MEASURING THE CUSTOMER-BASED BRAND EQUITY OF A DESTINATİON AS A "FURNİTURE BRAND"*

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Abstract - In today's consumer-oriented markets, customer-based brand equity is essential for driving customer equity, differentiating brands, assessing brand performance and gaining competitive advantage. There are generally two frameworks conceptualizing customer-based brand equity that are those of Aaker (1996) and Keller (1993). Aaker views customer-based brand equity as a set of assets (liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product/service to the customer. Keller (1993) views customer-based brand equity as ''the differential effect of brand knowledge on consumer response to the marketing of the brand.'' As brand equity positively associates with customer equity and brand success, customer-based brand equity receives significant attention from the academic and business community. Customer-based brand equity is also important for destination management, because destinations also compete and try to attract more consumers for touristic or non-touristic purposes. In spite of this, applications of the customer-based brand equity measures to destinations are limited. This paper will contribute to the literature being one of the rare studies in Turkey.

The aim of this study is to explore the relationships among the dimensions of customer-based brand equity of a destination known as a leading furniture region in Turkey. Structural equation modeling is used to test the relationships among the dimensions that are destination brand awareness, destination brand image, destination brand quality, destination brand value and destination brand loyalty. Marketing strategies are proposed according to the modeling results. Data are collected from consumers living in different 12 cities that represents main population of Turkey. According to the research findings, it is obtained that all of the dimensions have positive impacts on destination brand value and destination brand loyalty which are vital dimensions in creating customer-based brand equity.

Keywords - Customer-based Brand Equity, Destination Branding, Furniture Brand, Structural Equation Modeling, Turkey.

I. INTRODUCTION

Because of products and services can be imitated quickly and easily, the differentiation of companies from their competitors is only through brands with strong brand equity. In today's world, destinations can be evaluated as a product so "customer based brand equity" models should be adapted to destinations as well.

Destinations must have better attributes than their competitors in order to have competitive advantages. Inegöl destination is an important furniture manufacturing in Turkey and attracts many national and international consumers who want to buy furniture. Customer based brand equity model which was constructed by Aaker and Keller, then developed by other researchers, can be a guide in forming marketing and branding strategies for destination managers.

The primary goal of this study is to test the relationships among the antecedents of customer based brand equity for İnegöl destination which has a skill based on furniture manufacturing and to propose marketing and branding strategies for enhancing brand equity of İnegöl destination. Although there are many studies examining customer based brand equity of products and services, few researches are done on destination brands, so this study is expected to make a contribution to destination branding.

II. DESTINATION BRAND EQUITY AND ITS ANTECEDENTS

In today's customer oriented markets, destinations are evaluated as a product and destination managers should attract visitors' attention and make their visitors loyal. It is obligatory to be a powerful brand to differentiate and have competitive advantages in global markets. It can be said that the aim of destination branding is make people visitors and then loyal visitors (Herrero vd, 2016: 1-2).

Destination marketing aims to increase the awareness of the destination by creating a unique brand. Destination awareness means to have a strong position in the minds of target segment. It is seen as one of the most important dimensions of the brand in tourism industry and it has a strong impact on the buying decision of the consumers. In addition, brand awareness is the sub-dimension of customer based brand equity. In other words, it is an antecedent that contributes strongly to brand power (Boo vd, 2009: 221).

Destination image which is one of the antecedents of customer based brand equity has an important impact on brand equity. There is an increase in the studies about destination image. Destination image can be defined as the total of the beliefs, ideas and impressions about a destination. According to another definition, destination image is the perceptions that are composed of associations in tourists' memories.

Various studies indicate that destination image plays an important role on the tourists' decision making process(Lim, 2009: 17-18).

The perceived value of a service pertains to the benefits customers believe they receive relative to the costs associated with its consumption. Perceived value is an overall evaluation of a service's utility, based on customers' perceptions of what is received at what price. High perceived value is positively associated with satisfaction and loyalty(Pike and Bianchi, 2016, s.120)

The concept of brand loyalty is defined as the individual's positive attitude that is repeated over a period towards the product of a brand (Baig et al., 2015:1). Brand loyalty is one of the basic dimensions of customer based brand equity. Creating customer loyalty should be the basic objective of brand management. According to some researches, brand loyalty is the most important dimension of customer based brand equity (Thapa, 2016: 14).

III. RESEARCH METHODOLOGY

3.1. Aim of the Research

The aim of this study is to explore the relationships among the dimensions of customer-based brand equity of a destination known as a leading furniture region in Turkey. Structural equation modeling is used to test the relationships among the dimensions that are destination brand awareness, destination brand image, destination brand quality, destination brand value and destination brand loyalty. Marketing strategies are proposed according to the modeling results.

3.2. Main Population of the Research and Sample Size

The main population of the research is the consumer who bought furniture at least once from İnegöl destination. Data was collected in July, August, September and October 2016 by the questionnaire prepared for the research. A total of 248 questionnaires were collected. As a result of the survey of the collected surveys, 46 surveys were not included in the survey due to incomplete filling and filling without reading. IBM SPSS 21.0 and Lisrel 8.71 programs were used for the analysis. The validity and reliability of the scales used in the research have been proved by some international studies. However, since the questionnaire will be implemented in a different sample, the validity and reliability of the scale were retested with a pilot study.

3.3. Research Model and Hypotheses

The research model is given in Figure 1. The variables included in the research model are; "brand awareness", "perceived value", "brand image", "brand loyalty" and "brand equity".

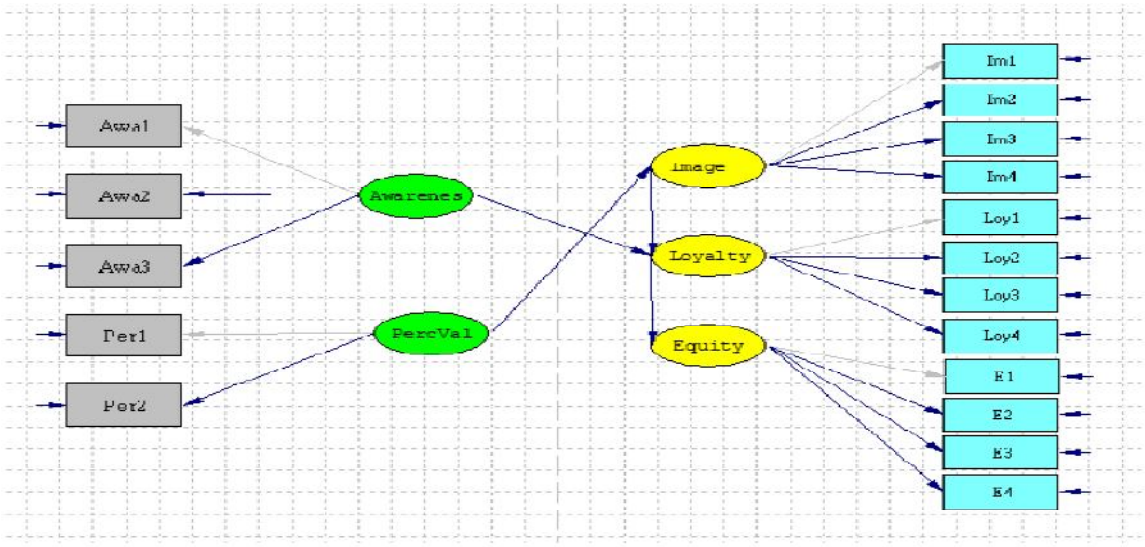


Figure1: Research Model

As seen from Figure 1, research hypotheses are:

H1: Destination brand awareness has a positive impact on destination brand loyalty.

H2: The perceived value of the destination has a positive impact on destination brand image.

H3: Destination brand image has a positive impact on destination brand loyalty.

H4: Destination brand loyalty has a positive impact on destination brand equity.

There are 17 Likert type expressions in the questionnaire to measure "brand awareness", "perceived value", "brand image", "brand loyalty" and "brand equity" dimensions. There are also 5 questions for measuring demographic information.

3.4. Scale Used in Research and Reliability Analysis

A detailed literature review was conducted to test the "customer-based brand equity" model proposed for the İnegöl destination and a final scale was created

(Boo et al. 2009; Pappu and Quester, 2006; Arnett et al., 2003; Yoo and Donthu, 2001; Sweeney and Soutar, 2001; Konecnik and Gartner, 2007).

Reliability analysis was applied on the collected data. The Cronbach Alpha values obtained as a result of the reliability analysis are shown below.

Table 1: Reliability Analysis Results

Dimensions	Cronbach Alpha Results
Destination Brand Awareness	0,70
Destination Brand Image	0,84
The Perceived Value of The Destination	0,85
Destination Brand Loyalty	0,91
The Customer-Based Brand Equity of The Destination	0,92

3.5. Testing the Research Model by Using Structural Equation Modeling

In this section, the results of the structural model are given. The reliability of the structural model can be measured by various statistics. These are called goodness of fit statistics generally. Common used fit statistics are shown in Table 2. Goodness of fit statistics indicates that the structural model is valid.

Table 2: Goodness of Fit Statistics

The Goodness of Fit Statistics	Value
Chi Square/Degrees of Freedom	1,63
GFI	0,87
AGFI	0,83
CFI	0,98
RMSEA	0,06
NFI	0,95
RMR	0,04
Standardized RMR	0,06

The GFI, AGFI, NFI, CFI and IFI are widely used statistical tests and provide evidence for goodness of fit and hypothesized model. These values show that the structural model has good values. The RMSEA, RMR and SRMR values also show that the model has a good fit.

The structural model with the standardized path coefficients is shown in Figure 2. As can be seen in Figure 2 brand awareness has a positive impact on brand loyalty. Perceived value has a positive impact on brand image, brand image has a positive impact on brand loyalty and brand loyalty has a positive impact on brand equity. The results of hypothesis, the paths of the model and the path coefficients are given in the Table 3.

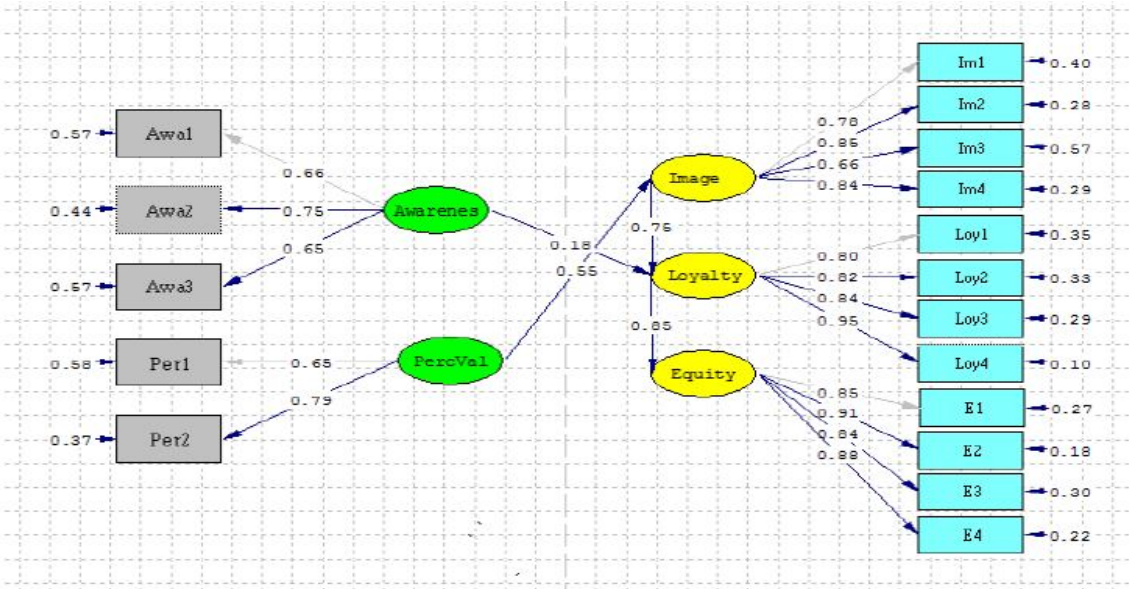


Figure 2. Structural Model and Standardized Path Coefficients

Table 3: Results of Structural Equation Model Analysis

Paths	Hypothesis	Path Coefficients	Result
Brand Awareness - Brand Loyalty	H1	0.18	Accepted
Perceived Value- Brand Image	H2	0.55	Accepted
Brand Image - Brand Loyalty	H3	0.75	Accepted
Brand Loyalty – Brand Equity	H4	0.85	Accepted

The path coefficients between "brand awareness" and "brand loyalty", "perceived value" and "brand image", "brand image" and "brand loyalty", and "brand loyalty" and "brand equity" are 0,18, 0,55, 0,75 and 0,85 respectively. It indicates that brand awareness and brand image have impacts on the brand loyalty.

IV. DISCUSSION AND IMPLICATIONS

In today's world, where branding becomes more common, it can be said that destinations began to understand the importance of destination branding as they would like to attract more tourists and investors in order to compete with their rival destinations. As customer based brand equity can be adapted for destinations, this study aimed to measure the customer based brand equity of İnegöl destination. The effects of brand awareness, brand image, perceived value and brand loyalty dimensions' on the customer based brand equity of destination was examined with a model developed by literature review.

As it can be seen from the model, destination brand awareness has a positive impact on destination brand loyalty. It is logical that enhancing levels of the awareness of a destination in the minds of consumers and tourists will increase the destination brand loyalty. The destination brand loyalty was found to have a positive impact on customer based brand equity, which means brand loyalty is a key factor for any destination. Looking from this point of view, it is pretty obvious that destinations need to develop strategies to enhance the brand loyalty and add customer value for the tourists visiting them. The tourists who feel loyal for destinations are less price sensitive and it is creating competitive advantage against rival destinations.

As the findings reveal, the positive impact of destination brand image on destination brand loyalty points that the destinations should implement various strategies which will help improving their brand image. By conducting public relations and corporate social responsibility activities, İnegöl's brand image may be increased and as a result, brand loyalty could raise eventually. When the impact of perceived value on brand image is taken into account, it can be suggested that consumers should have positive and remarkable experiences during their furniture shopping. Examining the structural model, any improvement and development which will enhance the brand loyalty will empower the customer based brand equity of the destination.

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