An integrated framework for customer value and customer-relationship-management performance: A customer-based perspective from China. *Managing Service Quality*, 14(2-3), pp. 169–182.
- Weiwei, T. , 2007. Impact of corporate image and corporate reputation on customer loyalty: A review. *Management Science and Engineering*, 1(2), pp. 57-62.
- Welsh, E., 2002. Dealing with data: Using NVivo in the qualitative data analysis process. *Forum: Qualitative Social Research*, 3(2), [online] available at: <http://nbn-resolving.de/urn:nbn:de:0114-fqs0202260>.

- Westbrook, R. A., 1987. Product/consumption based affective responses and postpurchase processes. *Journal of Marketing Research*, 24(3), pp. 258–270.
- West, S. G., Finch, J. F. & Curran, P. J., 1995. Structural equation models with nonnormal variables: Problems and remedies. In: R. H. Hoyle, ed. *Structural Equation Modeling: Concepts, Issues, and Applications*. Thousand Oaks: Sage, pp. 56–75.
- Whitelock, J. & Fastoso, F., 2007. Understanding international branding: Defining the domain and reviewing the literature. *International Marketing Review*, 24(3), pp. 252–270.
- William, P. & Soutar, G. N., 2000. Dimensions of customer value and the tourism experience: An exploratory study. In *proceedings of ANZMAC Conference*, Melbourne, Australia.
- Wilson, J. A. & AlMakrami, A. H., 2010. An insight into the brand-conscious Saudi generation of 'drifters'. In *proceedings of 1st International Conference on Islamic Marketing and Branding: Exploring Issues and Challenges*, 29-30 Nov 2010, Kuala Lumpur, Malaysia: University of Malaya,.
- Woodall, T., 2003. Conceptualizing 'Value for the Customer': A structural, attributional and dispositional analysis. *Academy of Marketing Science Review*, Volume 12, pp. 1–42.
- Woodruff, B. R., 1997. Customer value: The next source for competitive advantage. *Journal of the Academy of Marketing Science*, 25(2), pp. 139–153.
- Woodruff, B. R. & Gardial, F. S., 1996. *Know Your Customer: New Approaches to Understanding Customer Value and Satisfaction*. Malden: Blackwell Business.
- Yang, S., Hu, M., Winer, R. S., Assael, H., & Chen, X., 2012. An empirical study of word-of-mouth generation and consumption. *Marketing Science, Articles in Advance*, pp. 1–12.
- Yang, Z. & Peterson, R. T., 2004. Customer perceived value, satisfaction, and loyalty: The role of switching costs. *Psychology & Marketing*, 21(10), pp. 799–822.
- Yavas, U., Babakus, E. & Delener, N., 1994. Family purchasing roles in Saudi Arabia: Perspectives from Saudi wives. *Journal of Business Research*, Volume 31, pp. 75–86.
- Yelkur, R., 2000. Consumer perceptions of generic products: A Mexican study. *Journal of Product & Brand Management*, 9(7), pp. 446–456.
- Yin, R., 1994. *Case Study Research. Design and methods*. Thousand Oaks: Sage.
- Yip, G., 1995. *Total Global Strategy: Managing for Worldwide Competitive Advantage*. Englewood Cliffs: NJ: Prentice-Hall.

- Yoo, B., Donthu, N. & Lee, S., 2000. An examination of selected marketing mix elements and brand equity. *Journal of The Academy of Marketiag Science*, 28(2), pp. 19S-211.
- Yoo, B. & Donthu, N., 2001. Developing and validating a multidimensional consumer-based brand equity scale. *Journal of Business Research*, 52(1), pp. 1-14.
- Yoo, B. & Donthu, N., 2002. Testing cross-cultural invariance of the brand equity creation process. *Journal of Product & Brand Management*, 11(6), pp. 380-398.
- Yuan, Y. H. & Wu, C. K., 2008. Relationship among experiential marketing, experiential value, and customer satisfaction. *Journal of Hospitality and Tourism Research*, 32(3), pp. 387–410.
- Zahorik, A. & Rust, R., 1992. Modeling the impact of service quality on profitability: A review. In: T. Swartz, D. Brown & S. Brown, eds. *Advances in Services Marketing and Management*. Greenwich, CT : JAI Press, pp. 247-76.
- Zeithaml, V. A., 1988. Consumer perceptions of price, quality, and value: A means-end model and synthesis of evidence. *Journal of Marketing*, Volume 52, pp. 2–22.
- Zeithaml, V. A., Berry, L. & Parasuraman., A., 1996. The behavioral consequences of service quality. *Journal of Marketing*, 60(April), pp. 31-46.
- Zhou, L., Yang, Z. & Hui, M. K., 2010. Non-local or local brands? A multi-level investigation into confidence in brand origin identification and its strategic implications. *Journal of the Academy of Marketing Science*, 38(2), pp. 202–218.



## Appendices

## Appendix One: Previous studies on value-behaviour relationships

Authors	Year	Value perspective	Loyalty dimensions	Involved constructs	Products	Sample (size)	Context	Design
Dodds and Monroe	1985	Price value	willingness to buy	Price Brand information (present/absent) Perceived quality	stereo headset players	Students (368)	USA (1 university)	Experiment
Monroe and Chapman	1987	Price value	willingness to buy	Actual price Perceived quality Perceived sacrifice	Conceptual paper			
Zeithaml	1988	Net value	Purchase intention	Perceived quality Perceived sacrifice Intrinsic/extrinsic attributes High-level abstraction	Beverages	Managers and consumers (35)	USA (3 metropolitan areas)	Interviews
Dodds, et al.	1991	Price value	Willingness to buy	Price Brand store information quality	calculators and stereo headset players	Students (585)	USA (1 university)	Experiment
Bolton and Drew	1991	Net value	Purchase intention	service performance levels overall service quality	telephone services	Subscribers (1408)	USA (national)	Survey
Li, et al.	1994	Price value	Willingness to buy	Country of origin Brand Price information	CD stereo system, and coffeemaker	Students (134)	USA (1 university)	Experiment
Chang and Wildt	1994		purchase intention	Price perceived price perceived quality				
Wakefield and Barnes	1996		Re-patronage intention	Variety seeking Perceived quality Promotion-Proneness	Leisure service	Customers (301)	USA	Survey
Sirohi, et al.	1998	Value-for-money	Loyalty intentions	Service quality Price Sales promotion	Supermarket retailer	Customers (16,096)	USA	Telephone interviews
Oh	1999	Net value	Repurchase intention WOM intent	Price Quality Satisfaction	Hotels	Customers (550)	USA	Survey
Tarn	2000	Net value	Behavioural intention	Service quality Satisfaction	Restaurant	Customers (92)	England	Survey
Kashyap and Bojanic	2000	Overall value	Revisit intention	Price Quality	Hotel	Customers (444)	USA	Survey
Murphy, et al.	2000	Value-for-money	Intention to return	Quality Environment Infrastructure	Destination	Customers (610)	Canada	Survey
Cronin, et al.	2000	Net value	Behavioural intention	Sacrifice Quality Satisfaction	Six industries	customers (1944)	USA	Survey
Petrick, et al.	2001	Value-for-money	Revisit intentions	Satisfaction Past behaviour	Resort	Customers (585)	USA	Survey
Petrick and Backman	2002	Value-for-money	Repurchase intentions	Satisfaction Loyalty	Resort	Customers (448)	USA	Survey
Sirdeshmukh et al.	2002	Net value	Loyalty	Trust	Clothing & airline travel	Customers (113)	USA	Survey
Chiou	2004	Value-for-money	Loyalty intention	Satisfaction Trust Change expectancy	Internet service provider	Customers (209)	Taiwan	Online survey
Yang and Peterson	2004	Value-for-money	Customer loyalty	Satisfaction Switching cost	Online purchase	Customers (235)	USA +17	Online survey

**Appendix One: Previous studies on value-behaviour relationships (cont.)**


Dunman and Mattila	2005	Net value	Behavioural intentions	Satisfaction Novelty Hedonics Control	Cruise vacation	Customers (392)	USA	Survey
Grace and O’Cass	2005	Value-for-money	Repatronage intentions	Satisfaction Consumption feelings Service provision	Retail store	Customers (256)	Australia	Survey
Lin, et al.	2005	Uni & multi	Positive WOM Repatronage	Satisfaction Price Quality	Online purchase	customers (356)	Taiwan	Survey (online & paper)
Chiu, et al.	2005	Multi <utilitarian, hedonic>	Customer loyalty	Financial bond Social bond Structural bond	Bank	Customers (613)	Taiwan	Survey
Tsai	2005	Multi <tradeoff, affective, symbolic>	Repurchase intention	Perceived image Emotional experience Quality Price acceptability	Computers, coffee & denim wear	Customers (960)	USA	Survey
Gallarza and Saura	2006	Multi	Loyalty*	Quality Social value Play/Aesthetics Monetary cost Perceived risk Time& effort	Destination	Students (274)	Spain	Survey
Lin and Wang	2006	Value-for-money	Customer loyalty	Trust Habit satisfaction	Mobile commerce	Students& Customers (255)	Taiwan	Survey
Um, et al.	2006	Value-for-money	Revisit intention	Attractiveness Quality Satisfaction	Tourism Destination	Customers (2683)	Hong Kong	Survey (longitudinal)
Johnson, et al.	2006	Net value	Loyalty intentions	Brand equity Affective commitment	Cellular phone brands	Customers (2990)	Germany	Survey (longitudinal)
Chen and Tsai	2007	Net value	Behavioural intention	Satisfaction Quality Destination image	Tourism Destination	Customers (393)	Taiwan	Survey
Lee, et al.	2007	Multi <Functional, overall, emotional>	Recommendation to travel*	Satisfaction	Tourism Destination	Customers (416)	Korea	Survey
Carpenter	2008	Multi <utilitarian, hedonic>	WOM Attitudinal loyalty*	Satisfaction	Discount retailer	Customers (375)	USA	Telephone survey
Ryu, et al.	2008	Net value	Behavioural intentions	Satisfaction Restaurant image	Restaurant	Students (341)	USA	Survey
Pihlström and Brush	2008	Multi <monetary, convenience, emotional, social>	Repurchase intentions Willingness to pay WOM	Conditional value Epistemic value	Mobile service	Customers (579)	Finland	Survey
Gallarza, et al.	2009	Multi <spirituality, social value, play, efficiency>	Loyalty*	Satisfaction Effort	Destination	Volunteers (1638)	Spain	Online survey
He and Song	2009	Net value	Repurchase intentions	Satisfaction Quality	Tourism package	Customers (1882)	Hong Kong	Telephone survey
Hutchinson, et al.	2009	Net value	Intention to revisit WOM Search for alternatives	Equity Quality Satisfaction	Golf travel	Customers (309)	USA	Survey
Koller, et al.	2011	Multi <functional, economic, emotional, social>	Loyalty intentions	Ecological value	Green automobiles	Consumers (228)	Europe	Survey

\*Indirect impact-mediated by satisfaction

### Appendix Two: The survey questionnaire (English)

**First, we would like to have some background information about yourself and the brand of the laptop you use. Please indicate:**

1. **Your Gender:**     male                       female
  
2. **Your Age:** \_\_\_\_\_
  
3. **Are you:**
  - Diploma student
  - Bachelor's student
  - Masters's student
  - Doctoral student
  
4. **Which college do you go to?** \_\_\_\_\_
  
5. **What is your monthly income (including your salary, business income, and family support)?**
  - Less than SR1000
  - SR1000 – SR5000
  - SR 5001 –SR10,000
  - More than SR10,000
  
6. **What is the BRAND of your laptop? (if you have more than one please select the latest one you had)**

Acer    Apple    Asus    Compaq    Dell    Fujitsu    Hp    Samsung    Sony    Toshiba    Other:
  

  
7. **For how long have you owned this laptop?**

Years     Months
  
8. **How many laptop BRANDs have you used before?**
  - Only this brand    Two     Three    Four     More than four brands
  
9. **Who recommended this brand to you? (please tick all options that apply)**
  - I chose it myself    A family member     A friend     Ads
  - Others (please specify) .....
  
10. **Who paid for buying the laptop? (please tick all options that apply)**
  - I paid it myself    A family member     A friend     Work
  - Others (please specify) .....

<input type="checkbox"/> Acer <input type="checkbox"/> Apple <input type="checkbox"/> Asus <input type="checkbox"/> Compaq <input type="checkbox"/> Dell <input type="checkbox"/> Fujitsu <input type="checkbox"/> Hp <input type="checkbox"/> Samsung <input type="checkbox"/> Sony <input type="checkbox"/> Toshiba <input type="checkbox"/> Other:							
Considering the <u>BRAND</u> of your laptop, please indicate to what degree you agree with the following statements.							
<b>1. Functional Value</b>		<b>Strongly Disagree</b>			<b>Strongly Agree</b>		
This brand has high quality		1	2	3	4	5	6 7
This brand is well made		1	2	3	4	5	6 7
This brand has a high-speed processor		1	2	3	4	5	6 7
This brand has a long battery life		1	2	3	4	5	6 7
This brand is not prone to breakdown		1	2	3	4	5	6 7
This brand is physically robust		1	2	3	4	5	6 7
This brand provides good after-sales technical support		1	2	3	4	5	6 7
In terms of quality, this brand can last for a long time (e.g. 5 years)		1	2	3	4	5	6 7
<b>2. Economic Value</b>							
This brand is good pricewise		1	2	3	4	5	6 7
This brand is reasonably priced		1	2	3	4	5	6 7
This brand offers value for money		1	2	3	4	5	6 7
This brand would be economical		1	2	3	4	5	6 7
This brand is affordable for me		1	2	3	4	5	6 7
<b>3. Social Value</b>							
This brand is trendy		1	2	3	4	5	6 7
This brand is used by my family and friends		1	2	3	4	5	6 7
This brand has a good reputation		1	2	3	4	5	6 7
This brand is a symbol of prestige		1	2	3	4	5	6 7
This brand is endorsed by celebrities		1	2	3	4	5	6 7
This brand is attractive to other people		1	2	3	4	5	6 7
This brand is suitable for my social class		1	2	3	4	5	6 7
This brand enables me to communicate easily with people I know		1	2	3	4	5	6 7
<b>4. Emotional Value</b>							
This brand is enjoyable for me		1	2	3	4	5	6 7
This brand puts me in a good mood		1	2	3	4	5	6 7
I may see this brand like a friend to me		1	2	3	4	5	6 7
I feel happy using this brand		1	2	3	4	5	6 7
I feel relaxed with this brand		1	2	3	4	5	6 7
I feel secure from computer viruses with this brand		1	2	3	4	5	6 7

### 5. Epistemic Value

This brand stimulates my curiosity about latest technology	1	2	3	4	5	6	7
This brand provides me with knowledge about latest technology	1	2	3	4	5	6	7
This brand stimulates my creativity	1	2	3	4	5	6	7
This brand provides variety	1	2	3	4	5	6	7
This brand provides novelty	1	2	3	4	5	6	7
This brand signals innovation	1	2	3	4	5	6	7
I use this brand to experiment with new ways of doing things	1	2	3	4	5	6	7
I use this brand to experiment with new technology	1	2	3	4	5	6	7
I use this brand out of curiosity	1	2	3	4	5	6	7

### 6. Brand Leadership

This is the most innovative brand in the market	1	2	3	4	5	6	7
This is the leading brand in the market	1	2	3	4	5	6	7
This brand is growing in popularity	1	2	3	4	5	6	7
This is the most popular brand in the market	1	2	3	4	5	6	7
This brand is as average as other brands	1	2	3	4	5	6	7
This brand is the best	1	2	3	4	5	6	7

### 7. Corporate Image

The company which produces this brand is innovative and pioneering	1	2	3	4	5	6	7
The company which produces this brand is successful and self-confident	1	2	3	4	5	6	7
The company which produces this brand is persuasive and intelligent	1	2	3	4	5	6	7
The company which produces this brand does business in an ethical way	1	2	3	4	5	6	7
The company which produces this brand is open and responsive to consumers	1	2	3	4	5	6	7

### 8. Repurchase Intent

Next time, I will definitely buy this brand	1	2	3	4	5	6	7
I will consider buying this brand again	1	2	3	4	5	6	7
I intend to continue buying this brand in the future	1	2	3	4	5	6	7
I would like to try a different brand next time	1	2	3	4	5	6	7

### 9. Positive Word of Mouth

I recommend this brand to other people	1	2	3	4	5	6	7
I talk to other people positively about this brand	1	2	3	4	5	6	7
I post positive comments about this brand online (e.g. discussion boards, Facebook)	1	2	3	4	5	6	7
I defend this brand when it is criticised by others	1	2	3	4	5	6	7

**End of the Questionnaire.**

**Thank you for taking part in completing the questionnaire.**

## Appendix Three: The survey questionnaire (Arabic)

**إستبيان عن انطباعات الطلاب السعوديين عن ماركات الكمبيوتر المحمول (اللابتوب)**

**أهداف البحث:** يهدف البحث إلى استطلاع آراء الطلاب السعوديين عن ماركات الكمبيوترات المحمولة (اللابتوب) التي يستخدمونها وعن تأثير العوامل الاجتماعية والثقافية على انطباعاتهم الشخصية كجزء من دراستي في مرحلة الدكتوراة بجامعة برونيل - لندن. يتطلب المشاركة في الاستبيان أن يكون عمرك 18 عاماً أو أكثر، في أحد المراحل الجامعية وأن يكون لديك لابتوب.

**سرية المعلومات:** سيتم التعامل مع المعلومات التي يقدمها المشاركون بسرية تامة حيث أن جميع الإجابات ستظل غير محددة المصدر ولن يمكن تحديد هوية المشاركين في هذه الدراسة وسوف تستخدم البيانات المقدمة للأغراض الإحصائية والبحثية فقط.

نقدر ونشكر مشاركتك في هذا الإستبيان، كما أنه لا توجد هناك إجابات صحيحة أو خاطئة. نرغب فقط في معرفة آراؤكم الشخصية عن **ماركة** الكمبيوتر المحمول (اللابتوب) التي تستخدمونها، لذا نرجو منكم الإجابة عن جميع الأسئلة بأريحية تامة. هناك ثلاثة أجزاء في هذا الإستبيان وقد تم تصميمها ليكون إكمالها سهلاً وسريعاً بحيث يستغرق وقت المشاركة من 10-15 دقيقة تقريباً. نرجو من عنايتكم الإجابة على جميع الأسئلة حيث أن نجاح هذه الدراسة يتوقف بعد عون الله تعالى على مدى مساهمتكم وإجاباتكم على **جميع الأسئلة**.

في حال وجود استفسارات أو في حال رغبتكم في معرفة نتائج الدراسة الرجاء مراسلتي على الایمیل:

[ali.almakrami@brunel.ac.uk](mailto:ali.almakrami@brunel.ac.uk)

في البداية بعض المعلومات عن شخصك الكريم:

1. الجنس:  ذكر  أنثى

2. العمر: \_\_\_\_\_

3. مرحلة الدراسة:  دبلوم  بكالوريوس  ماجستير  دكتوراة

4. اسم الكلية: \_\_\_\_\_

5. ما هو معدل دخلك الشهري لهذا العام (متضمناً الرواتب، الأعمال الخاصة، ودعم الأسرة)؟

أقل من 1,000 ريال  1,000-5,000 ريال  5,001-10,000 ريال  أكثر من 10,000 ريال

6. ما هي **ماركة** اللابتوب الذي تستخدمه حالياً؟ (إن كان لديك أكثر من جهاز فضلاً اختار الذي تم شراؤه مؤخراً)

										غير ذلك:
<input type="checkbox"/> Acer	<input type="checkbox"/> Apple	<input type="checkbox"/> Asus	<input type="checkbox"/> Compaq	<input type="checkbox"/> Dell	<input type="checkbox"/> Fujitsu	<input type="checkbox"/> HP	<input type="checkbox"/> Samsung	<input type="checkbox"/> Sony	<input type="checkbox"/> Toshiba	<input type="checkbox"/> .....

7. منذ متى تم شراء هذه الماركة؟ سنة  - شهر

8. كم عدد ماركات اللابتوب التي استخدمتها من قبل؟  فقط هذه الماركة  2  3  4  أكثر من 4

9. من الذي اقترح عليك اختيار هذه الماركة؟ (يمكنك اختيار أكثر من إجابة لهذا السؤال)

قمت بالاختيار بنفسي  أحد أفراد الأسرة  الأصدقاء  الإعلانات  غير ذلك:.....

10. من قام بدفع مبلغ الشراء؟ (يمكنك اختيار أكثر من إجابة لهذا السؤال)

دفعت مبلغ الشراء بنفسي  أحد أفراد الأسرة  الأصدقاء  قرض جامعي  غير ذلك:.....

بالنظر إلى الماركة التي قمت باختيارها فضلاً حدد مدى اتفاقك مع العبارات التالية بوضع علامة دائرة على الاختيار.							
أوافق تماماً	أوافق	أوافق إلى حد ما	لاوافق ولاأرفض	أرفض إلى حد ما	أرفض	أرفض تماماً	
7	6	5	4	3	2	1	1. القيمة العملية
7	6	5	4	3	2	1	هذه الماركة تتميز بالجودة العالية
7	6	5	4	3	2	1	هذه الماركة مصنوعة بعناية
7	6	5	4	3	2	1	هذه الماركة لها معالج عالي السرعة
7	6	5	4	3	2	1	هذه الماركة لها بطارية تعمر طويلاً
7	6	5	4	3	2	1	هذه الماركة قليلة الأعطال
7	6	5	4	3	2	1	هذه الماركة تتحمل السقوط والصدمات
7	6	5	4	3	2	1	هذه الماركة تقدم الدعم التقني بعد البيع
7	6	5	4	3	2	1	هذه الماركة يمكن استخدامها لسنوات طويلة نظراً لجودتها
2. القيمة الاقتصادية							
7	6	5	4	3	2	1	هذا الماركة تعتبر جيدة بالنسبة لسعرها
7	6	5	4	3	2	1	هذه الماركة أسعارها معقولة
7	6	5	4	3	2	1	هذه الماركة تقدم قيمة مقابل المال المدفوع
7	6	5	4	3	2	1	هذه الماركة تعتبر اقتصادية
7	6	5	4	3	2	1	هذه الماركة في حدود إمكانياتي المادية
3. القيمة الاجتماعية							
7	6	5	4	3	2	1	هذه الماركة تواكب العصر
7	6	5	4	3	2	1	هذه الماركة يستخدمها اهلي وأصدقائي
7	6	5	4	3	2	1	هذه الماركة سمعتها ممتازة
7	6	5	4	3	2	1	هذه الماركة رمز للبرستيج والتميز
7	6	5	4	3	2	1	هذه الماركة يوصى بها من قبل المشاهير
7	6	5	4	3	2	1	هذه الماركة جذابة للآخرين
7	6	5	4	3	2	1	هذه الماركة تناسب المستوى الاجتماعي الذي أنتمي إليه
7	6	5	4	3	2	1	هذه الماركة تمكنني من التواصل بسهولة مع الناس الذين أعرفهم
4. القيمة المعنوية							
7	6	5	4	3	2	1	هذه الماركة ممتعة بالنسبة لي
7	6	5	4	3	2	1	هذه الماركة تضعني في مزاج جيد
7	6	5	4	3	2	1	قد أعتبر هذه الماركة كصديق لي
7	6	5	4	3	2	1	أشعر بالسعادة باستخدام هذه الماركة
7	6	5	4	3	2	1	أشعر بالراحة مع هذه الماركة
7	6	5	4	3	2	1	أشعر بالأمان من الفيروسات مع هذه الماركة
5. القيمة المعرفية							
7	6	5	4	3	2	1	أستخدم هذه الماركة لتجربة طرق جديدة لتسيير الأمور
7	6	5	4	3	2	1	أستخدم هذه الماركة لاختبار التكنولوجيات الجديدة
7	6	5	4	3	2	1	أستخدم هذه الماركة أحيانا من باب حب الاستطلاع
7	6	5	4	3	2	1	هذه الماركة تحفزني لمعرفة التكنولوجيا الحديثة
7	6	5	4	3	2	1	هذه الماركة تمدني بالمعرفة اللازمة عن التكنولوجيا الحديثة
7	6	5	4	3	2	1	هذه الماركة تحفزني للإبداع
7	6	5	4	3	2	1	هذه الماركة تقدم خيارات متنوعة
7	6	5	4	3	2	1	هذه الماركة تقدم كل ما هو مبتكر
7	6	5	4	3	2	1	هذه الماركة تمثل الإبداع

أوافق تماماً	أوافق	أوافق إلى حد ما	لا أوافق ولا أرفض	أرفض إلى حد ما	أرفض	أرفض تماماً	6. قيادية الماركة
7	6	5	4	3	2	1	هذه الماركة أكثر الماركات ابتكاراً في السوق
7	6	5	4	3	2	1	هذه الماركة هي الماركة القيادية في السوق
7	6	5	4	3	2	1	شعبية هذه الماركة في نمو متزايد
7	6	5	4	3	2	1	هذه أكثر الماركات انتشاراً في السوق
7	6	5	4	3	2	1	هذه الماركة تشبه الماركات الأخرى
7	6	5	4	3	2	1	هذه الماركة هي الأفضل
<b>7. الصورة الذهنية عن الشركة</b>							
7	6	5	4	3	2	1	الشركة التي تنتج هذه الماركة مبتكرة ورائدة في مجالها
7	6	5	4	3	2	1	الشركة التي تنتج هذه الماركة ناجحة وذات ثقل
7	6	5	4	3	2	1	الشركة التي تنتج هذه الماركة مقنعة وحادة الذكاء
7	6	5	4	3	2	1	الشركة التي تنتج هذه الماركة تؤدي عملها بطريقة أخلاقية
7	6	5	4	3	2	1	الشركة التي تنتج هذه الماركة منفتحة ومتجاوبة مع الزبائن
<b>8. نية إعادة شراء الماركة</b>							
7	6	5	4	3	2	1	في المرة القادمة التي أحتاج فيها لابنوب، سأقوم بالتأكد بشراء هذه الماركة
7	6	5	4	3	2	1	سأخذ بعين الاعتبار شراء هذه الماركة مرة ثانية
7	6	5	4	3	2	1	أنوي مواصلة شراء هذه الماركة في المستقبل
7	6	5	4	3	2	1	أرغب في تجربة ماركة مختلفة في المرة القادمة
<b>9. التحدث إيجابياً عن الماركة</b>							
7	6	5	4	3	2	1	أقوم بتشجيع الآخرين على شراء هذه الماركة
7	6	5	4	3	2	1	أتحدث للآخرين بصورة إيجابية عن هذه الماركة
7	6	5	4	3	2	1	أنشر تعليقات إيجابية عن هذه الماركة باستخدام الانترنت (مثال: المنتديات، الفيسبوك)
7	6	5	4	3	2	1	أدافع عن هذه الماركة عندما تتعرض للانتقاد من الآخرين
<b>نهاية الاستبيان.</b>							
<b>شكراً جزيلاً لقضاء الوقت بتعبئة الاستبيان.</b>							