

The influence of brand equity on customer intention to pay premium price of the fashion house brand

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ABSTRACT

Branded fashion clothing is developing expeditiously in Bangladesh. Bangladeshi local apparel fashion brand outlets are flourishing with positive customers' attitude. The aim of this research is to understand the effect of brand equity on customers' desire to spend on a premium price on a shopping store named Aarong. The research tries to discover different aspects of brand equity by analyzing the customers' manner and buying behavior. In this research, Aaker's brand equity model is used to examine the influence of brand equity on consumers' intention to pay for a premium cost. The necessary data for the study is collected from 100 respondents using the non-probability judgmental sampling technique. The collected data is analyzed by regression analysis so that the relationship can be examined, properly and the results support the proposed four hypotheses. It is found that among four brand equity variables, brand association maintained the most significant impact on creating positive customer intention to pay the premium price. Other variables such as brand recognition, discerned quality and brand faithfulness only slightly create positive influence on customer intention to pay the premium price. Thus, the results indicate that to ensure good performance and attract customers, Aarong must put more emphasis on improving all brand equity variables and maintain a suitable balance among them.

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1. Introduction

Consumer choice is changing constantly towards fashion products and services. Marketing managers in fashion house industry must consider these fashion changes with clear understanding of consumer shopping behavior and design proper marketing mix to create brand value (Aaker & Stayman, 1990; Oliver et al., 1997). Consumer purchase decision is changing as consumers are forming different attitudes towards various branded fashion products. Apparel is a fashion product category, which shows consumer's personality characteristics (Mishra, 2008; Martino et al., 2017). Broadly, apparel products are the basic indicators of cultural, social, individual and psychological experience factors that ultimately affect consumer personality. That's why Bangladeshi consumers now prefer to buy branded apparel from Bangladeshi fashion houses.

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A brand is a tool which gives business organizations a medium to build a value based perception, expectation and emotional involvement with customers. It builds strong loyalty among customers even if competitors copy the product features, customers will not switch to competitor's products. Companies are branding their products with robust differentiation to build a compelling brand to set apart from the competition. In the past brand, researchers considered brand equity as an added value to the commodity by brand name (Baldauf et al., 2003). Recently the customer based brand equity concept reflects that customers have a differential response to current and potential products as they believe in the value of brand offerings while products without brands are offering identical product characteristics and benefits.

Two questions arise in brand marketing: What are the features of a strong brand? How can a brand be strengthened? In order to address these issues brand researchers introduce the concept of brand equity based on customers to present the definition of brand equity and how it is measured, managed and built (Biplab, 1998; Lalitha et al., 2008). The brand equity based on customers is conceptualized from consumer viewpoint by considering whether the consumer is an individual, an organization, existing or potential customer. So brand researchers describe brand equity based on customers as the distinctive impact of brand information on customer reaction to brand marketing (Hekmati & Khoshlafz, 2017). A brand is considered as possessing positive customer-based brand equity when the brand is identified easily and consumers react more favorably. Thus consumers will accept a new brand extension when there is a positive brand equity, and will be less bothered about price, withdraw advertising support and seek the brand in the new distribution channel (Canabal, 2001; Mitchell & Walsh, 2004; Simintiras et al., 1997; Mohammadi, 2015). According to Keller (2003), there are three key elements in brand equity based on customers. First, brand equity comes from the distinctive influence that reflects in consumer response. Second, the difference in consumer response that shows consumer's information on the brand. Third, customer differential reaction is related to brand marketing that is reflected a perception, preference and behavior.

As the standard of living increases with more purchasing power, consumers consider brand and quality while buying fashion apparel and accessories. Now the fashion houses sell all types of lifestyle products from clothes and shoes to bags, gifts, face pack, shampoo and soap, etc. (Garsvaite & Caruana, 2014; Keller & Lehmann, 2003). At present, many fashion houses in Bangladesh have become popular among growing upper class, upper middle class and middle class people who spend convenience time in buying good quality products from fashion houses especially clothes (Zeithaml, 1988). The branded fashion houses grows rapidly in fashion industry of Bangladesh because the consumers in Bangladesh prefer to shop from fashion houses for their daily and occasional needs. That's why the fashion industry in Bangladesh is a multi-billion dollar industry, which generates foreign exchange and creates employment opportunities (Jayashree, 1998; Moisescu, 2005). During the last decade many fashion houses have opened in Dhaka, Chittagong and other major cities in Bangladesh. Fashion houses have changed the shopping behavior of many customers. Many fashion houses in Bangladesh have become the major platform for many consumers to buy designer apparel and now the sale is growing day by day. Thus, it is a great surprise why customers purchase from fashion houses instead of normal stores and why they are paying premium price for these cotton or semi cotton clothes. Basically consumers pay premium price when they are aware of the distinct quality between normal stores and fashion houses and normal apparel houses charge different prices for the same quality products varying from one shopping mall to another (Narang, 2006). Consumers are now conscious about quality and they are sensitive to quality changes. That's why they now buy branded clothes that do not have quality issues. Though, fashion houses charge premium prices from customers but they do not want to compromise the quality fact and they always wish to be special in occasion to wear unique designs of clothes. In this way consumers have positive attitude toward quality perception about the fashion house brands. In this situation, it is important for brand managers in the fashion industry and brand researchers in Bangladesh to know how to use brand equity to create intention among customers to pay premium price form loyal customers. Therefore, this study is taken to identify and measure the factors of brand equity that influence customers to pay a premium price.

2. Literature Review

The expression “brand equity” is a result of attempting to define the relationship between brands and customers in regard to the marketing field. Brand equity produces a version of added value for commodities that aid companies to create lasting interests and competencies (Chen, 2008; Kuhn et al., 2008). During the past decades, several studies have considered numerous dimensions of brand equity. Brand equity is typically considered as a vital success parameter for various firms and service providers that may differentiate them from their rivals. Brands that possess high equity levels are accredited to excellent performance consisting of high profitability, competitive cost frameworks, successful development into new businesses, increased market shares, inelastic price sensitivity, and maintained price premiums where all contribute to the competitive advantage of companies (Keller, 2003). When it comes to help customers perceive information, brand equity is significant namely when information is superfluous (Krishnan & Hartline, 2001). Regarding companies, developing brand equity is a vital goal by acquiring favorable links and perceptions of target consumers (Falkenberg, 1996). Essentially, financial concept from firm viewpoint and customer-based comes from customer based value perspective and it is originated from the decision-making context of marketing (Le et al. 2006). In addition, Yoo and Donthu (2001) mentioned that perceiving the aspects of brand equity and making investments in its development enhances competitive advantages and increases brand wealth. The brand equity issue is comprehensive in reference to its definition, measurement and models issues. Numerous brand equity measurement approaches are recommended by various researchers. In this regard, the study attempts to improve and reinforce the present knowledge concerning brand equity.

2.1 Brand Equity Concept

During the past decades, brand equity has turned into a prominent subject of interest for brand managers and marketing researchers due to its significant importance as an intangible resource. There are numerous descriptions of brand equity. Added value provided by the brand for the product (Farquhar, 1989) is one of the common definitions of brand equity. Several other definitions exist provided by other researchers. Aaker (1991, 1996) defined brand equity as a series of brand resources and liabilities that are connected to a particular brand, its symbol and name that adds value to a product or service. Keller (2003) defined brand equity in terms of marketing. According to his definition, brand equity is the distinctive impact of brand information on customer reactions towards brand marketing. Aaker (1992) defined brand equity as the improvement in the understood desirability and utility that a brand grants to a product. Sumathi (2003) states that brand equity is the tool that customers accredit to the utilization and consumption of the brand. Moisescu (2005) provides a different definition; a set of properties that makes a brand stand out in the market and allows the firm to charge an expensive price while retaining greater market shares.

2.2 Brand Equity Measurement

There is a scope of non-financial and financial assessments that accumulatively determine the required insights. According to Aaker (1989) there are two various methods of measuring brand equity; the direct and indirect methods. The direct method attempts to evaluate the brand's added value (Farquhar, 1989). The indirect method attempts to determine the possible brand equality sources. A perception of such sources for a company's own and competitive brands is vital for brand managers (Keller, 1993). Myers (2003) stated that both researchers recommend several indirect measures and approaches to predict brand equity on the basis of their structures. Simon and Sullivan (1993) suggest implementing repurchase trends, switching expenses, satisfaction levels, brand preferences and discerned quality of different product services aspects as possible indices among others. Similarly, Krishnan and Hartline (2001) suggest top-of-mind recall, free accreditations, a rating of assessments and perceptions of accreditations as some of the indices of brand knowledge. The measurement of brand equity based on consumers is important to understand the aspects of brand equity, investments in tangible and intangible resources and overcoming competitive restrictions (Yoo et al., 2000; Yoo & Donthu, 2001).

2.3 David Aaker's Brand Equity Model

Aaker (1992) presented a complete brand equity model shown in Fig. 1 which includes four various resources that originate value creation including brand association, discerned brand quality, brand recognition and brand loyalty. In business to consumer market, the four elements are used to extend the brand and gain competitive advantage to ensure customer satisfaction.

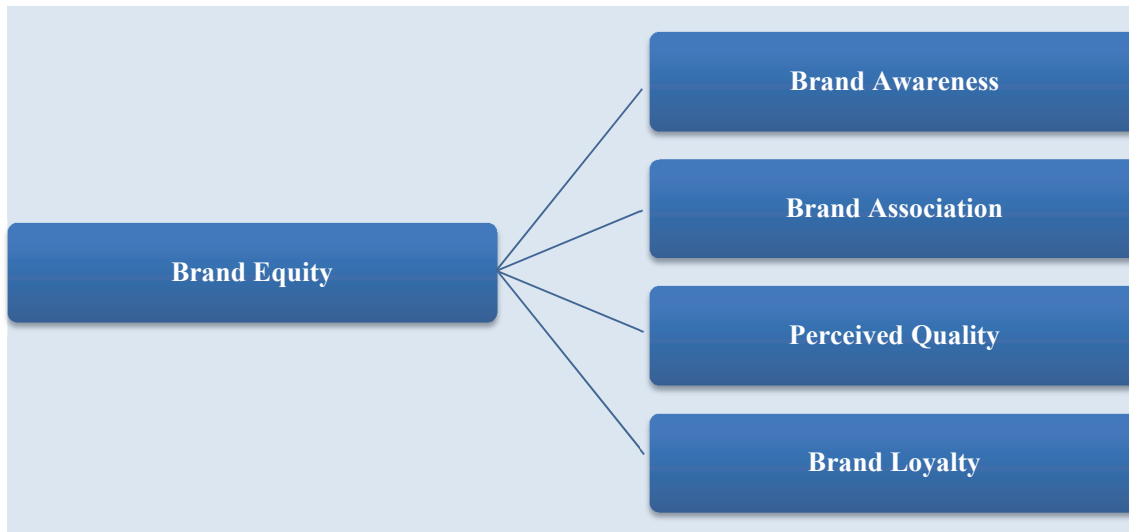


Fig. 1. Aaker's Customer Based Brand Equity Framework

2.4. Brand Awareness

Brand awareness is the initial stage of producing brand equity which is defined as customers' recognition of a brand and is relevant to the impact of a brand in consumers' minds. It is associated to the brand strength or trace in memory as shown by consumers' competency to discern the brand in various circumstances. In other words, how are the brand identities serving their purpose? Specifically, brand name recognition is associated to the possibility that a brand name will be remembered and its simplicity in doing so (Krishnan & Hartline, 2001; Nehzat, 2015). Brand recognition is included in brand awareness and brand recall functionality. Brand recognition is associated to the customer's capability in confirming previous experience regarding the brand when provided the brand as a cue. Brand recall is associated to the customer's competency in retrieving the brand when provided with the brand category, the requirements satisfied by the category or other cues. In other words, brand recall needs customers to adeptly recall the brand from their memory (Keller, 2003).

2.5. Brand Association

Brand association is defined as the comparative power of customer's positive feelings regarding a brand. The communication between consumers and other related stakeholders effects the brand equity of a business organization (Keller, 2003). Aaker (1991) states that when the customer experiences a product and the response is positive, the brand becomes powerful entailing a positive reputation. A research conducted by Lassar et al. (1995) indicate that consumers typically patronize and are inclined to spend more for branded products even when they are provided a choice of products within the same category. Purchasers gradually connect with the brand and create emotional bonds entailing sentimental brand attachment. Kalafatis et al. (2012) describe a brand evoking within the minds of consumers by creating a strong existence, personality and commodity or service performance. The connections may have a symbolic meaning or be a functional implication.

2.6. *Perceived Quality*

This is the judgment or understanding of the supremacy of the commodity in comparison to other commodities within the same category or close alternatives (Aaker, 1991; Keller, 2003). It is the competency of a commodity to provide the required level of excellence and perfection compared to the alternatives. Kuhn et al. (2008) stated that the product quality is an important factor that provides the means for any organization to acquire competitive advantage. Consumers create their understanding of value and quality via product assessment, attributes, stability, durability, serviceability and design or style. Such factors subconsciously affect customer positive or negative opinions and behavior regarding a brand. Kalafatis et al. (2012) defined perceived quality as brand “goodness” i.e. other brand elements are affected with the improvement of the brand quality perception. When organizations create brands, the brand essence should be communicated with the purpose of placing it within the minds of target audiences to match the brand properties to the consumer requirements and expectations.

2.7. *Brand Loyalty*

In the case of customer loyalty to a brand, they regard the brand as their initial option and are not affected by strategies applied by brand rivals to gain their attention (Aaker, 1991; Keller, 2003). Brand loyalty comes from actual buying and frequent brand purchasing over time which indicate favorable attitude of consumers toward the brand. Developing marketing approaches is crucial for organizations for winning customer trust and loyalty (Lee & Oh, 2006). Loyalty to a brand is created as a relationship between the brand and customer, which would not happen overnight. Loyalty to a brand is long term interaction result with customers and brands through successful encounter in customer service actions (Aaker, 1992).

2.8. *Consumer's Intent of Paying a Premium Price*

When consumers intend to pay for higher prices for brands whilst recommending it to others and purchasing brand extensions, these customer reaction aspects produce competitive advantage for the brand. According to Falkenberg (1996), it is important to examine the intention of behaviors instead of the behaviors itself for three reasons. The first reason is that it is not efficient to control actual behavior in the study. Secondly, behavior intent indicates the independent tendency of an individual to exhibit a specific type of behavior in the not so distant future. In this regard, firms can attempt to predict competitive potential concerning the brand. Thirdly, genuine behavior may be a reaction to motive others rather than brand power such as premium price strategy. Based on a study by Lee and Oh (2006), price premium is a crucial parameter, which enables the brands to produce shareholder esteem. It is noteworthy that in a study conducted by Chen (2008), price premium addresses a tendency to pay, which is not an accurate sign of actual charge. Overall, the price premium is a relative measure which suggests suitability for brands (notwithstanding for minimal cost brands, in favor of which consumers may provide additionally for a particular brand compared to alternatives).

2.9 *The effects of brand equity on consumer's intention to pay premium price*

According to Aaker (1989), Customers always want to pay price for quality products and in case of brand they are always ready to pay premium price for getting unique products which is not available in everywhere in apparel stores. According to Aaker (1991), branded products are easier to get when customers tend to pay premium price and the fashion house brands do not maintain complicated payment system and they reserve exchange options for customers. According to Oliver et al. (1995), fashion house brands maintain immediate gratification for meeting customer demand that will force customers to pay premium price and the fashion house brands also maintain particular unique features in their products that is worth to pay premium price and ultimately builds brand association. However, According to Biplab (1998) consumers buy branded fashion clothes when the brand burnishes customer's reputation and customers

also buy clothes for friendly services, their problems are handled quickly and easily solved. This helps the branded apparel house build brand image and brand association among customers. On the other hand, Kazmi (2001) believes that consumers would continue to keep buying from branded stores and paying premium prices when they begin to get know that they have got big fish and their competitor's offers are not worth of price. Consumer also recommend these brands to others when the fashions houses are able to meet unstated desires of consumers and able to build brand equity in positive way. Building strong brand equity positively will influence the performance of the firm via its impact on customers' reactions regarding the brand. This research addresses customer intention to spend more on premium prices for fashion house brand named Aarong. The inclination to pay for premium prices shows the tendency levels for customers to pay for a brand compared with alternative brands which provide identical features. The literature shows that brand equity has significant influence on consumer's tendencies to pay for a premium price (Keller, 2003). Brand equity ensures customers are less bothered about increases in price and are more inclined to pay more since they understand distinct values in the brand that other alternative brands cannot provide. In this research, Aaker's brand equity model is used to analyze the influence of brand equity on consumer's intention to pay a premium price.

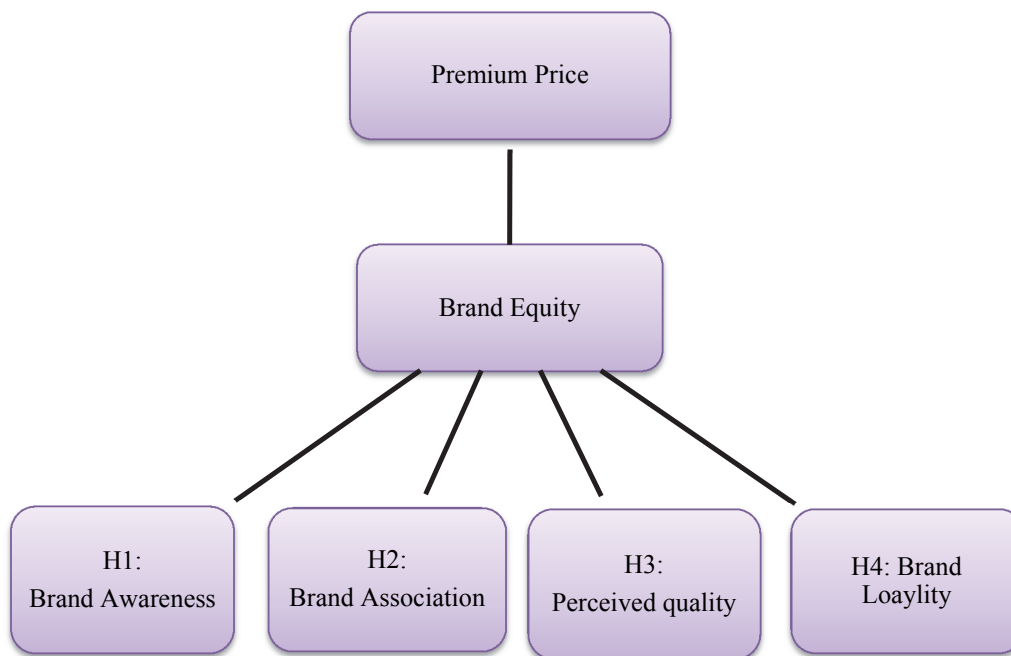


Fig. 2. Hypothetical Model of Brand Equity to Influence Customers to Pay Premium Price

3. Objectives the of study

3.1. Broad Objectives

Considering the broad objective, we wish to know the reason of why the fashion houses charge premium prices from customers and in this way how they create and enhance brand equity that builds customer motivation to buy local apparel products in premium price from designer brands of Bangladesh. Considering this fact the broad objective is to explore and analyze how brand equity influence on to pay a premium price to fashion house brand of Aarong. Bangladesh has experienced fast growth in the fashion industry over the past ten years and local fashion houses make up 15% of local customers demand in Dhaka cities. Aarong competes not only with established fashion houses but they have competition with small and young brands emerging in Dhaka cities. As the customers have become more demanding, the fashion designers work hard to make sure that customer will not only buy products but they will buy a story, lifestyle, and emotions with surprises. It is believed that fashion houses have the potential to ensure

faster growth over the next 30 years. The brand managers in Aarong must have the proper brand knowledge and branding tactics to meet customer preference as customers taste is leading to a radical transformation in a new lifestyle and spending pattern. It is necessary for Aarong to have proper understating about the components of consumer-based brand equity as these elements are mandatory for creating brand image and brand awareness in the mind of customers and Aarong will be able to bill higher prices. Therefore the research paper highlights the factors that differentiate Aarong as a premium brand. More specifically the research identified the factors that awaken customer's willingness to pay premium prices premium branded fashion products.

The research problem is to identify and analyze the influence of brand equity which builds up customer inclination to spend on a higher price for branded fashion commodities. Aarong needs to know how they can persuade customers to pay premium price. This analysis is performed to enable the fashion house to understand the meaningful insights of customers and use the techniques on customer-based brand equity to enhance brand image and customer loyalty to pay a premium price for fashion products.

3.2. Research methodology

The research design is a mixture of qualitative and quantitative study to measure the impact of brand equity on consumer's intention to pay premium price to Aarong. At first the qualitative study is conducted to obtain comprehensive knowledge through face to face interview (Focus Group Discussion) and help to develop hypothesis and survey questionnaire by identifying the influencing variables that consumers consider at the time of buying products from Aarong and influence them to pay premium price. Then the quantitative research has been undertaken to collect, analyze the data and test the hypothesis which is required to highlight the influence of brand equity on customer intention to pay premium price to Aarong.

Research Questions

- RQ1:** Does brand awareness create a positive effect on consumer intention to spend on a premium price?
- RQ2:** Does brand association create a positive effect on consumer intention to spend on a premium price?
- RQ3:** Does perceived quality create positive effect on consumer inclination to spend on premium price?
- RQ4:** Does brand loyalty create a positive effect on customer inclination to spend on a premium price?

Hypothesis Development

- H1:** Brand awareness creates a positive effect on consumer intention to pay a premium price.
- H2:** Brand association creates positive impact consumer intent to spend on a premium price.
- H3:** Discerned quality creates a positive impact on customer intention to spend on a premium price.
- H4:** Brand loyalty creates a positive impact on customer intention to pay a premium price.

3.3. Primary Sources of Data

The data have been collected from the primary sources to analyze the data by the means of survey methods including online survey with a structured questionnaire. A structured questionnaire has been designed for getting information about customer attitude and buying behavior to measure the influence of brand equity on them. The survey questionnaire has been divided into three sections. Apart from socio-demographic information part in questionnaire, respondents have been requested to complete the survey questions and grade the importance of the options on the basis of five-point Likert Scale via Online. Another part is to rate the factors that they give top priority when they buy products from Aarong. For qualitative insights, focus group discussion method is chosen to collect the primary data for developing research question and hypothesis.

3.4. Secondary Sources of Data

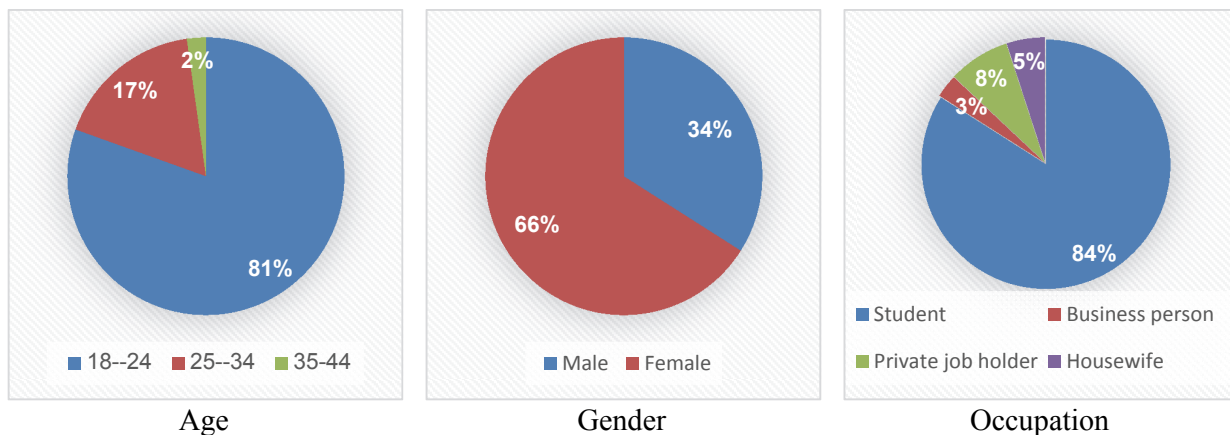
Necessary information has been gathered from the secondary sources to bring out the study goals. The literature part of the research is mainly based on the secondary data sources which are gathered from the articles, websites, books, journals and other published materials from national and international sources. Various research studies relating to the influence of brand equity on customer intention to pay premium price have been published and critical review of some of those research has been made in this paper.

3.5. Measurement & Scaling Techniques

For data analysis and measurement a set of structured questionnaire is formulated. The questionnaire has three sections. The first section is designed to know the demographic information about customers such as gender, age, social status, occupation monthly and income to assess their willingness to pay premium price. This questionnaire has also assessed whether the customers have ever purchased products from Aarong or not and their spending nature. In this second section for scaling purpose, the 5-point Likert Scale of the itemized rating scale (Non comparative scaling techniques) has been used. Participants were requested to grade the dimensions on a 5-point Likert scale of agreement or disagreement relative to price premium and brand equity. The respondents have marked the point that best indicate how they would describe the object being rated. Respondents implying the most disadvantageous degree is graded with the minimum score (e.g. 1) and most beneficial is graded the maximum score (e.g. 5). In third section, eight factors are given to respondents to rank them according to their priority during buying products from Aarong. The eight factors are selected from focus group discussion as the members think these aspects are important criteria when customers buy from Aarong. The questions are formulated in such a way that the analysis can be done with the statistical tools.

3.6. Sampling Technique Selection and Sample Size

The samples were drawn from the residence of Dhaka City through online survey who were aware about the fashion brand Aarong. Data were collected and analyzed to investigate the influence of brand equity on customers to pay premium price to Aarong. The online questionnaire was filled by 100 respondents. For focus group discussion eight members of Dhaka University Marketing Club were chosen. Because of not having actual population size and proper sampling frame, the present study has used a non-probability judgmental sampling as sampling technique. Thus the selection of sampling unit (customers) is left primarily to the researcher. Besides, due to budget limitation this sampling technique is also used as it is low cost, quick and convenient for researcher. So the researcher selects 100 samples as respondents and 8 members for focus group discussion.



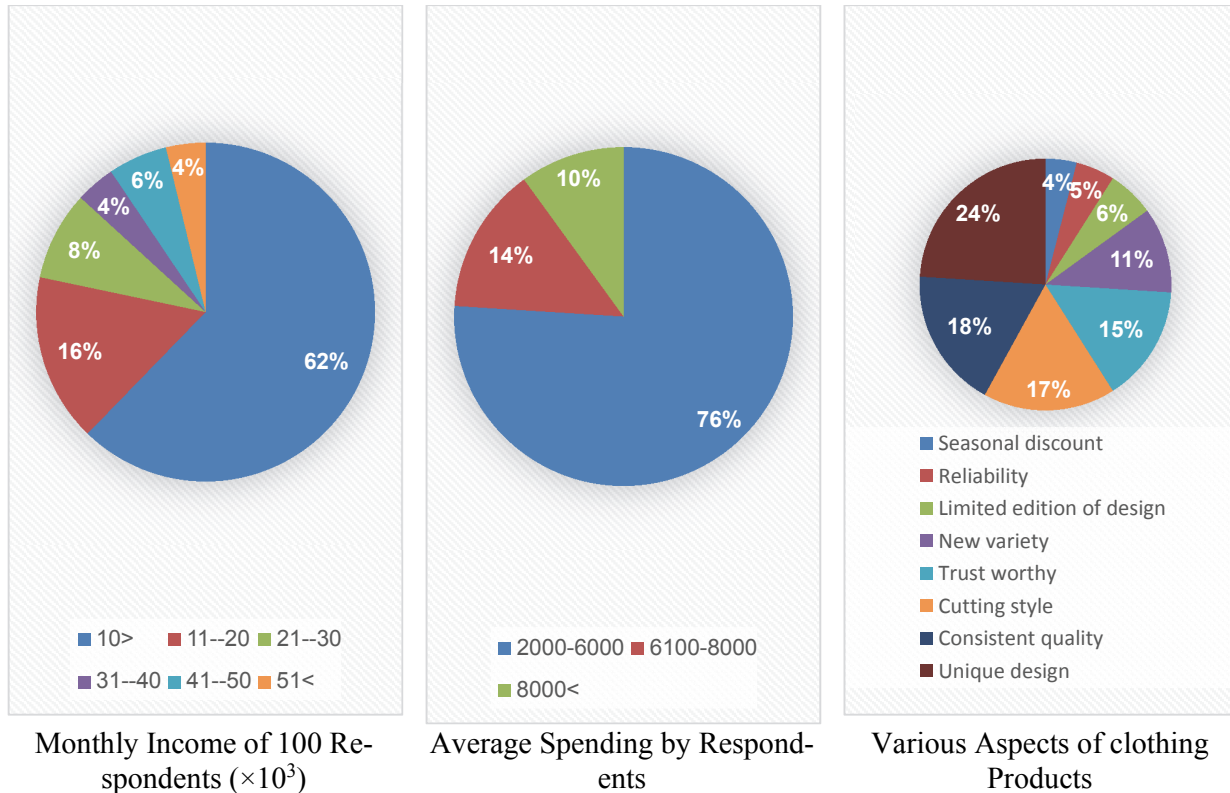


Fig. 3. Personal characteristics of the participants

Data analysis finally yields some discovery regarding the influence of brand equity on customer's intention to pay a premium price to Aarong. From demographic information shown in Fig. 3, it has been found that 79% people who buy Aarong products are between 18-24 age groups. Considering the occupation and social status, most of the people especially upper middle class are educated people. The maximum people especially females prefer to pay a premium price to Aarong for their unique design, cutting styles, quality fabrics, limited edition of dress collection, new variety and reliability factors.

3.7. Statistical Techniques for Data Analysis

Simple linear regression analysis has been carried out to get the results using SPSS statistical software (a popular computer program for analyzing marketing data). The data have been collected on four variables that are relevant to brand equity. For the study, the simple linear regression analysis measured the links between dependent variable (premium price) and autonomous variables (brand association, brand awareness, brand loyalty, perceived quality) for each hypothesis to see how the dependent variable changes according to the changes in independent variables.

First Hypothesis: In the first hypothesis it is stated that brand awareness creates a bit positive customer intention to pay premium price (See Table 1). In this model summary, R^2 indicates correlation that indicates how strong the linear relationship is and the value of $R^2 = .382$ which is not very close to 1. There is a moderate positive correlation between premium price and brand awareness. R-Square indicates the extent of total variation in dependent variable may be described by independent variable. In this case the value of R^2 is .146 or 14.6%, which indicates that 14.6% of variation in premium price (dependent variable) may be described by brand awareness (independent variable). The value of adjusted R-square .137 is close to R-square .146 so it has minimum difference and positive association. So it can be said that brand awareness creates slightly positive impact on customer intention to pay premium price that supports H1.

Table 1

Model Summary for the first hypothesis

Model	R	R Square	Adjusted R Square	Standardized Coefficients Beta	Significance Level
1	.382 ^a	.146	.137	.103	.348

a. Predictors: (Constant), Brand Awareness

Second Hypothesis: In the second hypothesis it is stated that brand association creates strong positive impact on customer inclination towards paying a premium price (See Table 2). In this model summary, $R = .565$ which is close to 1 so there is a considerable positive relation between variables. The value of R^2 is .319 or 31.9%. It indicates that 31.9% variation in premium price (dependent variable) is determined by variation in brand association (independent variable). The value of adjusted R square is .312 which is close to the value of R-square .319 so it has the minimum difference and positive association. So it can be said that brand association creates a slightly positive impact on customer intention to pay a premium price that supports H2.

Table 2

Model Summary for the second hypothesis

Model	R	R-Square	Adjusted R Square	Standardized Coefficients Beta	Significance Level
2	.565 ^a	.319	.312	.435	.000

a. Predictors: (Constant), Brand Association

Third Hypothesis: In the third hypothesis it is stated that perceived quality create a somewhat positive impact on customer tendency of paying a premium price (See Table 3). In this model summary, $R = .392$ which is not very close to 1. A moderate positive correlation exists between variables. The value of R^2 is .154 or 15.4%. It indicates that 15.4% variation in premium price (dependent variable) is determined by variation in perceived quality (independent variable). The value of adjusted R square .145 is close to R square value .154 so it has the minimum difference and positive association. So it can be said that brand association create a slight positive customer intention to pay a premium price that supports H3.

Table 3

Model Summary for the third hypothesis

Model	R	R Square	Adjusted R Square	Standardized Coefficients Beta	Significance Level
3	.392 ^a	.154	.145	.074	.504

a. Predictors: (Constant), Perceived Quality

Fourth Hypothesis: In the fourth hypothesis it is stated that brand loyalty creates a moderate positive impact on customer inclination towards paying a premium price (See Table 4). In this model summary, $R = .451$ which is not very close to 1. There is a moderate positive relationship between variables. The value of R^2 is .203 or 20.3%. It indicates that 20.3% variation in premium price (dependent variable) can be determined by variation in brand loyalty (independent variable). The value of adjusted R square .195 is close to the value of R square .203 which has the minimum difference and positive association. So it can be said that brand loyalty creates a positive impact on customer intention to pay a premium price that supports H4.

Table 4

Model Summary for the fourth hypothesis

Model	R	R Square	Adjusted R Square	Standardized Coefficients Beta	Significance Level
4	.451 ^a	.203	.195	.115	.369

a. Predictors: (Constant), Brand Loyalty

From Table 1 to Table 4, it can be said that out of four (4) variables only brand association maintains a significant effect on brand equity for paying a premium price. The standard beta coefficient of brand association was .435. Brand association is significant as the significance level zero (.000) which is smaller than p-value (.05). So the brand association is a significant predictor of brand equity that creates strong impact on consumer inclination towards paying a premium price for Aarong products. The other three variables; namely brand awareness, perceived quality and brand loyalty did not show a significant impact on brand equity. The standard beta coefficients for these variables were .103, .074 and .115, respectively. These values are insignificant as their significance level was greater than p-value (.05).

3.8. Findings of Data Analysis

From data analysis brand association is the most significant factor comparing with brand awareness, perceived quality and brand loyalty as brand association have a strong positive correlation with a premium price but other variables have a medium positive correlation with premium price. It has been found that the positive association between brand equity variables improves customer's overall attitude toward Aarong and increase their intent of paying a premium price. Overall, brand loyalty, brand awareness, perceived quality and brand association create a positive impact on customer intention to pay the premium price due to these factors such as unique design, consistent quality, cutting style and new variety of dresses. These factors are also dominant in building long-term relationship (See Appendix 1).

4. Managerial Implications

Evidently, females have specific fascination and intentions regarding their purchase from Aarong. A clarified perception of brand association regarding customers will aid Aarong in attracting and maintaining target consumer groups. It may be deduced that this research is beneficial for brand managers of Aarong to advertise products to customers since it provides a contribution to the knowledge framework. The outcomes of the study make a contribution to brand equity that reflect in consumer buying behavior. It can be concluded that this study can be useful to brand managers of Aarong to promote products to consumers because it adds to the knowledge base. The research findings contribute to brand equity that reflect in consumer buying behavior. Along with the discussion, hypotheses have been developed to identify the effect of brand awareness, brand association, discerned quality and brand loyalty on customer's willingness to pay premium price. After data analysis, majority of the factors are positively correlated with premium price and customer positive brand attitude. To get premium price, Aarong can extend the brand in question to other product departments by paying specific attention to brand accreditations connected to the applications of guarantee, social identification and status. In this way strong reference group will be built up to recommend the brand. The development of these functions therefore will force Aarong to generate positive communications beneficial for their brand. Aarong must amalgamate the various brand dimensions and give precedence to various dimensions whilst concurrently preserving an adequate equilibrium among them. In this context, the brand equity model will provide competitive advantages in regard to the development (approval of brand extensions and suggestions to others) and profits (premium price). The fashion designers in Aarong need to perceive the recognition of customer trends, powerful branding strategies and a beneficial product image as necessary components in building an influential brand equity in the context of fashion products in a brutally competitive market to preserve the image of Bangladesh in global markets as a center of fashionable commodities.

5. Conclusion

Now-a-days the consumers have become brand conscious and the market of designer brands is growing up in Bangladesh. From the very start, Bangladeshi boutiques and fashion houses were struggling with foreign trends and clothes. With the establishment of Aarong, it has been providing evidences that they can produce world class products with local taste. The study has analyzed the impact of brand equity on

consumer intention to pay premium price. The fundamental goal is to perceive brand equity and evaluate the impact of brand equity on customers' tendencies to spend on a premium price that indicates consumer behavior regarding brand priority and purchase intent. The researchers created four hypotheses such as brand association, brand awareness, brand loyalty and brand quality related to premium prices. These findings indicate the positive correlation of brand equity to brand preference and purchase intention which builds customer inclination towards paying a premium price. To improve brand equity, it is vital to acknowledge various brand equity aspects that contribute to the total brand equity in various ways and establish strong positive relations between the aspects. Brand managers can implement branding strategies by prioritizing and allocating resources across the various dimensions.

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Appendix

The results of regression analysis

Model	Coefficients ^a					
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	-.581	.614		-.946	.346
	Brand Awareness	.060	.064	.103	.942	.348
	Brand Association	.157	.035	.435	4.520	.000
	Perceived Quality	.036	.054	.074	.671	.504
	Brand Loyalty	.052	.058	.115	.902	.369

a. Dependent Variable: Premium Price



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