



The Antecedents and Consequences of Brand Equity
in the South African Running Shoe Market

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ABSTRACT

Marketers face the challenge with regard to the manner in which consumers perceive their brand. For the assessment of global brands in emerging markets, such as South Africa, progressive empirical research supports managerial approaches so consumer behaviour can be influenced and predicted in a precise way. Gaining insight into factors that increase a brand's equity, and, which allow marketers to reach their objective of creating a strong and valuable brand, is of utmost importance. Current literature has dealt with the subject of *Brand Equity* extensively (Branaghan & Hildebrand, 2011; Chang & Liu, 2009; Kapferer, 2012; Myers, 2003; Keller, 2013).

Within the context of the South African running shoe market, this study empirically tested an integrated framework of the antecedents (*Brand Personality, Brand Attitude, Brand Image*) and the consequences (*Brand Preference, Purchase Intention*) of *Brand Equity* from a consumer's perspective. Moreover, the moderator *Social Acceptance* was added to investigate its interaction effect on the relationship between *Brand Preference* and *Purchase Intention*. The conceptual model was tested with a variance based partial least squares analysis (PLS-SEM), due to its complexity measuring multiple indicators simultaneously (Lowry & Gaskin, 2014; Malhotra, 2010).

Data was collected from online questionnaires with the two brands, Nike and Asics, as stimuli. These sports brands were compared by means of their marketing strategies using a total sample size of n=315 respondents. The purpose was to reveal the influence each brand's personality had on the development of *Brand Image* and *Brand Attitude*. Besides assessing the antecedents of *Brand Equity*, the significant influence that each brand's equity had on *Brand Preference* and *Purchase Intention* was assessed, taking social circumstances into account (Chang & Liu, 2009).

The statistical analysis of causal relations reflected that *Brand Personality, Brand Image* and the attitude towards the brand were antecedents of *Brand Equity*. The consumer's perception of the brand's value resulted in an increased probability of *Purchase Intention* due to his/her *Brand Preference*. *Social Acceptance* had a minimal effect at the final stage of brand choice. Derived from the results, this study's research should assist marketers with a number of implications to influence perceived value and increase *Brand Preference*. Meaningful marketing may add equity to brands and create loyal consumers through emotional attachment (Gilbreath, 2010). With the gained insight knowledge, predictive accuracy of consumer behaviour could be enhanced, with due regard to the influence of the individual's social environment.

Keywords: Brand Personality; Brand Attitude; Brand Image; Brand Equity; Brand Preference; Purchase Intention; Social Acceptance; Consumer Behaviour; Retail; South Africa

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CHAPTER I INTRODUCTION

1.1 INTRODUCTION

“Brands are bought for who they are as well as what they are.”

The quotation by Lannon {1991, cited in Verma (2008, p. 210)} embodies the central concept of this dissertation. In fact, various marketing scholars have conducted studies indicating that branding strategies add value to brands through perceived quality and emotional attachment. The quotation indicates that not only the product’s functional features are sold, but also the feelings and images associated with the brand constitute a unique selling proposition.

From the perspective of a firm, building a strong brand is essential for gaining and establishing a competitive advantage over business rivals. Firms implement brands with valuable assets, in order to stand out and to gain loyal customers (Keller, 1993; Aaker, 1996; Kotler & Armstrong, 2015). For successful branding, it is essential that companies be aware of their current and prospective consumers’ behaviour and cognitive evaluation process, when the consumer chooses between brands in the purchase situation (Cobb-Walgren *et al.*, 1995; Hellier *et al.*, 2003).

Brand Equity is defined as added value that makes the branded product making it meaningful to the customer (Biel, 1993; Paproski, 2011). The way a brand is perceived by consumers is the determining factor of *Brand Equity*. *Brand Equity* plays a significant role in the decision-making process, because it makes the brand attractive and desirable for consumers. It raises a brand’s value and offers consumers the chance of achieving self-fulfilment, and attaining their individual full potential by adding value to their lives. By promoting brand values through meaningful marketing, the long-standing objective to attach consumers emotionally to the brand can be accomplished (Kim *et al.*, 2005). Besides understanding the construct of *Brand Equity*, it is vital to take the entire decision-making process into account. Consumers are afflicted with an overabundance and complexity of product offerings, advertising and other sensory stimuli, combined with a socially desirable response and social pressure (Ballantyne *et al.*, 2006; Keller, 1993; Maehle & Supphellen, 2011; Paproski, 2011; Rajagopal, 2010; Sirgy *et al.*, 2000; Wysong *et al.*, 2012). For that reason, consumers tend to simplify the complexity of the purchase situation by making use of patterns that minimise their cognitive effort. These patterns include: Making use of brand personalities, forming brand attitudes and images, as well as perceiving the brand’s equity.

The way a brand is (positively) perceived and evaluated is stored in the memory in a simplified way. This brand knowledge, experience and evaluation result, in the best-case scenario, in a positive *Brand Preference* – in believing that a certain brand is superior to others. This, in turn, increases the tendency to purchase the branded product. However, in addition to the cognitive evaluation process, the consumer is influenced by the peer

group, and strives for social acceptance. The individual feels under pressure and ponders on which brand would presumably lead to a socially desirable response. Conspicuously consumed brands, such as running shoes, evoke an evaluation and feedback of the consumer's social environment (Helgeson & Supphellen, 2004; Maehle & Supphellen, 2011; Wysong *et al.*, 2012). Since consumers aim at presenting themselves in a favourable way, the choice of brand and its associated personality is important for the individual (Helgeson & Supphellen, 2004).

This research aims to further investigate this field of study. The influencing factors of *Brand Equity* are fundamental, and in recent years, many researchers have dealt with this subject, understanding the interplay between the different antecedents and consequences of Brand Equity (Cobb-Walgren *et al.*, 1995; Sirgy *et al.*, 1997; Faircloth *et al.*, 2001; Chang & Liu, 2009; Branaghan & Hildebrand, 2011; Möller & Herm, 2011; Sääksjärvi & Samiee, 2011). Although the concept of *Brand Equity* has been widely examined, a conceptual framework that approaches this research topic more comprehensively needs further investigation. There is little consensus regarding a conceptual model that analyses the influence of *Brand Equity* on *Brand Preference* and *Purchase Intention* as a whole. Moreover, a moderating effect, such as situational influence, has not been taken into consideration.

To depict and analyse the cognitive evaluation process and illustrate the consumer's decision-making process, an integrated framework is developed in this dissertation. This research focuses on understanding and predicting a consumer's choice of brand by analysing the relationships between the research constructs and the situational circumstances. The antecedents of *Brand Equity*, namely, the constructs of *Brand Personality*, *Brand Attitude* and *Brand Image*, their interplay and their impact on *Brand Equity*, are here assessed. Increased brand value has a positive influence on *Brand Preference* and *Purchase Intention*. The moderator's strengthening or weakening effect on the relationship between *Brand Preference* and *Purchase Intention* is included.

Against this background, this dissertation will attempt to address the following research questions in the context of the running shoe market in South Africa.

- What are the driving forces of *Brand Equity*?
- Does *Brand Equity* influence the consumer's *Brand Preference* and *Purchase Intention*?
- Does *Social Acceptance* influence a consumer's *Brand Preference* and change his/her *Purchase Intention* as a matter of fact?

These issues will be fully explored in section 1.3.

This introductory chapter serves as a foundation and introduction to this dissertation. To give the reader a summary of the research work, it is structured as follows. It commences by setting forth the background of this thesis. The industrial overview in section 1.2 provides facts and figures about the research context in which Asics and Nike

are chosen as exemplary brands, in order to demonstrate and test the final conceptual model. Subsequently, primary and secondary research questions are formally set forth (refer to section 1.3). Following this, the motivation of the research and its importance are emphasised. Concluding the introduction, the structure of the dissertation is presented, and each chapter is outlined.

1.2 BACKGROUND OF STUDY – INDUSTRY OVERVIEW

The research context of this dissertation is the South African running shoe market. For that reason, the athletic footwear industry is discussed in general, and an outline of the market regarding regional and gender analysis is provided. The market situation in South Africa is depicted. Hereafter, the running shoe market is examined in terms of trends, lifestyle orientation, competitive constraints and sponsoring. Finally, the exemplary brands of Asics and Nike are briefly introduced, as they serve as examples to test the theoretical model.

1.2.1 Market Definition and Size

The athletic footwear industry is defined as an industry that manufactures shoes for an athletic lifestyle, meaning footwear that is inspired by performance, or manufactured in an athletic design (Packaged Facts, 2009).

Lucintel, an internationally leading management consulting and market research company, has analysed the global athletic footwear retail industry, and predicts a continuous growth impetus that should reach a market value of approximately US \$51 billion by 2017, with a compound annual growth rate (CAGR) of 5% within the period from 2012 to 2017 (Research and Markets, 2012).

Within the athletic shoe market, the sports footwear industry is expected to grow at a CAGR of 2.1% until the year 2018, featuring the fastest growth rate of all athletic footwear segments. The sports footwear grabs a market share of 35% of the athletic footwear market, thereby being the second-largest category, namely, shoe inserts (PRWEB, 2013).

1.2.2 Region Analysis

Based on market segmentation by region, the athletic footwear industry is divided into four regions: the United States, Europe, Asia-Pacific and the Rest of the World (RoW).

The United States is one of the largest markets – with a strong demand for athletic shoes, particularly those worn by core runners (Kell, 2013b; Ken Research, 2012b). Although being a mature and developed market, there is still untapped potential regarding growth. This is due to the growing health awareness of the United States population, and the increased sponsoring of famous athletes. Quality and fashion have become increasingly important, especially in the United States, whence the worldwide athletic fashion trends originate (Kell, 2013; Powell, 2014). Purchases are on the rise. As

of today, consumers have already spent US \$20.99 billion on sports footwear in the year 2015 (Statista, 2015a). Especially fitness activities, like running, walking, training, basketball, biking, and skating enjoy a strong demand (Ken Research, 2012b). Due to the high cost of labour and raw materials within the United States, the country is now one of the largest importers of sports shoes in the world (Ken Research, 2012a; PRWEB, 2013).

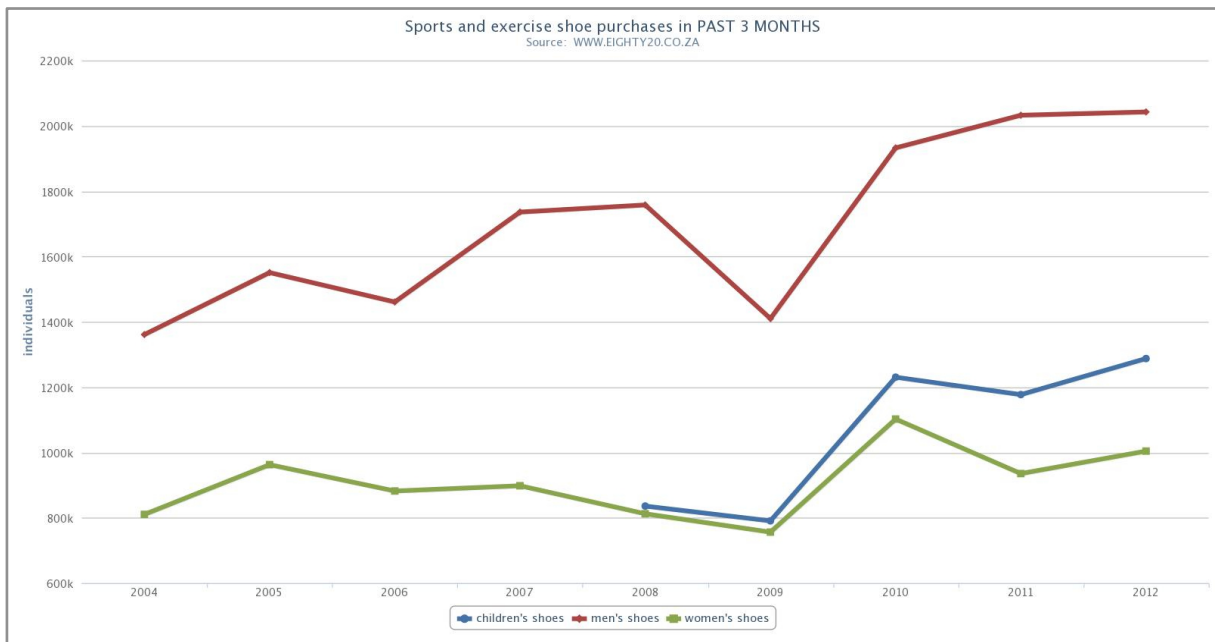
In five of the economically strongest countries of Europe: Germany, France, Italy, Spain, and the United Kingdom, the total sales of running shoes are slightly easing, after a period of strong demand. Core runners are willing to pay higher prices, 9.80€ more than leisure wearers (The NPD Group, 2010).

The markets of Asia-Pacific and the Rest of the World are forecast to have the highest growth during the next five years (2012–2017). The Asia-Pacific region accounts for the largest growth within the athletic shoe production industry, and is expected to reach a market share of 42% in 2018 (PRWEB, 2013). Manufacturers are highly concentrated in that region and 87% of all shoes worldwide are produced here, on account of cheaper production costs (PRWEB, 2013; Research and Markets, 2012).

The South African footwear market is expected to report an increase of 27.6% within the years from 2009 to 2014, and to reach a market value of US \$2.4 billion by 2014 (Datamonitor, 2010). Athletic footwear purchases are rising, with international brands dominating the market. South African consumers prefer international brands, because they perceive Nike, Adidas, Reebok and Puma as being superior compared to the local brands (Eighty20, 2012; Euromonitor International, 2015).

According to Figure 1.1, men's demand for athletic footwear is twice as high as the demand for women's shoes (Eighty20, 2012). And, in particular, the purchases for kid's shoes are increasing steadily.

Figure 1.1: Sports and Exercise Shoe Purchases from 2004-2012



Source: EIGHTY20, 2012

1.2.3 Consumer Groups

Based on consumer groups, the athletic footwear market is segmented into the three categories of men, women and kids (Transparency Market Research, 2014). The men's category is still in the lead, with a market share of 51% of the athletic footwear industry. The market for women's footwear is the second largest, holding a market share of 29%, and counting (The NPD Group, 2013; PRWEB, 2013). The kid's sector is the smallest market; but it is forecast to have the fastest growth (PRWEB, 2013).

It appears that men and women equally enjoy running nowadays. However, the demand for women's running shoes caught up recently (The NPD Group, 2013). Particularly young mothers drive the strong demand for toning and running shoes (Ken Research, 2012b). The reason for this phenomenon is an awakening interest in jogging and running – in order to lead an active and healthy lifestyle. Ladies' races, and other specific marketing campaigns aiming at women, promote this new lifestyle (e.g. Total Sports Ladies' Race on National Women's Day in South Africa) (Parkrun, 2015; Runner's World Magazine, 2013c).

1.2.4 Running Shoe Market

In this dissertation, the primary focus is on running shoes. Running is steadily gaining popularity, as a competitive sport and as an exercise activity (Running USA, 2012). To exemplify, all entry records were broken at the Old Mutual Two Oceans Marathon 2013 in South Africa, in which more than 26 500 runners participated (Old Mutual Two Oceans Marathon, 2015; Runner's World Magazine, 2013a).

According to market reports, the lightweight running category is the main driver of the sports footwear industry, besides the outdoor and training categories (Kell, 2013a; Kell, 2013b; Research and Markets, 2012; The NPD Group, 2014). These minimalist shoes have been trendsetters since Nike first introduced the brightly coloured shoes in 2004; and a well-contested race among companies has started (Runner's World Magazine, 2011; Townsend, 2012).

In 2013, the minimalist running movement amounted to 30% of the running shoe market (THE NPD GROUP, 2014). Whereas lightweight running shoe sales declined for specialised core runners, this category now enjoys great popularity as a casual trend (The NPD Group, 2014).

The running shoe industry shows specific peculiarities and faces several key challenges that are decisive factors for gaining ascendancy within that industry. The market and consumer demand are mainly driven by fashion, demographic development and the business environment. All these issues will be discussed in subsequent sections.

1.2.4.1 Preferences and Trends

The athletic footwear industry is subject to consumer preferences, as well as fashion and market trends. A profound understanding of customers leads to a more accurate prediction of their tastes and preferences. Due to the fast-moving fashion trends, companies face challenging demands. The shelf life of a shoe model is only about three months (Kippen, 2004b). Product lines have to be improved continuously through technological innovations and new designs. Consumers are willing to pay high prices for running shoes; but they demand performance, quality, comfort, fashionability and other attributes (Kell, 2013a; Ken Research, 2012a; Powell, 2014).

These trends are sensitive to seasonal conditions and major events, such as the FIFA World Cup and the Olympic games (Ken Research, 2012b; Research and Markets, 2012).

New fields of usage have emerged; and they provide new opportunities to athletic shoe companies (Badenhausen, 2013; Ken Research, 2012b, Powell, 2015a). The trend is towards shoes for trail running, cross-training, and for shoes worn as a casual life-style product (Badenhausen, 2013; Powell, 2015c).

According to Powell (2015c), the new trend of wearing active apparel in everyday life, in particular athletic shoes, is called "Athleisure". Fitness has become a social fun factor; and some individuals wear athletic outfits as a fashion statement – in order to impress others – while working out in groups and classes (Powell, 2015a; Powell, 2015b).

1.2.4.2 Lifestyle Orientation

The rising demand for athletic shoes can be attributed to the worldwide growing population with an awakening interest in their health and the aspiration for an active lifestyle experienced in their social environment (Ken Research, 2012b; Powell, 2015a; PRWEB, 2013; ReportLinker, 2013). Older generations are becoming more health-conscious (Powell, 2015b). Women, in particular, are showing more interest in running; and will soon become a strong consumer group. Moreover, income levels have increased, and more money can be spent on consumer goods (Ken Research, 2012b; PRWEB 2013; Research and Markets, 2012).

Nowadays, running shoes are not only being offered to dedicated core runners, but to all kinds of sportspeople and casual runners that simply enjoy the benefits of a performance-oriented, comfortable, light, and fashionable exercising shoe, with contemporary designs (Kell, 2013a; PRWEB 2013; ReportLinker, 2013; Runner's World Magazine, 2011; Powell, 2015b). This marketing trend makes running shoes appealing to a wider audience, and addresses various demographic groups (Runner's World Magazine, 2011).

1.2.4.3 Competitive Constraints

The athletic footwear market is highly competitive. Although it is fragmented, only a few large companies dominate the global athletic footwear market (Ken Research, 2012a; Locke, 2002; ReportLinker, 2013; Research and Markets, 2012; Powell, 2014). Competition is based on pricing and branding strategies (Research and Markets, 2012; Townsend, 2012). Since the price is a decisive factor, many firms have relocated their production to the Asian-Pacific regions, where manufacturing costs are lower (Ken Research, 2012a; Packaged Facts, 2009; PRWEB, 2013; Townsend, 2012).

In an industry where products are similar and therefore easily substitutable, a recognisable and strong brand is crucial for manufacturers to remain competitive, especially with counterfeit and pirated goods flooding the market (Packaged Facts, 2009; Research and Markets, 2012; Schenker, 2008). The diversity of running tracks, the wide variety of styles, and the different types of athletes, impose additional requirements on the athletic footwear industry, but also provide an opportunity for profitable businesses (Badenhausen, 2013; Kell, 2013b).

1.2.4.4 Promotional and Sponsorship Activities

Marketing for sporting goods commenced only in 1976 at the Melbourne Olympics. For the first time, a winning athlete was photographed being distinctively fond of his running shoes, holding his Asics aloft (Kippen, 2004b). The increasing media presence, namely, the big ticket marketing, gave the athletic footwear industry an economic boost (Kippen, 2004a; O'Keefe, 2004). The public endorsement of a product as a marketing strategy is commonly known as sponsoring. It creates powerful images and results in sales increases (Kippen, 2004a; O'Keefe, 2004).

The intention of such a strategy is to increase brand awareness and to build up a favourable Brand Image through athletes' endorsement (Van Hoecke *et al.*, 2000). Companies are constantly searching for the perfect fit between their branded product and the athlete. Nike's endorsement deal with Michael Jordan increased sales; so that one third of all sold pairs of athletic shoes were produced by Nike (Lane, 1996).

1.2.5 Major Players in the Running Shoe Market

The athletic shoe market is highly concentrated and controlled by a few large companies that hold large market shares. The top five players are: Nike, Adidas, Reebok, Puma and New Balance, together making up more than 80% of the market share (PRWEB, 2013). Nike and Adidas dominate the industry, featuring profitable sponsorship contracts and high quantities of sales due to the worldwide sales network and an efficient branding strategy. Other major brands are: Asics, Converse, K-Swiss, Sketchers, Saucony, Brooks and Mizuno.

Nike and Asics, which will be addressed in the empirical part of this dissertation (see Chapter VI), are profiled below. These specific brands were chosen for the following reasons: Nike is the world's largest supplier of athletic shoes with a high value of brand recognition that has made the company a global brand (MarketLine, 2013; Sanusi *et al.*, 2014; Statista, 2015b). Nike communicates its brand identity via a successful integrated marketing strategy combining digital and print (Sanusi *et al.*, 2014). Their target market consists of professional athletes, as well as average gym members and fashionistas (Sanusi *et al.*, 2014).

In comparison, Asics is a niche competitor with a start-up mentality, which has developed into a challenger brand (Elliott, 2014). The Japanese brand is widely regarded as the leader in terms of technologically advanced running shoes (Eder, 2012; Runner's World Magazine, 2012; Watanabe, 2012; Powell, 2015b). Asics focuses on core enthusiasts for running, and is a sponsor of marathon events (Elliott, 2014). Hence, this dissertation selected two brands as topics of research, of which Nike serves as an example of a mass-market supplier with a broad market segment, and Asics as a niche supplier. The brands and their marketing strategies are contrasted in this dissertation.

1.2.5.1 Asics Corporation

The name of the Japanese brand Asics is an acronym that derives from the Latin phrase "Anima Sana in Corpore Sano" meaning "having a sound mind in a sound body" (Asics Corporation, 2013a). According to SportsOneSource, the Japanese company holds a market share of approximately 24% in the performance running segment (Badenhausen, 2013).

Japan's largest manufacturer of sporting goods and sportswear is specialising in running footwear and running apparel (Watanabe, 2012). In recent years, Asics running shoes have ranked among the best performance shoes (Eder, 2012; Elliott, 2014). Runner's World announced that Asics running shoes are the top performance footwear in the

worldwide market (Best Update Award, Editor's Choice Award) (Eder, 2012; Runner's World Magazine, 2012; Powell, 2015b). The Asics GT-1000 won the Runner's World Best Buy Award for the summer of 2013, combining great running properties within a reasonable price range (Runner's World, 2013b). Asics captures a large part of the global athletic footwear market for professional and dedicated runners that compete in marathons (Elliott, 2014). However, regarding the market for casual use, the brand runs behind the global players Nike (eight times the sales of Asics), Adidas and Brooks (Badenhausen, 2013; Watanabe, 2012).

Asian countries are still the primary market, but overseas sales have increased by 30% over the last ten years (Watanabe, 2012). Asics launched an international marketing campaign to develop higher brand recognition and brand awareness, in order to further strengthen its position as a leading sports brand (Joseph, 2013). By organising marathons in large European and American cities, the percentage of dedicated and professional runners has been boosted enormously (Elliott, 2014). According to direct observation of the New York City Marathon 2011, 50% of the runners reaching the finish wore Asics running shoes (Watanabe, 2012). Their global offensive strategy is named "Journey of Improvement"; and it intends to motivate runners, especially females, to improve their performance by wearing Asics sporting goods (Joseph, 2013).

According to the Asics CSR Report 2013, the company's vision is to offer valuable, innovative and technologically advanced products, thereby contributing to a high quality and healthy lifestyle. Social and environmental responsibility, as a manufacturer of sporting goods, is crucial to the company; and it initiates worldwide campaigns to improve the working conditions in factories and in communities, as well as minimising the effect of manufacturing processes on nature and humans (Asics Corporation, 2013b).

Asics strives to expand its business field into other sports segments, and into the casual footwear market as well, where Nike, Adidas and others are currently the dominant competitors (Watanabe, 2012; Joseph, 2013).

1.2.5.2 Nike Inc.

The American-based Corporation of Nike Inc. is the most valuable and most recognised brand, and the worldwide leader in the segment for athletic footwear and apparel (Nike, Inc. 2013a; PRWEB, 2013; Statista, 2012; The Economist, 2010; Statista, 2015b). The company holds the largest market share of 21.8% in the global footwear industry in 2015, which is predicted to increase even further (Statista, 2015b).

The company Nike has different product lines including footwear, apparel, equipment, accessories and services for sports and casual use. Footwear, and especially running, is Nike's biggest category – with a current share of more than 57.8% (Badenhausen, 2013; Packages Facts, 2009; Soni, 2014; Townsend, 2012). The introduction of lightweight running shoes by Nike in 2004 made it a highly successful brand in selling (Runner's

World Magazine, 2011; Townsend, 2012). Nike's products are sold through a wide sales network in over 170 countries across the world (MarketLine, 2013; Packages Facts, 2009).

Nike makes use of its distribution channels that include more than 50 000 retail stores, various distribution centres, as well as independent distributors and licensees (Nike, Inc. 2013a; Packages Facts, 2009). Virtually all their products are produced outside the United States, especially in the Asian-Pacific region, but also in South America and other cheap labour countries (Packaged Facts, 2009). In terms of outsourcing, Nike has been criticised for inappropriate and discriminatory working conditions and the exploitation of labour in recent years; but the company has initiated campaigns to improve the labour practices of contract suppliers (Birch, 2012; Kippen, 2004b; Nisen, 2013).

Regarding sports marketing, Nike has one of the most effective and enhanced emotional branding strategies worldwide, their products being associated with famous athletes (The Economist, 2010; Powell, 2014; Sanusi *et al.*, 2014). The brand uses these associations, hoping that consumers will transfer their emotional attachment from the athlete to the product. Nike sponsors both high-profile female and male athletes. Brand ambassadors include Serena Williams, Cristiano Ronaldo, Rafael Nadal, Maria Sharapova and Tiger Woods (Nike, Inc. 2013a; Kilambi *et al.*, 2013; Wong, 2001; Statista, 2015b).

Not only is celebrity advertising applied, but also the branding technique of archetypes is used. The story of the hero is being converted from an external to an internal construct. The internal foe, therefore, is our own laziness, a concept every person is familiar with, and therefore able to identify with. Nike turns its consumers into the heroes of their own lives, defeating their internal opponent (Newell, 2013). Nike has perfected the game of innovative and efficient marketing strategies, in order to create a strong and recognisable brand (Badenhausen, 2013).

By focusing on women as a new target group, with a strong demand for athletic shoes, Nike keeps up with the market trends and consumer consciousness. Specifically designed products deviating from men's demands are being marketed to women, in order to fulfil their specific needs (ReportLinker, 2013).

1.3 PROBLEM STATEMENT AND RESEARCH OBJECTIVES

As pointed out in section 1.1 of this chapter, it is important for companies to know their consumers' behaviour and cognitive evaluation process, when differentiating between brands. Consumers associate attributes, images and emotions with a brand, and accordingly, form their attitudes and preferences. In order to find out about the influences in consumer behaviour, the process of brand perception is scrutinised. The current state of the literature is discussed in detail in the Chapters II, III and IV.

To analyse the way in which consumers perceive a brand and determine its value, this study was directed by the main research question, as posited:

What are antecedents and consequences of Brand Equity; and does Social Acceptance influence consumer behaviour in the context of the South African running shoe market?

To address this research question, a theoretical model was developed, taking the entire branding process – from the consumer’s perspective – into account (presented in section 3.1). The South African market for running shoes, with the brands Asics and Nike as examples, constitutes the research context. It is the overall objective of this research to provide new insights into the *Brand Equity* model by incorporating a holistic approach. Within the context of the South African running shoe market, the following primary objectives guided the research effort, and are set forth as follows:

- (1) To determine the influence of *Brand Equity* on *Brand Preference* and, in turn, *Purchase Intention*.
- (2) To determine the influence of *Brand Image* and *Brand Attitude* on *Brand Equity*.

In addition to assessing the key constructs of the model, secondary objectives were formulated, in order to analyse the antecedents of *Brand Equity* and the moderating interaction. In this way, a broad understanding of the research model is imparted. The secondary objectives are outlined as follows:

- (1) To determine if *Brand Personality* has an influence on *Brand Attitude* and *Brand Image*.
- (2) To determine the influence of *Brand Attitude* on *Brand Image*.
- (3) To determine whether situational factors have a moderating effect on the relationship between *Brand Preference* and the intention to purchase the brand.
- (4) To provide recommendations for marketing approaches to strengthen the brands of running shoes in South Africa.

1.4 IMPORTANCE AND MOTIVATION FOR RESEARCH

The purpose of this study is to provide a comprehensive and contemporary approach on the analysis of consumer behaviour by the means of *Brand Equity*, its inputs and outcomes. In this endeavour, a conceptual framework was developed that outlines the research context of running shoe brands (e.g. Asics and Nike) in the South African market. The model combined the examination of consumer perceptions, emotions and situational influencing factors. The driving and moderating forces of consumer preference and purchase intentions were studied.

Although the concepts of *Brand Equity* have been widely examined, a conceptual framework that approaches this research topic has not yet been explored extensively, especially in the context of an emerging market, such as South Africa. There are disparate theories regarding a theoretical model that analyses the influence of *Brand Equity* on *Brand Preference* and *Purchase Intention*, as a whole. Additionally, the

antecedents of *Brand Equity* were treated separately with *Brand Personality*, *Brand Attitude* and *Brand Image* assessed individually (e.g. Faircloth *et al.*, 2001). Moreover, a moderating effect, such as *Social Acceptance* has not previously been taken into consideration.

In this study, a moderator was added to maximise the relevance and validate the proposed research framework. This chosen moderator represented the consumer's decision-making process, and sought to explain any divergence in consumer behaviour in varying consumption situations (Rajagopal, 2010; Paproski, 2011). The research work of Chang and Liu (2009) served as the foundation of this model, and provided the general structure. The theoretical model built on the conceptualisations of Cobb-Walgren *et al.* (1995) and Faircloth *et al.* (2001), yet in an augmented way, by adding the moderating variable. The development of the final theoretical model is outlined in section 4.4.

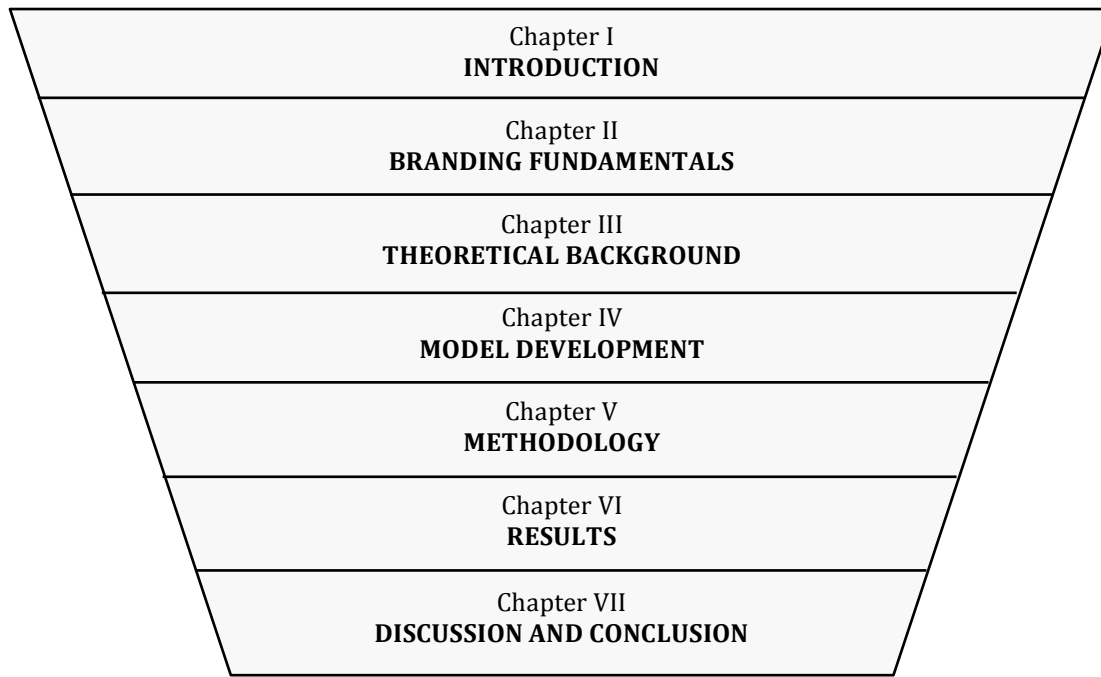
This research sought to affirm the conceptual model and contributes to the literature by furnishing an expanded conceptual framework of *Brand Equity*. Novelty was the moderating interaction in this regard. In this dissertation, connections between all the constructs were established, thereby bringing forward the entire brand evaluation process for analysis and discussion. A multitude of inputs were considered at a macroscopic level, as well as each of them in great detail, in order to understand the origin of brand value, and the effects influencing the consumer's perception of the brand. In this way, the cognitive process that consumers experience could be realised. The findings may be used to further advance the literature, especially, because this study was conducted in the South African market.

The assessment of an emerging market provided specific insight into consumer behaviour. It is expected that this model yields significant contributions for marketers by assisting with information for managerial decisions regarding the advancement of strong brand perceptions to generate the long-term success of the brand. This study focused on the development of concepts and techniques to improve branding strategies, because brand signals at this stage have an impact on the marketing effectiveness in the future. Hence, a profound understanding of consumers would lead to a more accurate prediction of their future behaviour.

1.5 STRUCTURE OF DISSERTATION

This dissertation is subdivided into seven chapters. Their outline is presented in Figure 1.2 below. A brief overview of each chapter is given thereafter.

Figure 1.2: Chapter Outline



Chapter I introduces the dissertation, and describes the research context. An industry overview is provided, in order to set the background of the research effort. The research questions and the stated primary and secondary objectives serve as the foundation and guidance for the study. The importance and motivation for academia and industry are clearly mapped out.

Chapter II is the first part of the literature review, and commences by setting forth the branding fundamentals. This chapter includes definitions and elements of branding. The benefits of a brand are discussed: From a company's and a consumer's point of view. Brand associations and their role in building a strong brand are elaborated. They are the determining factor of *Brand Equity*, leading to the next chapter.

Chapter III reviews the academic literature regarding the underlying theories of the model. The key constructs of *Brand Personality*, *Brand Attitude*, *Brand Image*, *Brand Equity*, *Brand Preference*, *Purchase Intention*, and the moderator of *Social Acceptance*, are delineated. The extant literature relevant to constructs is reviewed. Definitions and theoretical justifications are detailed and constructs are here demarcated.

Chapter IV demarcates the research context of this dissertation. The final conceptual model, supporting the primary and secondary research objectives, is introduced. Inter-relationships between research constructs are highlighted, and the associated

hypotheses are posited. In a discussion, the research gap – and hence the purpose of this study – is highlighted.

Chapter V sets forth the research design considerations, in order to ensure a high quality of research. The objectives of the research are restated for ease of reference. The research phases provide an overview of the consecutive steps. Practices of sampling techniques, data collection and processing, as well as statistical analysis, are discussed. The chapter concludes by outlining the use of PLS-SEM for model testing.

Chapter VI reports on the results obtained from descriptive and inferential analysis. The suitability of the sample size, and its composition, are demonstrated, among other descriptive statistics associated with the key constructs. The final section focuses on the results gained from the PLS analysis to test the conceptual model. It is discussed whether the hypotheses were verified, or not.

Chapter VII discusses the findings of the statistical analysis in Chapter VI. These are interpreted by referring to the primary and secondary research objectives and their attainment. Conclusions stemming from the research objectives, and the associated hypotheses, are examined in this section. The academic and managerial implications are forwarded for each brand. Finally, the limitations of the study and future research approaches are discussed.

1.6 CONCLUSION

This chapter has introduced the research agenda by presenting the research objectives. Besides the main focus of the study, its importance for academia was highlighted, and the potential relevance for marketers has also been considered.

The intention of the following chapters is to explain how the constructs are intertwined, and how their relationships are established. The reader is guided towards understanding the underlying theory, meaning the associative cognitive constructs of the model. Hereafter, the theory is applied to practical examples, reflecting the purpose and research context of this thesis. The examples, Asics and Nike, serve to visualise and introduce the empirical analysis of the running shoe market.

CHAPTER II BRANDING FUNDAMENTALS

2.1 INTRODUCTION

For a study covering *Brand Equity*, its antecedents and consequences, it is necessary to commence by presenting an outline of the fundamentals of branding. The first part of the literature review will take the term 'brand' and its benefits into consideration. The Atomic Model of the Brand (de Chernatony, 2001) will be introduced, in order to give a general view of a brand's benefits. In a comprehensive discussion, the brand's meaning from both the firm's and the consumers' perspectives will be provided.

The second part will analyse the impact of brand associations. The way consumers perceive a brand is the key factor to establishing a strong and powerful brand. Such associations can be anything that is linked to the brand, and perceived by the consumer. Brand associations communicate differences between brands, which lead to distinct (positive or negative) responses by consumers. Therefore, companies strive to generate associations that fulfil the features of being strong, favourable and unique. In order to create brand value, to determine the positioning of the brand, or to diversify the brand, especially the intangible brand considerations have to fulfil these features.

In order for a brand to become strong, associations need to be created that address and communicate functional and symbolic benefits. It is particularly relevant for this purpose that those brand associations, which are the foundation of the constructs that will eventually form the theoretical framework, are identified. Associations are specifically employed for the purpose of influencing consumer behaviour by creating positive images, attitudes and responses, and eliciting positive feelings towards the brand.

2.2 BRANDING – DEFINITIONS AND ELEMENTS

The American Marketing Association (AMA) defines a brand as a "name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers" (AMA, 2014). Technically speaking, a brand can be a newly created logo, name, symbol, or packaging design that differentiates the branded product from other competitive goods (Keller, 2013). However, de Chernatony *et al.* (2006) describe a brand as follows: "A brand is a cluster of functional and emotional values that promises a unique and welcome experience for its stakeholders" (de Chernatony *et al.*, 2006, p. 819). From this more service-oriented perspective, the functional benefits are complemented with emotions created by advertisement and the value of the brand (de Chernatony *et al.*, 2006).

To identify branded products and distinguish them from products designed for satisfying the same needs, certain brand elements have to be chosen (Keller, 2013). The different components of a brand include: The name, logo, symbol, slogan, packaging, or celebrity, which give the brand an identity (Keller, 2013; Sallam & Wahid, 2012). If these

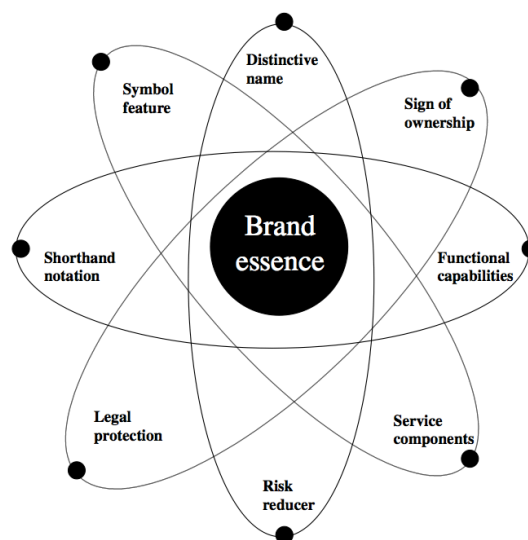
brand identities fulfil the features of being memorable, meaningful, likeable, transferable, adaptable and protectable, increased brand awareness and valued associations will contribute positively to the Brand Equity (Keller, 2013).

To identify the deeper structure of the total value of a brand, two different approaches are taken into account. These approaches from a firm's perception and the consumer's perspective are the subject matter of the following section (see section 2.3.1 and 2.3.2).

2.3 BRAND BENEFITS

Brands provide important functions to firms, as well as to the consumers. Exactly what functions and benefits these are, and why brands and branding strategies are so valuable, in order to establish a strong brand, will be discussed from the perspective of a firm, as well as from the perspective of the consumer. The Atomic Model of Brand Essence, developed by de Chernatony (2001), provides an overview of a brand's benefits. These eight components characterise a brand's essence, meaning that they are the added value that a brand employs.

Figure 2.1: The Atomic Model of the Brand



Source: de Chernatony (2001, p.42)

Referring to Figure 2.1, in a clockwise direction, the first two components refer to brand naming. The "distinctive name" gives the brand a unique identity, and serves as a differentiation device (de Chernatony, 2001). "Sign of ownership" states the company owning the brand. The "functional capabilities" summarise the functional benefits and qualities. To satisfy the consumers' needs entirely and to emphasise the benefits,

a service component is often added to the functional features, especially after-sales service – like free shipping or repair service, for instance (de Chernatony, 2001). Brands address consumers' worries, and are able to reduce quality, time, as well as financial and social risks; and hence, can generate consumer confidence (de Chernatony, 2001; Keller, 2013; Paproski, 2011). Brand ownership is protected by the intellectual property rights (registered trade name), thereby giving brand owners a legal instrument to prosecute counterfeits (de Chernatony, 2001). The “shorthand notation” component facilitates the consumer's purchase decision, and choice of brand, by providing emphasised information on the qualitative benefits. In this study, the symbolic features brought to consumers through associations, have priority, and will be analysed in the latter empirical component of the study. Since the Atomic Model of the Brand does not take different perspectives into account, brand benefits are further discussed by distinguishing between the viewpoints of firms and those of the consumers.

2.3.1 Firm's Perception of a Brand

From the perspective of a firm, building a strong brand is essential for gaining and establishing a competitive advantage over one's business rivals (Aaker, 1996; Chang & Liu, 2009; Keller, 1993). Due to existing entry barriers, competitors strive to enter the market. Security of demand is thereby provided for established firms (Aaker, 1996; Farquhar, 1989; Keller, 2013). Branding creates added value, which, in turn, can result in higher profits through higher market shares (Keller, 1993, 2013; Aaker, 1996). Firms implement brands, in order to stand out, and to develop loyal customers (Keller, 2013).

In order to define a consistent branding strategy, it is imperative that companies be aware of their current and prospective consumers' behaviour (Low & Lamb, 2000). Fundamentally, a brand ensures protection in order to retain intellectual property rights. The owner of a brand can protect the name, the logo, the packaging, etc. against others, and prosecute any counterfeits. Branding, as a sign of ownership and legal protection, enables the manufacturer to further invest in the brand, and extend the brand's sphere of influence, and to ensure future revenues (de Chernatony, 2001; Paproski, 2011; Keller, 2013).

The purpose of a brand is to serve as an identification instrument to ease handling and tracing of products within a company in terms of inventory and accounting management (Farquhar, 1989; Keller, 2013). In short, a brand is a valuable asset to a firm being capable of attracting and influencing consumer behaviour by differentiation from competitive brands. For that reason, companies invest huge sums in their branding strategies to create memorable brand identities and meanings for their consumers (Keller, 2013).

Today, the meaning of a brand shifts from being product and manufacturer-centric to focusing on consumers instead (Paproski, 2011). Brand progression evolves over time, and instead of being driven by utilitarian performance, *Brand Preference* and choice are clearly influenced by intangible and symbolic factors (Paproski, 2011).

2.3.2 Consumer's Perspective on a Brand

Most notably, brands provide important benefits to consumers as well. With reference to Keller (2013), when using the term consumer, all sorts of customers are implied, meaning individuals, as well as organisations.

Brands reduce the consumer's risk by identifying the producer, the product's origin and the quality of the products or services (Keller, 2013). The brand corroborates a firm's credibility and responsibility, and confirms its efficiency (Keller, 2013). Consumers tend to hold on to strong brands that give them a feeling of security. Customers purchase the same products repeatedly, due to their preference and the bond that they feel with a brand (Cobb-Walgren *et al.*, 1995; Hellier *et al.*, 2003). Consumers offer their trust and loyalty (Kim *et al.*, 2001), and conversely, expect consistent product performance, reasonable pricing, and advantages through marketing programmes and distribution services (Keller, 2013).

With branding, search costs can be reduced by means of simplifying the consumer's product decision (Keller, 2013). Consumers recognise a brand, and based on their experience and knowledge about the brand (product characteristics, quality), a decision can be reached more easily – without any additional processing of the available information. Search costs are reduced internally, implying consumers need less time to elaborate their purchase decision, and externally, which means less time is needed in searching for products (Keller, 2013).

Benefits, which are the personal value attached to a branded product by the consumers, can be further segmented into the following categories. A brand comprises not only functional, but also experiential, and symbolic benefits to consumers (Keller, 1998; Park *et al.*, 1986; Ramaseshan & Tsao, 2007). The functional benefit advertises the problem-solving aspect of a brand, thereby indicating the utilisation, function and quality of the product. The experiential benefit provides sensory pleasure (taste) to the consumers, as well as variety and cognitive stimulation (playing) that derive from the usage of the brand (Helgeson & Supphellen, 2004; Keller, 1998).

The symbolic benefit of a brand becomes increasingly relevant, since consumers do not only rely on the functional utility anymore, but also want to satisfy their hedonic needs (Govers & Schoormans, 2005; Paproski, 2011). "Consumers buy brands for what they mean not for their basic functional uses" (Paproski, 2011, p. 38). According to the citation by Paproski (2011, p. 38), the subject matter of brand symbolism is widely covered in the literature, because of its increasing relevance (Meenaghan, 1995). Researchers refer to the signal effect associated with a brand, which makes products that "have reached functional parity" (Parker, 2005, p. 27) more distinguishable for consumers amongst the diversity of available brands. Particularly for socially visible brands, the non-product related and extrinsic benefits are more relevant (Ballantyne *et al.*, 2006). The brand serves as a status symbol, linked to a consumer's personal expression, self-esteem and approval by society (Keller, 1998). Particularly when using

a brand, consumers reveal their identity by advertising it to others (Govers & Schoormans, 2005). A message is being sent out to other people stating the generalised user-image, displaying their own (the user's) personality and the brand's personality (Aaker, 1997; Helgeson & Supphellen, 2004; Sirgy *et al.*, 1997). These emitted signals display values and character attributes (Helgeson & Supphellen, 2004).

Consumers play an active role, precisely because when consuming such a branded product, they communicate their self-image, meaning the kind of person they are, and what they would like to be to others. A brand is being chosen, according to the best fit with their self-image (Sirgy *et al.*, 1997). This signal influences other consumers of a target group and creates a feeling of belonging, of wanting to be part of that specific type of group.

In the literature, brand symbolism is constituted by theories supported by Aaker (1997), Biel (1992), Govers and Schoormans (2005), Helgeson and Supphellen (2004), Plummer (1985; 2000) Sirgy (1982), Sirgy *et al.* (1997; 2000). Research concepts describe the fit of the consumer's self-concept with the product-user image, which is the stereotypical image of the user of the brand, and which deals with the association of human attributes of a brand. The theory states that perceived attributes are assigned to describe a branded product. Being part of the main focus of the study, and the successive empirical analysis, the construct of *Brand Personality* and its perceived associations is examined in detail subsequently.

2.4 BRAND ASSOCIATIONS

The topic of branding has been widely covered in the marketing literature and continues to be a matter of significant interest in research (Aaker, 1991; Biel, 1992; Faircloth *et al.*, 2001; Keller, 1993; 2013; Low & Lamb, 2000). The way consumers perceive a brand is the key factor in this subject area; because this knowledge is a substantial contribution to establishing a strong and powerful brand (Low & Lamb, 2000). According to Ballantyne *et al.* (2006, p. 347):

“Perception of reality is more important than reality itself.”

Regarding Aaker's (1991) definition, the designation 'brand association' is being used as an umbrella term, and describes everything imaginable (positive and negative) that is linked to a brand in the consumer's mind. Brand associations are conducive to the construct's Brand Attitude and Brand Image, as well as perceived quality and *Brand Equity* (Aaker, 1991; 1996). These constructs are built on the consumer's brand perception and brand associations (Aaker, 1991; Biel, 1992; Low & Lamb, 2000). Biel (1992, p. 8), defines *Brand Image* as a “cluster of attributes and associations” of a brand. Therefore, attributes – functional, symbolic or experiential in nature – create associations that drive *Brand Image*. The components of a brand's image (user-, corporate-, and product image) form sub-images that contribute to the overall *Brand Image*.

Moreover, Aaker (1991) assesses associations by means of their impact and contribution to Brand Equity. A distinction is made into five categories:

- Accessibility of the brand name
- Contribution to the brand differentiation
- Influence of the buying process
- Creation of positive attitude and positive feelings
- Number of brand extensions in the market

In Keller's (2013) opinion, a brand represents those dimensions that distinguish that brand from another brand within a product category, and hence, create competitive advantages. These differences are communicated by associations, and can either be of a tangible or an intangible character (Biel, 1992; Branaghan & Hildebrand, 2011; Myers, 2003).

The tangible dimension refers to the rational performance of a branded product or service, implying its utilisation. The intangible dimension is symbolic, and appeals to emotional and appealing image associations surrounding the brand (Biel, 1992; Halonen, 2013). All these different kinds of associations, product-related and non-product-related, are linked to a brand, in order to make it stand out and create value for the customer. The message a brand delivers creates brand awareness, and forms an association in the consumer's mind. During this psychological process, information, experience and brand knowledge are processed (Branaghan & Hildebrand, 2011; Chang & Liu, 2009). Particularly intangible associations are important, often being the only way to distinguish a brand within a product category, where differences cannot be perceived by the performance or usage of the product itself (Keller, 2013). For instance, contemplating the sports equipment market, brands like Nike not only create competitive advantages through product-related associations, but also through non-product marketing. This sort of marketing evokes appealing images around Nike's products, whereas other brands within that product category offer a more or less similar product performance.

Keller (2013) defines brand associations, as perceived differences in terms of brand attributes or benefits that eventually result in beliefs about a brand. Beliefs, deriving from consumers' perceptions of the brand, are reflected by associations. Consumers form these beliefs, also known as brand knowledge, in a direct (direct experience, through the name and logo, consumer reports) or indirect way (marketing activities, word-of-mouth report) (Branaghan & Hildebrand, 2011; Keller, 2013). These associations, influencing brand knowledge, form images about the brand, and result in attitudes towards the brand. Keller (1993, p. 3) describes associations as "the informational nodes linked to the brand node in memory, and contain the meaning of the brand for consumers". Keller's (1993) definition refers to the "associative network memory model" (Keller, 2013, p. 2). This associative model illustrates a consumer's memory as a cluster of nodes that are interlinked. Accordingly, nodes describe the stored information that is connected with other nodes through associational links.

External information is stored in these nodes; and with an “activation process” information can be retrieved and recalled. The extent on recalling memory depends on the strength of the association between the activated node and other linked nodes. The strength of the brand node, namely, the meaning of the brand for the consumer, varies according to the type of associations.

The properties of these associations, as well as the relationships among them, influence consumer knowledge and concomitant *Brand Image*. The scope of favourability, strength and uniqueness has an impact on the evaluation of such associations (Branaghan & Hildebrand, 2011; Keller, 1993). Keller (1993) elaborates associations, depending on their scope of informational level and the level of abstraction. In his conceptual model, he distinguishes between attributes, benefits and attitudes. Product-related attributes refer to the performance of a product or service. Non-product related associations describe the external information, such as price, physical appearance, as well as user and usage imagery. With usage imagery, Keller (1993) implies the circumstances and reasons for consuming or wearing a purchased product. Attributes also serve as the descriptive features of a brand’s personality, and often result from the underlying situations, emotions and feelings (Halonen, 2013). Benefits are the advantage consumers ascribe to a brand. They display the personal value attached to a branded product, and are thereby exemplified (Kotler & Armstrong, 2015). Attitudes have increased purview, and are generated on the basis of attributes and salient benefits (Keller, 1993). They are characterised as *Brand Attitude*, and are vitally important in consumer behaviour. The construct of *Brand Attitude* will be discussed in Chapter 3.3.

2.4.1 Building a Strong Brand

Brand associations and their evaluation lead to the differential responses of consumers. Companies strive to generate favourable reactions, resulting in the consumer’s preference for the brand. This is why the features of strength, favourability and uniqueness of associations need to be fulfilled (Fishbein & Ajzen, 1975; Keller, 2013). In order to create brand value, the extent or diversify the brand, intangible image considerations have to meet those criteria. Marketers develop possible combinations of these features; and thereby, they determine the positioning of the brand. In order for a brand to become strong, associations need to be created that address and communicate the functional and symbolic benefits. These associations are specifically employed for the purpose of influencing consumer behaviour by creating positive images, attitudes and responses, and eliciting positive feelings towards the brand (Ballantyne *et al.*, 2006; Lee, 2009; Low & Lamb, 2000).

The strength of an association depends on the amount of information that has to be digested, and the way it is stored in the memory (Branaghan & Hildebrand, 2011; Keller, 1993; 2013). The more a consumer actively elaborates the information and its meaning, the stronger the association will be. A relevant, meaningful and salient association is more easily accessible and recallable (Fishbein & Ajzen, 1975; Keller, 1993; 2013). An association is evaluated as favourable if the attributes and benefits satisfy the

consumer’s needs. This leads to a positive evaluation of the brand (Keller, 1993). The feature of being a unique association is met when the brand is positioned in such a way that it shares no associations with other competing brands. Unique associations provide a brand with superiority, and contribute to the brand’s success by facilitating the consumer’s purchasing decisions (Keller, 2013). Associations held by consumers should not only be unique, but should also strive to fulfil the features of favourability and strength (Rajagopal, 2010). According to Table 2.1, those features are categorised as follows.

Table 2.1: Features and Characteristics of Brand Associations

Features	Determination	Affecting Factors
Strength	<ul style="list-style-type: none"> • Personal relevance • Consistency over time • Brand Awareness • Reflection of product information • Relation to existing brand knowledge 	<ul style="list-style-type: none"> • Direct experience • Word-of-mouth • Advertising
Favourability	<ul style="list-style-type: none"> • Satisfaction of needs and wants • Desirable • Positive overall brand judgement 	<ul style="list-style-type: none"> • Situation-dependent • Context-dependent
Uniqueness	<ul style="list-style-type: none"> • Sustainable competitive advantage • Compelling reason for purchase • Points-of-parity • Points-of-difference 	<ul style="list-style-type: none"> • Direct comparison with competitors • Implicit comparison

Source: Keller (2013, p. 78)

- **Strength:** The strength of an association depends on the way the information is stored in the nodes in the consumer’s memory. In a case where the information seems personal, the relevant information is encoded, processed and saved, so that it can be recalled easily (Branaghan & Hildebrand, 2011). This implies that the more a consumer actively elaborates a product’s significance and weighs these perceptions with his existent brand knowledge, the stronger the resulting associations would be (Keller, 1993). The more reminders or cues that are linked to the information on the brand, the more easily the associations can be recalled. Once stored as salient association, the power thereof will decrease, but very slowly (Keller, 1993). That means, once an image has been created, it is very difficult for a brand to change that specific image in the consumers’ memory (Fishbein & Ajzen, 1975). Brand awareness (identification) and brand

recognition (discrimination, previous exposure) are evoked by strong associations; and these can be intensified by the use of advertisement and word-of-mouth report (Biel, 1993; Helgeson & Supphellen, 2004; Rajagopal, 2010).

- **Favourability** addresses a positive overall evaluation of the brand (Chang & Liu, 2009). The consumer believes that this brand, with its attributes and benefits evaluated as positive, important and meaningful, fulfils his needs, and is therefore desirable (Keller, 1993). Fishbein and Ajzen (1975) speak of a “polarity of attribute evaluation” (Keller, 1993, p. 5). This signifies that associations cannot be evaluated as positive and irrelevant at the same time. The evaluation of associations varies with regard to the situation and the context. The quality may be very relevant when training for a marathon, but might have little impact on the purchase situation if the consumer intends to wear running shoes for casual use. These circumstances and his personal objectives influence the evaluation of these associations.
- **Uniqueness:** The associations of one brand are not shared with those of another brand, which makes the first brand superior (Farquhar, 1989). The brand has a “unique selling proposition” (Keller, 1993, p. 6), and hence, a continuous competitive advantage. The brand is set apart from competitive brands, and provides consumers with a conclusive reason for purchase. Points of reference can be communicated through direct comparison, for example, Asics compared to Nike. Indirect comparison, where differences are not stated explicitly, highlights the fact that Asics running shoes are also in indirect competition with Nike’s general sporting products, such as training shoes and apparel.

The quality and quantity of information being carried by associations, as well as the interaction among them and their congruity, have an impact on their favourability, strength and uniqueness (Fishbein & Ajzen, 1975). Image-related attributes rather create unique associations, because consumers become emotionally attached to these associations, and appraise the brand as superior. Abstract associations imply judgemental and evaluative information (benefits, attitudes) (Keller, 1993). This is the reason that abstract associations are strong and accessible, due to them being stored separately in the consumer’s memory. Congruent associations that are linked to underlying product and brand information, and can fulfil the expectations of the brand, can lead to a favourable image for the brand, and strengthen its position in the market (Faircloth *et al.*, 2001; Hsieh, 2002; Kapferer, 2012).

2.4.2 Brand Positioning

Brands within the same product category can be unique, but still share associations with another brand of that category (Maehle *et al.*, 2011). Therefore, branded products or services can be related to the same beliefs and attitudes held in the consumer’s memory (Keller, 1993; 2013). That is the result of consumers ascribing a product category essential and original attributes and benefits, and transferring their memory onto all

brands within that category (Maehle et al., 2011). The brand that represents these characteristics best would be seen as exemplary for the whole category (Keller, 1993; 2013; Rajagopal, 2010). For instance, consumers expect running shoes to be high-performance shoes that offer comfort and durability. Asics is considered to be a brand that meets these expectations and beliefs (Elliott, 2014; Keller, 2013). Hence, the brand is colligated to the product category, and vice versa, some categorical associations are linked to the brand as well. These associations are either comprehensive attitudes or specific beliefs (Keller, 2013).

This phenomenon has implications for the positioning of a brand, which refers to the brand's perceived associations linked to and located in the consumer's memory (Keller, 2013). Rephrasing, it is all about conveying the 'right' associations, meaning that consumers are aware of the brand's benefits and advantages, its uniqueness, but also of its similarity with other competitive brands (Aaker, 2011). In order to achieve this objective, marketers need to determine "a frame of reference (by identifying the target market and the nature of competition) and the optimal points-of-parity and points-of-difference brand associations" (Keller, 2013, p. 79). After detecting the consumer target market, the competitors within the market are being analysed. The brand is evaluated in terms of its similarity and diversity to those competitive brands (Keller, 1993; Myers, 2003). Then, with regard to the brand's positioning, the most suitable points-of-difference (PODs) and points-of-parity (POPs), the brand associations are chosen (Aaker, 1996; Keller, 2013).

Points-of-difference associations (PODs), and also points-of-differentiation (PODs) according to Maehle et al. (2011), are unique, favourable, and vitally important benefits and attributes associated with a brand. An effective POD fulfils the features of being a unique, favourable, and strong association (Keller, 1993; Rajagopal, 2010).

Certain reasons of proof are communicated to consumers, making them believe that they would not find such strong advantages and benefits in a different brand. PODs derive from performance-related attributes and benefits, as well as image-related associations (Keller, 1993; 2013). Differences can be created, based on convincing proof, such as "overall superior quality", "low cost provider", "consumer-friendly", "smart sound", "world's favourite airline" (Keller, 2013, p. 84).

Points-of-parity associations (POPs) are associations that are being shared with competitive brands (Keller, 1993). However, consumers consider these shared associations as necessary for different brands of the same segment or market (Maehle *et al.*, 2011). Adapted from Keller (2013), POPs are categorised as follows:

- Categorical points-of-parity are associations of comprehensive attitudes or specific beliefs of products within a category, and are influenced by technological change, legal regulations, and trends.
- Competitive points-of-parity represent those associations that are being used effectively to discount competitor's POD, and negate their advantage. Being able

to prove the truth of this statement maximises a company's advantages and strengthens its position in the market.

- Correlational points-of-parity imply that the associations with a brand are most likely to be positive and negative at the same time. Perceiving the quality of a brand as "high" is concomitant with a "high" price, which would be a negative aspect. Consumers would be doubtful about a low price. A Brand's POPs and PODs, its attributes and benefits, are "negatively correlated" (Keller, 2013, p. 84). For instance: Low price vs high quality; taste vs low calories; powerful vs safe (Keller, 2013).

POPs are significant, because they are easier to generate than PODs (Keller, 2013).

In order to obtain PODs, a company must demonstrate predominance and uniqueness through persuasive advantages and benefits; whereas POPs are shared associations about brands within a market segment. Moreover, POPs can weaken the effect of PODs (Keller, 2013). This implies that consumers having a tolerance limit, up to which they accept that one brand (Brand A) is not as good as another one (Brand B). That means, that detected any differences might not be the decisive factor for their choice of brand, because consumers believe that Brand A's advantage is satisfactory and the superiority of Brand B is not seen as a disadvantage. Keller (2013, p. 84) calls this behaviour the "zone" or "range of tolerance, or acceptance". Nike's marketing strategy, for example, communicates to consumers that their Nike FREE running shoe is the lightest running shoe worldwide that offers its user a barefoot-like experience, and is also trendy with its flashy colours (Sanusi *et al.*, 2014). This convincing fact has been a significant point-of-difference for a while; and Nike has generated high profits through a superior and predominant position in the market. Yet competitors make up leeway and today several other brands offer lightweight running shoes as well. Asics has followed this trend, and currently offers a high-performance running shoe that is far lighter than its predecessor model (Elliott, 2014).

Associations with the new generation of Asics shoes could be: Up-to-date, technologically advanced, high performance and quality. Although Asics running shoes are not as lightweight as Nike's FREE running shoes, consumers might tolerate that difference and choose Asics for its durable, high-performance, stability and motion-controlled running shoe with gender-specific technology (Elliott, 2014; Murphy, 2012). For that reason, the focus must not necessarily be on achieving PODs, but on achieving significant POPs. Nevertheless, the consideration and combination of both types of associations contribute to the optimal positioning of the brand.

2.5 CONCLUSION

To understand the power of branding and the influence of branding strategies on consumer behaviour, this first section of the dissertation provides an overview of the basic knowledge. A brand is a valuable intangible asset that offers beneficial functions and advantages. The first section explores the advantages of a brand: From the

perspective of the firm and that of the consumer, with special attention to brand symbolism. Nowadays, ascribing brands a meaning that is communicated to other users becomes increasingly important. Brands are being consumed for making a statement, that means revealing and communicating one's self-image to others. Consumers choose a brand and the message the brand radiates, according to its best fit with their self-image. These emitted signals display values and character attributes that are conveyed by associations.

The way consumers perceive differences between brands is believed to be the key factor in building and managing a strong and successful brand. The message a brand delivers creates brand awareness and forms associations about the brand in the consumer's memory. Associations are linked to the brand, making it stand out and therefore distinguishable among the multitude of brands. Eventually, value is created for the consumer. In the second section, brand associations are conceptualised with regard to their informational level, favourability, uniqueness and strength. In order to become a strong brand, these intangible image considerations have to meet these features. Marketers develop possible combinations to determine the positioning of the brand and to influence consumer behaviour in such a way that these associations create a favourable *Brand Image* in the consumer's mind, and a positive attitude towards the brand.

To sum up, associations, as the foundation of the consumer's perception of a brand, play an important role in understanding branding and its potential influence on consumers and their choice of brand. They represent the essence of the brand, the message the brand conveys to consumers, its superiority and hedonistic aspiration, and the reason why consumers decide to purchase it ultimately. This Chapter II about branding was included in this dissertation, because brand associations were the foundation of the subsequent constructs in this study. The researcher presented an elaboration of brand associations, and thereafter of each construct (see Chapter III), in order for the reader to comprehend the conceptual model, and the way those constructs are interlinked. In this study, the widely accepted approach was adopted that brand associations are defined as everything associated with and perceived through a brand. Brand associations were the foundation for further associative cognitive concepts and manifested in the constructs of the underlying model of this study.

A review of the relevant subject-related literature indicates that positive brand associations influence *Brand Attitude*, *Brand Image* and finally *Brand Equity* (Aaker, 1991; Ballantyne *et al.*, 2006; Fishbein & Ajzen, 1975; Hsieh, 2002; Keller, 1993; 2013; Myers, 2003). The subsequent chapter focuses on the constructs of the theoretical model, which is presented in section 3.1 for ease of reference.

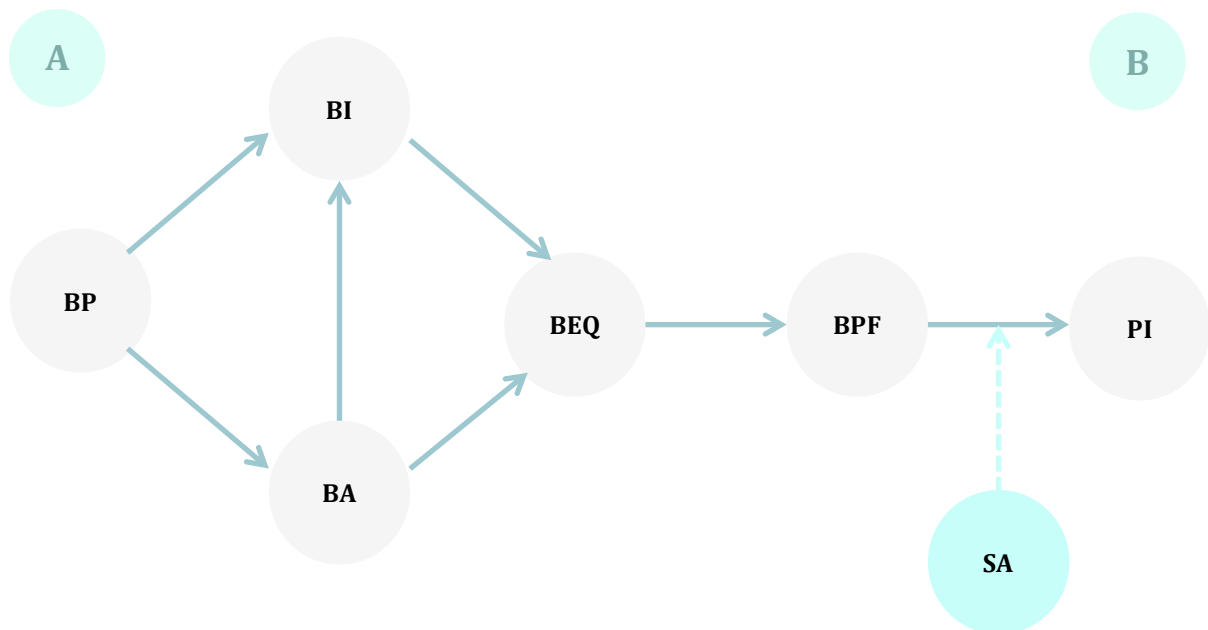
CHAPTER III THEORETICAL BACKGROUND

3.1 INTRODUCTION

The influencing factors of *Brand Equity* are fundamental, and in recent years, many researchers have dealt with this subject, understanding the interplay between the different antecedents and consequences of *Brand Equity* (Cobb-Walgren *et al.*, 1995; Sirgy *et al.*, 1997; Faircloth *et al.*, 2001; Chang & Liu, 2009; Branaghan & Hildebrand, 2011; Möller & Herm, 2011; Sääksjärvi & Samiee, 2011).

The antecedents of *Brand Equity* (*Brand Personality, Brand Attitude, Brand Image*) and the consequences (*Brand Preference, Purchase Intention*) of *Brand Equity* are analysed in an integrated framework. The conceptual paradigm presents an overview of the utilised theories (A and B) that interact, as depicted in Figure 3.1. It is a synthesis of the work of Faircloth *et al.* (2001) (A) and that of Cobb-Walgren *et al.* (1995) (B) model, referring to the general structure of the work of Chang and Liu (2009), adjusted to this specific field of research.

Figure 3.1: Conceptual Model



BP=Brand Personality, BA=Brand Attitude, BI=Brand Image, BEQ=Brand Equity, BPF=Brand Preference, PI=Purchase Intention, SA=Social Acceptance

The manner in which the theories of A and B are linked is analysed and explained in this research, with the intention of developing a synthesised model (see section 4.4).

To maximise the relevance and validate the proposed research framework, a moderator, which will be empirically tested, is added. This chosen moderator influences the consumer's decision-making process, and can explain the divergence in consumer

behaviour. *Social Acceptance* has an influence on the relationship between *Brand Preference* and *Purchase Intention*. This moderator has various dimensions that are illustrated subsequently in section 3.7.

The established literature relevant to the constructs affecting *Brand Equity* and its consequential constructs will be reviewed in the sections 3.2 to 3.6.

3.2 BRAND PERSONALITY

The continuous focus of marketers is on ascribing brands a personality, by making use of “animism tactics” (Parker, 2005, p. 26). Consumers must think of brands, as if they were people (e.g. celebrities, historical figures) with human characteristics. Therefore, human attributes are applied, in order to personify a brand; and thereby, make it emotionally more meaningful and accessible to consumers through an active-thinking process (Biel, 1992). In marketing and consumer behaviour research, the concept of *Brand Personality* has captivated researchers’ attention for over 50 years; and its importance has been emphasised in many studies (Aaker, 1997; 1999; Halonen, 2013; Keller, 1993; 1998; 2013; Maehle and Supphellen, 2011; Möller and Herm, 2011; Ogilvy, 2004).

Ever since Aaker (1997) validated her model, the subject matter of ascribing brands a personality has been a widely applied and popular construct in branding (Parker, 2005; Ramaseshan & Tsao, 2007). According to the prevailing opinion, a brand’s personality makes the brand more appealing to consumers, being positively related to perceived quality (Aaker, 1996; Aaker, 1997; Ogilvy, 2004; Plummer, 2000).

Companies actively launch research programmes and work on their brand’s personality, in order to influence the consumer’s perception of perceived quality in their favour (Parker, 2005). The advantage of *Brand Personality* is that it is more enduring than any other feature of a product, and it can even reach longevity (Biel, 1992; 1993). Moreover, brand personalities are specifically applied to generate perpetual points-of-difference concerning the positioning strategies of brands (Parker, 2005; Ramaseshan & Tsao, 2007). *Brand Personality* has a positive effect on brand loyalty, and increases brand awareness (Freling *et al.*, 2011; Kim *et al.*, 2001).

In this section, the construct of *Brand Personality* is defined, followed by outlining its sources and functions. The objective is to familiarise the reader with the associations of human attributes to a brand, because it will be crucial element in the data collection process. The brands Asics and Nike will be compared by their brand personalities and the way consumers perceived the brands.

3.2.1 Definition of Brand Personality

Aaker (1997) defines *Brand Personality* as “the set of human characteristics associated with a brand” (p. 347). Human attributes are endowed with a brand, creating an association in consumers’ minds. Attributes are descriptive features that a consumer

ascribes to a brand, attempting to anthropomorphise it, meaning to personify and to humanise the brand (Aaker, 1997; Maehle *et al.*, 2011). People tend to give their pets names, talk to them, and treat them as friends. To illustrate this, boats are personified by being named “Shelly”, and saying “she is a beauty”. The brand Nike, for instance, is characterised with symbolic associations, such as “sporty”, “youthful” and “trendy” (Aaker, 1997; Parker, 2005; Plummer, 1985). Aaker (1997) opened up new perspectives by combining different fields of science – and in this particular case, research in personality psychology and consumer behaviour merged with brand research. Therefore, dimensions of human personality are transferred onto the dimensions of *Brand Personality* – in order to make it generally intelligible and feasible (Aaker, 1997, p. 347). The dimensions and traits of *Brand Personality* will be conceptualised further in section 3.2.4.

Rajagopal (2010) states that, as a part of brand perception and positioning strategies, personality traits are assigned to a brand. Perceptions of a brand are intensified by specific marketing and brand advertising, leading more probably to a strong brand (Rajagopal, 2010). In that way, these brand descriptors, also known as attributed characteristics, set a brand apart from competitive brands by giving it a personal meaning and making it distinctive (Freling *et al.*, 2011; Rajagopal, 2010). According to Rajagopal (2010), brand strength is linked to awareness of the brand, brand values and benefits, reputation, and satisfaction, as well as internal and external marketing. All these variables aim to advance the brand’s performance; and they can be communicated to consumers through associations of the brand, including its personality.

Aaker (1996, p. 112) describes *Brand Personality* as associations “based on a brand-as-person perspective” for brand differentiation. Brand personalities determine the basis for customer-brand-relationships, because they are linked to the emotional and self-expressive features of the brand (Aaker, 1996). This will be explored further in section 3.4 below. This is particularly essential for brands that are used or consumed in a socially visible situation (Wysong *et al.*, 2012).

With regard to Keller’s (1993; 2013) research, brand personalities are brand associations related to symbolic and self-expressive motivations. *Brand Personality* is formed by imbuing a brand with human values and personality attributes. This is affected by anthropomorphising a brand and making use of animation techniques. *Brand Personality* is also inferred through personification by introducing characters, actors and celebrities that create an extraordinary user image made up of emotions and feelings (Keller, 2013). Several sources (direct marketing and experience, factual sources, secondary associations) form, influence and strengthen *Brand Personality*, as well as its value for consumers (Keller, 1993).

Ramaseshan and Tsao (2007, p. 460) approach *Brand Personality* by defining it as “the soul of the brand”. Consumers merge *Brand Personality* into perceived quality, deriving from brand associations and marketing activities. They state that *Brand Personality* is positively linked to perceived quality. However, the different brand concepts (functional,

experiential and symbolic benefits) have an interactive effect on that relationship.

Parker (2005) is of the opinion that *Brand Personality*, briefly speaking the personification and humanisation of a brand, is a powerful construct in a company's positioning strategy. The decisive factor is that *Brand Personality* creates enduring and consistent brand associations. Via a brand's personality, points-of-difference in associations (PODs) can be communicated, which play an important role, particularly in categories where products have reached functional parity, and for purchase decisions that are mainly driven by symbolic motivations (Parker, 2005).

3.2.2 Sources of Brand Personality

Brand Personality and human attributes may be similar and interconnected, but they do not originate in the same manner (Aaker, 1997). Whereas human traits derive from the individual itself and its demographic characteristics, *Brand Personality* traits are influenced by any contact the consumer has with the brand – through marketing activities and the consumer's experience with the brand (Aaker, 1997; Keller, 2013; Maehle and Supphellen, 2011; Park *et al.*, 1986).

Brand Personality characteristics are formed by the consumer's experience, and by any contact the consumer has with the brand, either directly or indirectly (Aaker, 1997; Chang and Chieng, 2006; Keller, 1993; 1998; Plummer, 1985). The direct formation of *Brand Personality* takes place by associating the attributes of user imagery with the brand. More precisely, the characteristics of the typical user of the brand are being linked identically (directly) to the brand's personality (Aaker, 1997). Besides the characteristics of the typical user, also individuals, such as endorsers, company employees, spokespersons and family members can be a direct source of *Brand Personality* (Aaker, 1997, Maehle and Supphellen, 2011).

Brand Personality is being formed in an indirect way by product-related attributes, such as the logo and the brand name. These secondary associations can also derive from associations with the product category and the marketing activities of the brand (Maehle & Supphellen, 2011). Moreover, the distribution channel serves as a factual source, implying that images of a brand's retailers are being formed, for instance, about the in-store service and pricing (Aaker, 1997; Batra *et al.*, 1993; Keller, 1993; Ramaseshan & Tsao, 2007).

In brief, *Brand Personality* refers directly to symbolic and self-expressive functions, and indirectly to the functional benefits of product-related attributes (Keller, 1993).

Marketing activities and brand advertising are specifically applied, being an influential marketing tool in consumer behaviour (Keller, 2013). Advertisement creates images and feelings for branded products. Consumers transfer these underlying associations onto the brand's personality, as well as onto their own personality (Aaker, 1997; Keller, 2013; Rajagopal, 2010). To intensify advertising effectiveness, use is often made of celebrity endorsers. Sports and movie stars are being assigned in brand advertising to embody a

certain brand. They lend the brand their own personality (Rajagopal, 2010). Consumers find it easier to identify themselves with celebrities than with an abstract product or brand (Aaker, 1997).

Nike has responded to this by implementing this strategy into the company's marketing programme via sponsoring famous sports stars and sports teams that advertise and promote Nike products (Kilambi *et al.*, 2013; Wong, 2001). The essence of such a strategy is to increase brand awareness and build up a favourable *Brand Image* through the athlete's endorsement (Parker, 2005; Ramaseshan & Tsao, 2007; Van Hoecke *et al.*, 2000).

In summation, according to Plummer (2000), the outcome most likely differs from the input. This implies that the way companies conceive their brand's identity is actually not the Brand Image consumers have of a brand, because different associations are perceived than those originally intended by the marketers. The consumer's perception of a brand can be influenced by the above-mentioned sources; and therefore, the original input differs from the actual output, thereby indicating how the consumer actually interprets the brand. The objective of marketers is to assimilate these two approaches.

3.2.3 Self-Expressive Function of Brand Personality

Brand Personality is a brand association that reflects the emotional side of an overall *Brand Image* that a consumer holds in his/her memory (Keller, 1993; Rajagopal, 2010; Parker, 2005). Consumers tend to prefer and choose brands with favourable, unique and appealing characteristics, and with brand personalities that match their own self-image best (Aaker, 1999; Kim *et al.*, 2005). In literature, researchers describe the fit of the consumer's self-concept with the product-user image, which is the image of the typical user of the brand. Several theories constituting brand symbolism have been developed; and these are supported by Achouri and Bouslama (2010), Dolich (1969), Govers and Schoormans (2005), Hooper *et al.* (2011), Ramaseshan and Tsao (2007), Sirgy (1982) and Sirgy *et al.* (1997; 2000).

Brand symbolism derives from the hedonistic needs of a consumer to express his/her own identity to others, and to increase his self-esteem by consuming specific brands (Dolich, 1969). *Brand Personality* refers directly to those symbolic motivations and self-expressive functions (Keller, 1993; Kim *et al.*, 2005). Especially with socially visible products, like cars, perfumes, liquors, apparel (e.g. running shoes), the personality of the brand is the decisive factor in a purchase situation (Dolich, 1969; Keller, 2013; Wysong *et al.*, 2012). An appealing *Brand Personality* can even "rub off" on those consumers who see themselves in a more positive light after consuming particular brands, through being able to express who they are and who they would like to be (Park & John, 2010). For instance, an individual wearing Nike running shoes at the gym could be perceived as trendy and up-to-date.

The human traits associated with a brand are of lasting conviction; and therefore, strongly appeal to consumer's desires (Aaker, 1997; Rajagopal, 2010). Consumers strive for more than merely the satisfaction of their basic needs (Govers & Schoormans, 2005; Paproski, 2011; Rajagopal, 2010). With regard to Maslow's hierarchy of needs, as presented in Figure 3.2, products are raised to the top of the hierarchy, concomitantly providing greater need satisfaction. The functional benefits of a brand fulfil these basic needs, for instance, a running shoe that meets the requirements of comfort and endurance.

Figure 3.2: Maslow's Hierarchy of Needs



Source: SBPBUSINESS2000 2013

However, the emotional meaning of using a brand becomes increasingly significant to consumers (Keller, 2013; Parker, 2005). Consumers interrelate with brands, and ideally, choose a brand with a personality that reflects their own identity best (Aaker, 1999). Brands that represent the personality of the typical user of the brand are preferred. Hence, a feeling of belonging to the user-group can be established (Govers and Schoormans, 2005; Ouwersloot & Tudorica, 2001; Parker, 2005; Sirgy, 1982). In this way, by choosing brands with congruent (similar) personalities to their own, the goal of achieving self-fulfilment can be obtained (Ouwersloot & Tudorica, 2001).

Govers and Schoormans (2005, p. 193) describe *Brand Personality* as essential regarding brand choice, because of its self-expressive function: "This product is like me." "I identify myself with my description of the product." "This product matches me.". Especially when products are socially visible, the evident expression of one's self through a brand's personality becomes an important driver of brand evaluation (Branaghan & Hildebrand, 2011; Dolich, 1969). Helgeson and Supphellen (2004, p. 215) name this moderating

effect “socially desirable responding (SDR)”. This implies, for example, those running shoes that are being used at the gym are most likely to be rather trendy and fashionable – more so than running shoes that are worn for a marathon, where the consumer runs with his own kind, and the focus is on performance, instead of on outward appearance.

Chang and Chieng (2006) highlight the consumer-brand relationship in their research. Thus, this relationship is based on attraction, and it is influenced by the consumer’s experience and the brand’s personality (Aaker, 2011; Lee, 2009). *Brand Personality* is considered as foundational, and it strengthens the relationship, due to being linked to emotional and self-expressive advantages. “Brand Personality adds depth and feeling, and it links to the relationship” (Chang and Chieng, 2006, p. 936). Consumers engage in a relationship with a brand, in order to satisfy their needs of self-actualisation, and to achieve their individual full potential (Ouwensloot & Tudorica, 2001). They define their own self by taking significant reactions of others into account (Aaker, 1999). Consumers try to take on the brand’s meaning, which is often being represented by celebrities (Ouwensloot & Tudorica, 2001). Nike, in particular, makes use of this marketing tool by sponsoring famous and successful sports stars like Serena Williams (Nike, Inc., 2014).

In summary, it can be stated that brands are preferred, according to the similarity between the *Brand Personality*, the individual’s self-image and the ideal self-image (Aaker, 1997; 1999; Sirgy, 1982). The greater the congruity of the mentioned mediators, the greater is the preference for the brand (Sirgy *et al.*, 1997). Regarding consequences, Brand Personality not only has a positive influence on *Brand Preference*, but it also increases brand awareness, attachment and loyalty through evoked emotions (Aaker, 1997; 1999; Biel, 1993; Sirgy, 1982).

3.2.4 Brand Personality Scale by Aaker (1997)

Aaker (1997) was the first researcher to develop a formal scale, the *Brand Personality Scale* (BPS), to define and measure a brand’s personality. Her research takes the marketing approach and psychological studies by Goldberg (1992) into account, complemented by her original qualitative research. The results of Aaker’s (1997; 1999) study provide evidence that the developed Brand Personality Scale (BPS) and framework are robust, reliable and valid. Her research provides insight into the impact of antecedents and the consequences of *Brand Personality*, as well as the theoretical and practical implications can be deduced. The model is generalisable for various groups of consumers, brands and product categories, and is widely applied (Aaker, 1997; Maehle and Supphellen, 2011; Maehle *et al.*, 2011).

According to Aaker (1997), the construct of *Brand Personality* can be measured with the trait approach, where a set of characteristics (traits) is defined. The framework of the Brand Personality Scale (BPS) contains a set of indicators to measure the *Brand Personality* construct. The indicators are classified into five distinct dimensions. These dimensions derive from the human personality traits, and are adapted to the construct of *Brand Personality*.

The different dimensions include:

- Sincerity
- Excitement
- Competence
- Sophistication
- Ruggedness

Each dimension is then segmented, and different facets are allocated to it. These act as descriptors of every dimension. To determine the descriptive facets, Aaker (1997) conducted a free-association study with a multitude of students. The participants were asked to write down the personality traits they would associate with the brands that were presented to them, against the background of the brand concepts – symbolic (clothing, cosmetics), utilitarian (computers, toothpaste), and utilitarian and symbolic (automobiles, athletic shoes). The personality traits were studied, according to their descriptive feature of the brands, and how they correlated with the brands. Ultimately, a short list of facets was drawn up that met the criteria of being salient, accurate, reliable, consistent, and comprehensive.

In total, the standard BPS determines five personality dimensions (deriving from the human personality) containing Aaker’s (1997) selected short list of fifteen facets. According to Table 3.1, *Brand Personality* is classified as follows:

Table 3.1: Brand Personality Framework

Sincerity	Excitement	Competence	Sophistication	Ruggedness
Down-to-Earth	Daring	Reliable	Upper Class	Outdoorsy
Honest	Spirited	Intelligent	Charming	Tough
Wholesome	Imaginative	Successful		
Cheerful	Up-to-Date			

Source: Aaker (1997, p. 352)

With regard to Table 3.1, sincerity is characterised by those attributes that refer to warmth and acceptance, like honesty, truthfulness and cheerfulness. Excitement pertains to attributes embodying energy and sociability (daring, courageous, imaginative and contemporary). The dimension “competence” comprises traits like reliability, intelligence, success and security. Finally, ruggedness embodies outdoor and tough brands, referring to users that are strong, determined and in close touch with nature. Consequently, running shoes of the brand Asics may be described as reliable, intelligent, honest, successful, independent, and outdoors (Elliott, 2014). In contrast, a description of Nike’s *Brand Personality* might rather be: Exciting, spirited, up-to-date, successful and determined (Ginman, 2010; Maehle *et al.*, 2011; Neiderhauser, 2013).

3.2.5 Summary of Brand Personality

In order to maximise the effectiveness of the brand, marketers assess *Brand Personality* as a key performance measure. Aaker (1997, p. 347) defines *Brand Personality* as “the set of human characteristics associated with a brand”. These *Brand Personality* attributes, also named brand descriptors, provide a personal meaning to the brand that makes it distinguishable within the diversity of brands (Aaker, 2011). *Brand Personality* is communicated to consumers through various marketing tools. Advertisements are particularly effective as a tool to build consumer-brand-relationships, due to being linked to the emotional and self-expressive features of the brand (Aaker, 1996; Guido *et al.*, 2010; Kim *et al.*, 2005).

Images and feelings are evoked, and the consumers transfer these underlying associations onto the brand’s personality, as well as onto their own personality, making it easier to identify themselves with the brand. This is particularly important for brands that are used or consumed in a socially visible situation, for example, running shoes, where the brand is socially conspicuous. To fulfil their hedonistic needs, consumers tend to opt for brands with favourable, unique and appealing characteristics – with those brand personalities that match their own self-image best (Aaker, 1999). In summation, *Brand Personality* has an extensive impact on consumer behaviour, especially *Brand Attitude* and *Brand Image* (Ballantyne *et al.*, 2006). As a result of its importance, *Brand Personality* is measured and analysed, according to Aaker’s (1997) Brand Personality Scale (BPS).

Further research should shed more light on the extent to which the processing of *Brand Personality* information influences the constructs of *Brand Attitude* and *Brand Image* of the model in this study. The subsequent section focuses on *Brand Attitude*, followed by elaborating the construct of *Brand Image*. References to the running shoe market serve as practical representation.

3.3 BRAND ATTITUDE

Brand Attitude is a central conceptual component of marketing. Research on attitudes provides valuable insight into those intentions, which lead to the desired consumer behaviour (Bass & Talarzyk, 1972). Hence, future consumer behaviour can be predicted; and for that reason, the attitudes towards products, brands and brand images have been analysed by a plethora of researchers (Ballantyne *et al.*, 2006; Branaghan & Hildebrand, 2011; Helgeson & Supphellen, 2004; Farquhar, 1989; Fishbein & Ajzen, 1975).

Deriving from social psychology, this scientific field offers applied and validated theories that can be adapted to the field of marketing (Hastak & Olson, 1989). In the literature, there appears to be no consensus regarding an explicit definition and measurement scales (Fishbein & Ajzen, 1975).

For the purpose of this study, an overview of *Brand Attitude* is presented before an explicit and particular definition is selected that fits the model of this study best. This section discusses the formation of *Brand Attitude* (section 3.3.2) and what role advertising plays in bolstering *Brand Attitude* (refer to section 3.3.3).

3.3.1 Definition of Brand Attitude

The following conceptual definitions will provide an adequate foundation for the construct of *Brand Attitude*, and will eventually lead to measurement tools that are implemented in the methodology section.

Brand Attitude is a consumer's overall evaluation of a particular brand with either positive or negative effects towards the preference and choice of the brand (Bass & Talarzyk, 1972; Chang and Chieng, 2006; Farquhar, 1989). An attitude towards a brand is described as feelings or tendencies that a consumer holds (Chang & Liu, 2009; Helgeson & Supphellen, 2004). By way of illustration: "I am favourable to [...] (the brand Nike)." "[...] (Nike) can satisfy my needs" (Chang & Liu, 2009, p. 1697).

Through a favourable *Brand Attitude*, the consumer's *Brand Image* and the personal brand value are increased (Faircloth *et al.*, 2001). Keller (1993) conceives *Brand Attitude* as a constituent of *Brand Image*. It is a combination of the associations and beliefs held about a brand. This implies that if marketers develop a positive attitude, this would evoke a positive *Brand Image* (Keller, 1993; 1998; Na *et al.*, 1999; Faircloth *et al.*, 2001).

Farquhar (1989, p. 27) determines attitude as "the association between an object (e.g., the branded product) and the evaluation of that object stored in an individual's memory". He refers to *Brand Attitude* strength, and gains the following result from his research: The stronger the *Brand Attitude*, the stronger the impact on *Brand Equity*. In order to build a successful and valuable brand, it is essential to create a positive attitude, but even more so to develop a *Brand Attitude* that is accessible. The strong and favourable *Brand Attitude* is easily memorable. Hence, it is activated spontaneously when the consumer is exposed to a brand, and will lead faster to a choice of brand (Keller, 1993; Sallam & Wahid, 2012).

A positive *Brand Attitude* can be achieved through a product of high quality and performance, consequently leading to a positive evaluation of the branded product. This evaluation is stored in the consumer's memory. Farquhar (1989) distinguishes between three types of evaluation:

- Affective response
- Cognitive evaluation
- Behavioural intention

Affective response implies an evaluation that is linked to the emotions and feelings. In that particular case, the brand evokes a gratification, making the consumer feel better by increasing his self-esteem, for instance: "The brand makes me feel good about myself;

the brand symbolizes status, affiliation, or uniqueness” (Farquhar, 1989, p. 7). *Cognitive evaluation* emerges on the basis of beliefs about a brand - “[...] the brand is more effective than others” (Farquhar, 1989, p. 27). *Behavioural intention* is an inference deriving from the consumer’s habits and heuristics (simple decision rules). This specific attitude can be based on decisions, such as “the brand is the only one my family uses”, or “the brand is on sale this week” (Farquhar, 1989, p.27).

According to Farquhar (1989), *Brand Attitude* can be recalled from memory – either automatically or intentionally. The first of these signifies attitudes that are activated spontaneously, naturally and without effort (Park *et al.*, 2010). When attitudes are projected through the consumer’s attention, then the accessibility is controlled in an active way. The attitude of strength, meaning the strength of the association between the brand and its evaluation, determines the level of retrieval (Farquhar, 1989).

Fishbein and Ajzen (1975, p. 6) formally define *Brand Attitude* as “a learned predisposition to respond in a consistently favourable or unfavourable manner with respect to a given object”, in this regard, a brand. This definition explains the features that an attitude is predisposing and prejudices future consumer behaviour. A consumer holding a positive attitude towards the brand is expected to behave in a favourable way and to, for instance, purchase the branded product. By implication, a negative attitude would lead to a negative response (Fishbein & Ajzen, 1975). Attitudes are learned, and hence, are based on the consumer’s past experiences, feelings and knowledge. Against this background, objects (brands) are being evaluated (Fishbein & Ajzen, 1975).

Fishbein and Ajzen (1975) refer to *Brand Attitude* strength as follows. Each evaluative reaction depends directly on the object (brand). It is assumed that the stronger each evaluative response, the more it would contribute to the sum of the overall attitude towards the brand (Fishbein & Ajzen, 1975). The consumer’s attitude is a function of his evaluations of the brand’s attributes, and of his beliefs about the brand. In this context, beliefs represent the informational level the consumer has about the brand. For instance, a belief links the information about attributes to the brand itself {“object-attribute association” (Fishbein & Ajzen, 1975, p. 12): Asics and ‘high quality’ could result in the belief that ‘Asics are high quality running shoes’ (Eder, 2012).

Park *et al.* (2010) define *Brand Attitude* strength as positive/negative valence of the *Brand Attitude*. This connotes that the value of the brand for the consumer is significant for *Brand Attitude* strength. Accordingly, *Brand Attitude* is characterised as the judgement (thoughts and feelings) a consumer holds about a brand, dependent on how valuable the consumer considers the brand to be. In order to generate a strong *Brand Attitude*, consumers need to put effort into deliberating their attitude; they have to be confident and certain about it.

For example: Is the quality of running shoes of high importance for a consumer? He surely holds a strong attitude towards a brand(s) that offers high-performance shoes with proven quality suitable for the intended sports (marathon, gym, trial running, etc.). The resulting strong attitude can be positive or negative; and therefore, it affects future consumer behaviour in different ways – by either purchasing or avoiding the brand.

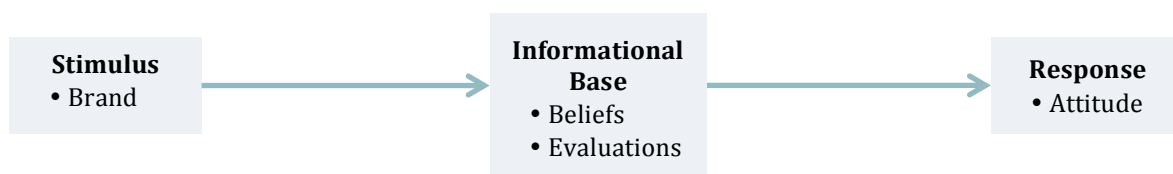
Different approaches of *Brand Attitude* have been proposed. To conclude, one widely accepted definition is based on the concept that a *Brand Attitude* – the overall gratification, evaluation, and liking of a brand (Low & Lamb, 2000) – is generated by salient *Brand Personality* attributes (Aaker, 1997; Ballantyne *et al.*, 2006; Chang & Liu, 2009; Guido *et al.*, 2010).

3.3.2 Brand Attitude Formation

Brand Attitude is formed based on information about the brand, according to Fishbein and Ajzen (1975). The attitude formation process is depicted in Figure 3.3.

On an informational basis, and dependent on the circumstances (stimulus, time, incentive), the consumer's salient and important set of beliefs determines the consumer's *Brand Attitude* (Fishbein & Ajzen, 1975). The consumer undergoes a psychological process, in which the brand information, the consumer's experience and brand knowledge are processed. The brand is being measured, compared and evaluated.

Figure 3.3: Attitude Formation



Source: Fishbein & Ajzen (1975, p. 285)

More precisely, the assessment of a brand results from the consumer's perceptions of the attributes associated with a brand and its benefits (Berger & Mitchell, 1989; Dick & Basu, 1994; Kotler & Armstrong, 2015; Keller, 1998). Attitudes are formed through the consumer's individual and shared emotional experience, and are consistent over time (Aaker, 1991; 1996; Chang & Liu, 2009; Fishbein & Ajzen, 1975; Paproski, 2011).

A positive product association (e.g. a successful product launch, celebrity endorsement) and a negative association of a branded product (e.g. scarce articles/lack of available stock) drive modifications in *Brand Attitude* (Aaker, 1991). Nike sponsors famous sports stars to promote the positive feelings towards the celebrity onto their own products, and hence to positively influence the consumer's *Brand Attitude* (Kilambi *et al.*, 2013; Wong, 2001).

According to Keller (1993, p. 4), *Brand Attitudes* "form the basis for consumer behaviour (e.g. brand choice)". Keller (1998) considers *Brand Attitude* as a function of brand

attributes and benefits. Perceived attributes and benefits, deriving from functional and experiential knowledge, form an overall evaluation of the brand in the consumer's mind. This judgement is based on salient associations.

During the evaluative process, salient beliefs in particular play an important role in the formation of an attitude. It is assumed that salient beliefs about a brand are those elicited first when the consumer is being asked to name his hierarchy of beliefs (Fishbein & Ajzen, 1975).

This means that the evaluation of attributes leads to the formation of the consumer's *Brand Attitude* in relation to the strength of his beliefs about the brand. The result is a more or less favourable attitude and reaction towards the brand, expressed in the consumer's preference or non-preference for the brand, according to its value (Keller, 1993). The higher the associative level of abstraction, the higher the level of its evaluative nature. Nevertheless, brand attributes can also be related to symbolic benefits, and be based on simple heuristics, rather than being formed through active and thoughtful elaboration. Consumers often use so-called signals or cues (e.g. appearance of the brand) to evaluate the brand, especially in a low-involvement situation, meaning the consumer's lack of motivation (Kotler & Armstrong, 2015).

In this context, satisfaction is an integral part of *Brand Attitude* (Achouri & Bouslama, 2010). In other words, a pleased and satisfied customer, whose expectations and needs are met, contributes to a positive *Brand Attitude* (Hellier *et al.*, 2003). Through past experiences with – and the consumer's proclivity towards the brand – a favourable attitude is formed.

3.3.3 Role of Advertising in Bolstering Brand Attitude

As mentioned before, marketers focus on building a successful brand. To influence consumer behaviour, it is essential to create strong and positive attitudes, but even more, to create a *Brand Attitude* that is accessible (Farquhar, 1989). In order for a *Brand Attitude* to influence subsequent behaviour, the evaluation has to be easily recallable from memory. This element is essential for building a strong brand, because attitudes that are not easy to remember at the right time and place are not influential in future purchase decisions. Regarding attitude accessibility and behaviour consistency, Farquhar (1989), as well as Smith and Swinyard (1983), distinguished between the following marketing situations (stimuli) in which the consumer's experience is the decisive factor.

3.3.3.1 Product Trial

Product trial is a powerful source of information. The accessibility of an attitude is high when it is being formed from direct behavioural experience. This implies that self-experienced knowledge has a stronger impact on attitude accessibility than merely advertisement (Paproski, 2011; Smith & Swinyard, 1983). Product trials provide individual and tangible experience, favourable or unfavourable, and are thus embedded

in the memory. For instance, in the running shoe market, consumers commonly retain a brand to which they are attached (Park *et al.*, 2010) and one that has satisfied their needs and expectations in the past (Farquhar, 1989; Hooper *et al.*, 2011).

Consumers obtain product-related information from direct experience by consuming a purchased product, by sampling, or by way of a product test. Being able to rely on their own valuations, consumers gain a feeling of certainty and validity through trial. Concomitantly, there is a high attitudinal development in the consumer (Smith & Swinyard, 1983). Attitudes that are held confidently result in strong and consistent consumer behaviour. Especially in situations where costs are high, only strong and positive attitudes would lead to consequent and committed behaviour, because added value is expected from that brand (Smith & Swinyard, 1983). Rephrased, a consumer that strongly favours a branded product, holding the belief that it embodies added value, has a higher price acceptance than someone with a weaker attitude.

3.3.3.2 Product Advertising

Indirect experience takes place in the form of product advertisement (packaging, displays), point-of-sale presentation and material, as well as word-of-mouth report. Developed attitudes are not as strong and consistent as those developed through product trials, where consumers form their attitude based on their personal experience (Smith & Swinyard, 1983). Nevertheless, an advertisement is influential in many ways, and can play a crucial role in attracting the consumer's attention (Sallam & Wahid, 2012). It often leads consumers to product testing (triggering trial intentions for informational value) and impulse buying (Smith & Swinyard, 1983).

Repeated attitudinal expression increases attitude accessibility, and emerges in three different modalities (Farquhar, 1989):

- Accentuation of positive brand associations through advertisement encourages a favourable *Brand Attitude*. When these evaluative statements are employed repeatedly and in a systematic way, then they increase the accessibility of *Brand Attitude*. The brand's attributes are highlighted in the Asics "Technology That Frees Your Mind" advertisement (Elliott, 2014; Tryhorn, 2010). While runners can focus on their "run with a free mind", Asics assures that the rest is taken care of, e.g. through the GEL technology for cushioning, the Impact Guidance System (I.G.S.) and other elements that make it a high-performance running shoe (Elliott, 2014; Tryhorn, 2010).
- Moreover, commercials evoke an imagination – encouraging the consumer to project his thoughts and feelings onto the product. In Nike's advertisement "Find Your Greatness", the reader is supposed to become motivated by the imagery, and to be inspired to push his/her limits, overcome fears and doubts, and achieve personal goals with fortitude (Nike, Inc., 2012).
- Furthermore, attitude accessibility is increased through point-of-sale advertisements and thereafter. The consumer's attention is drawn to the brand

once more (during and after the purchase), to ensure that the attitude is in his memory (Farquhar, 1989).

Fishbein and Ajzen (1975) stress the importance of advertising and its influence on the associated *Brand Personality*, which, in turn, affects *Brand Attitude*. Mostly, an attitude is generated automatically, implying that the consumer links a feeling of favourableness or unfavourableness towards the brand in an automatic manner. The purpose of advertising is to emphasise the positive aspects of the branded product, in order to attract the consumer's attention. Hence, the way consumers perceive the brand can be influenced and reinforced – which may lead to a positive belief and a favourable attitude towards the brand (Fishbein & Ajzen, 1975; Paproski, 2011).

For example, suppose a new running shoe is introduced that advertises it as being technologically advanced, high performance, and with a joint-friendly sole. The consumer would probably evaluate this as an advantage (since it is good for his body), and could be expected to hold a favourable attitude towards the branded product. However, Fishbein and Ajzen (1975) also point out that an assumed positive element of the product might also change the consumer's *Brand Attitude*, concerning the target group to which he appertains. If he considers joint-friendly running shoes to be orthopaedic shoes for older people, his *Brand Attitude* might shift, and perhaps be neutral or even negative. Nevertheless, the opposite can be the case, too, and the additional information sometimes reinforces a positive *Brand Attitude* (Fishbein & Ajzen, 1975).

In summation, marketing communication tools, like advertisements and promotion influence *Brand Attitude* and reinforce its accessibility, by making the consumer more aware of the brand's benefits. In other words, consumers' beliefs and evaluations of a brand can be affected actively by marketers. Advertisements increase confidence and certainty, thereby leading to a stronger attitude (Park *et al.*, 2010).

The intensity of exposure (e.g. to advertisement) to a brand is dependent on the *Brand Attitude* strength. Keller (1993) states that consumers who hold a strong and favourable *Brand Attitude* need less exposure to advertisements, while the same marketing objectives are obtained {e.g. "advertising effectiveness" (Paproski, 2011, p.53)}. For instance, if a consumer is in favour of Asics running shoes, because he thinks that this brand fulfils his needs and adds value, he would have a faster response to a minimal advertisement exposure than someone who is not aware of the brand, who has a low level of involvement (motivation) (Paproski, 2011), and hence, has not formed an attitude yet.

3.3.4 Summary of Brand Attitude

The adopted definition in this study determines *Brand Attitude* as the overall gratification, evaluation, and liking of a brand; and it is characterised as the thoughts and feelings that a consumer holds about a brand (Aaker, 1997; Chang & Liu, 2009;

Guido *et al.*, 2010; Low & Lamb, 2000). Consumers are being exposed to branded products, and accordingly, perceive information about the brand, such as brand attributes, benefits and perceived quality (Aaker, 2011; Berger & Mitchell, 1989; Dick & Basu, 1994; Kotler & Armstrong, 1996; Keller, 1998).

During this psychological process, the consumer forms his *Brand Attitude* by evaluating these perceived brand associations, dependent on his brand knowledge and shared emotional experience with the brand (Aaker, 1991; Fishbein & Ajzen, 1975). The way consumers evaluate a brand can be subdivided into the following: Affective response, cognitive response and behavioural intention. The consumer's salient and important set of beliefs determines *Brand Attitude* (Fishbein & Ajzen, 1975). Strong and favourable *Brand Attitudes* are easily memorable, and hence, are activated spontaneously when the consumer is exposed to a brand, and will lead faster to the choice of brand (Keller, 1993).

A considerable amount of research interest has been raised by attitudes towards advertisements. A better understanding of marketing instruments and their impact on the development of strong and favourable attitudes contributes to a better anticipation of consumer behaviour (Smith & Swinyard, 1983). Against the background of rising costs for media advertisements (Phelps & Thorson, 1991), practical and more efficient solutions can be deduced by understanding these theoretical relationships (*Brand Personality, Brand Attitude, Purchase Intention*).

Brand Attitude research appears to be fundamental for the analysis of the following constructs in this study, such as: *Brand Image, Brand Equity* and *Brand Preference* (Aaker, 1997; Ballantyne *et al.*, 2006; Chang & Liu, 2009; Low & Lamb, 2000). The following section 3.4 defines *Brand Image*, and explains its development by focusing on tangible and intangible constituents. The way a brand's image is perceived by consumers is elaborated in section 3.4.3. The symbolic character of the brand is an important aspect of this study's research, because it attaches consumers on an emotional level through self-congruity of the individual and the brand.

3.4 BRAND IMAGE

In marketing, the advancement of *Brand Image* has been considered as a crucial concept regarding efficient strategies to influence consumers in their decision-making process (Ballantyne *et al.*, 2006; Halonen, 2013; Neiderhauser, 2013). For that reason, *Brand Personality*, as an antecedent of *Brand Image*, should be communicated to consumers in a clear way (Keller, 2013; Rajagopal, 2010). By doing this, marketers ensure that consumers understand what the brand offers (i.e. brand performance) and what the brand stands for (i.e. brand meaning). The awareness and accurate identification of a brand affects the development of the *Brand Image* (Keller, 1993; 2013).

An indistinct *Brand Image* may not lead to the desired consumer response (Chang & Liu, 2009). Therefore, image research focuses on the way in which consumers respond to a brand, in order to increase marketing effectiveness through exposure to and reinforcement of advertising (Keller, 1993). For a precise understanding of this dynamic construct, the term *Brand Image* is determined in a holistic approach from other distinct points of view.

3.4.1 Definition of Brand Image

Keller (1993, p. 2) defines *Brand Image* as “the set of associations linked to the brand that consumers hold in [their] memory”. *Brand Image* derives from the consumer’s perception of the brand. In detail, these perceived associations are particularly the beliefs about attributes, benefits, and the attitude associations of a brand (Keller, 2013). If these attributes and benefits meet the criteria of being salient, favourable, strong and unique associations, a positive image of the brand will be formed in the consumer’s mind – by linking these associations to the brand (Fishbein & Ajzen, 1975; Keller, 1993; 2013). Hence, the consumer’s response to the branded product and its marketing mix (product, price, promotion, distribution) would be more favourable. Depending on these associations and their evaluation, consumer response should differ.

As discussed previously, in section 2.4, in conjunction with the “associative memory network model” (Keller, 1993, p. 2), *Brand Image* evolves from brand nodes that capture the meaning of the brand and other informational nodes that store the brand associations. Through recollection, the information stored in the nodes is attached to the consumer’s perception of the brand, and eventually, forms a *Brand Image* in his/her mind (Keller, 1993). A *Brand Image* gives consumers a reason to favour one brand over another.

A consumer’s response to a brand is subject to brand knowledge. Brand knowledge, as defined by Keller (1993; 2013), is a combination of *Brand Image* and awareness of the brand. In order for a positive *Brand Image* to be consistent and cohesive, and hence, influential in future purchase decisions, consumers need to apprehend the brand. This means the brand is recognised and can be recalled from their memory (Keller, 2013).

Another approach defines *Brand Image* as a subjective and emotive concept about a branded product (mental representation) that is held by the consumer. It is based on individual perceptions, emotions and reasons (Ballantyne *et al.*, 2006; Lee, 2009). According to Ballantyne *et al.* (2006), *Brand Image* is the significant construct that creates a brand meaning for the consumer, and therefore, leads to individuality and differentiation of the brand. “The *Brand Image* is a perception created by the marketer” (Ramaseshan & Tsao, 2007, p. 459). *Brand Image* is the consumer’s biased interpretation of the marketing activities that intensify the overall perceived personal benefits and quality of the brand (Ballantyne *et al.*, 2006). In this way, the perceived differences are created that distinguish the product in question from similar, competing brands. By attaching an emotional meaning to a brand, the consumer develops a *Brand*

Preference for a particular brand (Ouwersloot & Tudorica, 2001). In particular, Nike makes use of this marketing tool by sponsoring accomplished sports professionals (Nike, Inc., 2014). Their reputation makes the brand unique and desirable, and consumers transfer celebrities' images onto the brand of Nike. Consumers try to assume the brand's meaning and image as being "youthful", "sporty", "competitive", "athletic", "sociable" and "energetic" (Parker, 2005, p. 25, 41, 42, 52); and they do so by consuming the endorsed brand (Ouwersloot & Tudorica, 2001).

Although a variety of definitions of *Brand Image* exist, a widely adopted one states that *Brand Image* is a subjective concept. It is the way each consumer perceives a brand with his cognition as source of information – not reality itself (Ballantyne *et al.*, 2006; Helgeson & Supphellen, 2004). In this study, *Brand Image* is determined as the consumer's perceptions of a brand, pertaining to the consumer's emotions and/or motives (Low & Lamb, 2000).

3.4.2 Development of Brand Image

Brand Image is not only built on *Brand Personality* and other perceived associations – *Brand Attitude* as well is conceived as a constituent of *Brand Image* (Aaker, 1991; Faircloth *et al.*, 2001; Kapferer, 2012; Keller 1993; 1998; Park & John, 2010; Plummer, 1985; 2000). Tangible and intangible facets, that affect each other reciprocally, have an influence on *Brand Image* (Ouwersloot & Tudorica, 2001). The following sections will consider the constituents of *Brand Image*, and will focus especially on advertising as the most common source of image creation. The impact of brand image on the consumers is illustrated with regard to the symbolic-concept approach based on emotional and self-expressive values.

3.4.2.1 Tangible and Intangible Constituents of Brand Image

Brand Image is created by the character and personality of the brand, but other informational sources also contribute to its formation (Chang & Liu, 2009). Other informational sources that are conducive to the development of *Brand Image* are (Biel, 1993; Helgeson & Supphellen, 2004; Rajagopal, 2010):

- Product/service image: Brand name and logo, pricing, packaging
- Corporate image (including employees, especially for service-oriented firms)
- The typical user of the product (i.e. user image)
- Advertising and promotion
- Celebrity endorsers
- Brand Personality

Brand Image is formed by tangible and intangible image considerations, described by Biel (1993) as direct and indirect sources. Chang and Liu (2009) point out that the sources of *Brand Image* are considered to be the consumer's experience with the brand, multi-channel communication, and any information conveyed via word-of-mouth. The

components of a brand's image (user-, corporate-, and product image) form sub-images that yield the overall *Brand Image* (Biel, 1992; Ouwersloot & Tudorica, 2001; Hooper *et al.*, 2011). Concerning the user-image, consumers describe the typical user of the branded product with adjectives, such as: People who wear the brand are unique, energetic and smart (Chang & Chieng, 2006). The reputational image of a company, meaning its trustworthiness and reliability (Chang & Chieng, 2006), also contributes to the overall image.

According to Keller (1993), product-related and non-product related attributes, as well as the different types of brand benefits, beliefs and *Brand Attitudes* make up the *Brand Image*. The favourability, uniqueness and strength of those associations lead to a varied formation of *Brand Image* (Keller, 1993).

Besides utilitarian aspects, symbolic and image facets (intangible dimensions) also contribute to the development of *Brand Image* (Ballantyne *et al.*, 2006). Consumers focus on not only buying brands for their performance, but also for their symbolic character (Aaker, 1997; Govers & Schoormans, 2005; Ramaseshan & Tsao, 2007). When creating a *Brand Image*, associations about physical features are combined with the psychological properties (emotions, self-esteem) and social attributes (social status) (Dolich, 1969; Hooper *et al.*, 2011; Meenaghan, 1995). A unique symbol as a "strong non-verbal component" is associated with a brand, and can be recalled from the memory automatically (Biel, 1993, p.73). Accordingly, consumers perceive a brand through its associations, form their opinion, and express their generated *Brand Image* via *Brand Preference* or non-preference.

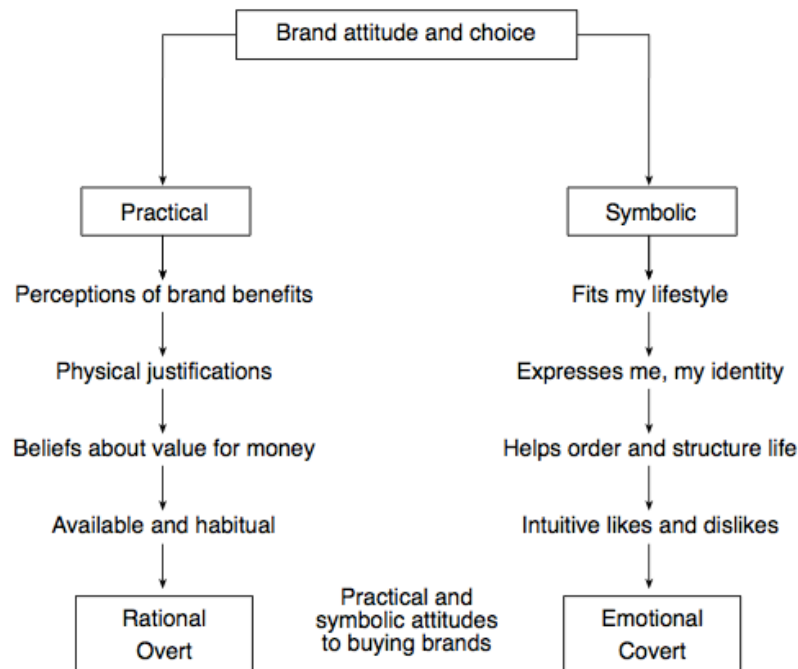
Brand Image correlates with *Brand Personality*, and consumers make use of this underlying personality to reflect their own self-image and the typical user-image in the brand (Aaker, 1996; Govers & Schoormans, 2005; Helgeson & Supphellen, 2004; Hooper *et al.*, 2011; Wysong *et al.*, 2012). Ballantyne *et al.* (2006, p. 348) describe brands as having "personalities that act as extensions to the self, offering aesthetic identity and meanings and structure to life". As a result, *Brand Personality* and its perceived attribute associations have a positive effect on *Brand Image* (Achouri & Bouslama, 2010; Govers & Schoormans, 2005; Guido *et al.*, 2010).

Brand Image reflects the self-expressive function of *Brand Personality* and the individual's self-esteem, as defined by the self-congruity theory (Dolich, 1969; Sirgy, 1982; Sirgy & Danes, 1982; Sirgy *et al.*, 1997; 2000). Especially high-visibility products (socially consumed), such as apparel, running shoes, and cars are most likely to be used for expressing one's self-concerning socially desirable response (Dolich, 1969; Helgeson & Supphellen, 2004; Kim *et al.*, 2001). By way of illustration: For Nike, it is not only the product's functional features that sell the product. They sell an image, and people identify themselves with it (Neiderhauser, 2013).

3.4.2.2 Image Creation through Advertisements

Advertising is the most common source of image creation, and the basis for differentiation (Biel, 1992; 1993; Keller, 1993). Consumers are informed of the intrinsic (functional) and extrinsic (symbolic) benefits, beliefs and values of the brand by advertising the brand's personality and identity (Meenaghan, 1995). This is explained by reference to the model in Figure 3.4.

Figure 3.4: Practical and Symbolic Attitudes to Buying Brands



Source: Meenaghan (1995, p. 31)

Advertising is used to convey, in an information-oriented manner, the practical attributes of the brand, such as the (functional) performance thereof. Yet, advertising also adds value to the brand by permeating the brand with attractive symbolic features (Meenaghan, 1995). In this way, the brand is considered as relevant for the individual life of the consumer, underlining the consumer's personality, and providing emotional guidance. The consumer combines both streams of information simultaneously, when forming his *Brand Image*. Attaching a symbolic meaning to a brand is exceedingly important, since other brands make progress and reach functional parity after a short while, leaving the brand in question losing an earlier competitive advantage (Meenaghan, 1995). Accordingly, the sum of a firm's marketing activities forms a distinct image in the consumer's mind (Hsieh, 2002). It is a synthesis of all the brand signals (activities). Simply speaking, these brand signals comprise the perception of the brand (Kapferer, 2012).

In summary, *Brand Image* consists of functional and symbolic brand beliefs. That is the reason why the brand itself becomes increasingly important nowadays in comparison

with the actual product (Govers & Schoormans, 2005; Paproski, 2011; Parker, 2005). The consumer is attached to the brand, and enters into an emotional relationship (Ouwensloot & Tudorica, 2001). The more the consumer can identify himself with the brand, the more value is added to the brand (Helgeson & Supphellen, 2004; Halonen, 2013). A brand's image has a personal and symbolic meaning to the consumer. It sends out a message reflecting self-image, thoughts and feelings, the person s/he is, and would like to be (compare section 3.2.3 Self-Expressive Function of Brand Personality).

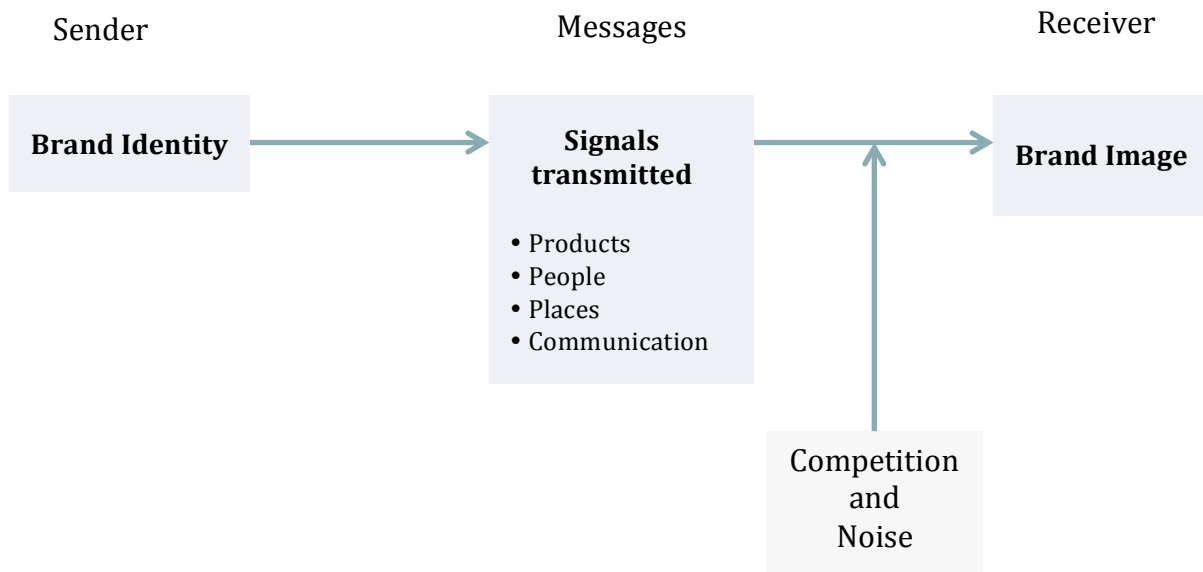
3.4.3 Consumer's Perceived Image of Brand Identity

"Leading brands are predominantly those brands, which portray the correct image or personality" (Ballantyne *et al.*, 2006, p. 344) in terms of the product, the market and the target audience. Such a unique and distinct *Brand Image* gives differentiation to a brand, and averts any negative associations with the brand (Rajagopal, 2010). The brand should radiate favourable and salient attributes that aspire to please the consumers, as well as emphasising the brand's benefits and its appealing identity (Aaker, 2011). In order to generate a strong, cohesive and substantial *Brand Image*, a multitude of *Brand Personality* associations have to be communicated to the consumers (Park *et al.*, 1986; Rajagopal, 2010). The vision that comes to their mind forms the *Brand Image*. Marketers ascertain that the brand's identity is understood in the company's view, and is not misinterpreted (Keller, 2013).

In reality though, this is a challenging task to undertake, and therefore much research has emphasised the analysis of consumer behaviour, so that their behavioural pattern can be predicted more precisely (Halonen, 2013; Neiderhauser, 2013). In this context, the term brand identity has emerged and has slowly gained worldwide acceptance (Sääksjärvi & Samiee, 2011; Kapferer, 2012; Ouwensloot & Tudorica, 2001; Rajagopal, 2010).

Figure 3.5 represents the development process of *Brand Image*. The brand identity is established by the sender, meaning the owner of the brand. The firm determines the way consumers are supposed to comprehend the brand, and communicates this identity to its consumers (Meenaghan, 1995; Kapferer, 2012). Brand identity is essential for companies, because brands thereby become distinguishable and recognisable (Sääksjärvi and Samiee, 2011). The brand identity is controlled internally, and reflects the company's image and meaning of their brand. The brand signals that are sent out are essential, forming the *Brand Image* externally (Chang & Chieng, 2006; Neiderhauser, 2013). Therefore, it is imperative for companies to control their brand associations.

Figure 3.5: Identity and Image



Source: Kapferer (2012, p. 152)

In contrast to brand identity, *Brand Image* is on the receiver's side (Meenaghan, 1995). It represents the consumer's impression of the brand, in other words, the consumer's mental picture. It is the way the consumer actually perceives the brand, its attributes, benefits and associations (Sääksjärvi and Samiee, 2011).

When the brand is advertised, for instance, a brand message is sent to the consumers (Ouwensloot & Tudorica, 2001). This message is carried via the name, the products, people, places and other communication tools (Kapferer, 2012). The consumer decodes all these signals conveyed by the brand and forms his/her own interpretation thereof (Ouwensloot & Tudorica, 2001; Kapferer, 2012). "Competition and Noise" are extraneous factors, such as those that competitors can imitate or take advantage of another firm's (x) brand identity, and therefore disturb the firm's (x) marketing communication and decoding of the firm's (x) signals (Kapferer, 2012, p. 151). To ensure that brand identity is equivalent to *Brand Image*, and is not disturbed by others, the sender (brand owner) intends to bridge that gap. When this has been accomplished, the brand value and its profitability is augmented, and the customer's satisfaction and loyalty are increased (Rajagopal, 2010).

For example: Nike is currently the leading player in the competitive running shoe market, which is characterised by counterfeit products and competitive constraints (Forbes, 2013). These facts risk Nike's ascendancy. Nevertheless, Nike was able to maintain its position by generating a strong and clear, cohesive and consistent *Brand Image*, based on an innovative product line, and an assimilated marketing strategy (Forbes, 2013).

In order to build a strong brand (including brand extensions), it is important to communicate a clear brand meaning to the consumers (Keller, 1993). The core of the

brand is the vision, and the beliefs about the brand – in other words, the brand’s identity (Kapferer, 2012). Since consumers make the choice and compare brands and their products, brand identity/*Brand Image* can be used to position the brand and increase its market share at the expense of the competitors (Kapferer, 2012; Meenaghan, 1995; Parker, 2005). Value is thereby added to the brand, making it unique and leading to loyal customers (Kapferer, 2012).

The way consumers form a *Brand Image* can be illustrated exemplarily by the brand Nike. Nike’s *Brand Personality* has been described as exciting, spirited, up-to-date, successful and charming (Ginman, 2010; Neiderhauser, 2013), as discussed in section 3.2.4. These brand descriptors (personality attributes) depict the brand, and therefore, *Brand Personality* has a positive impact on *Brand Image*. However, the *Brand Image* cannot be uniquely defined (Neiderhauser, 2013). The reason is that *Brand Image* embodies emotions and feelings towards the brand that lead to an evoked response (Ouwensloot & Tudorica, 2001). That implies that in some way, the consumers feel attracted to the brand of Nike (Neiderhauser, 2013). When recalling the brand, an image of Nike will come to consumers’ minds, irrespective of whether they are regular or prospective consumers of Nike’s products. With their experience, feelings, beliefs and knowledge of the brand, consumers form a *Brand Image* instantaneously (Neiderhauser, 2013). The brand name Nike, the swoosh logo, together with the products and advertisements form associations that, in sum, compose an image. As affirmed by Neiderhauser (2013, p. 3), “Nike has a recognizable, visible image that people are aware of”.

3.4.4 Summary of Brand Image

Brand Image is defined as a subjective concept of a branded product (mental representation) held by the consumer, which is based on individual perceptions, emotions and motives (Ballantyne *et al.*, 2006; Keller, 2013; Lee, 2009). *Brand Image* derives from the consumer’s perception of the brand. This perceived “set of associations” (Keller, 1993, p. 2) – specifically attributes, benefits and attitudinal associations – fulfils the features of being salient, favourable, strong and unique associations. By linking these associations to the brand, a *Brand Image* is formed.

The formation of a *Brand Image* is an interactive process (Keller, 2013; Wysong *et al.*, 2012). Companies create their brand identity internally, and then communicate it to consumers. Consumers play an active role in the brand interpretation process, precisely because when consuming such a branded product, they communicate their self-image to others (Halonen, 2013; Kim *et al.*, 2001; Parker, 2005). For that reason, the message a brand delivers has to be communicated to these constructors in a clear way that augments the consistency and cohesiveness of the brand identity (Chang & Liu, 2009; Kapferer, 2012).

Marketers should follow this communication strategy by using appropriate stimuli to win “consumers’ hearts and minds” (Ballantyne *et al.*, 2006, p. 349; Guido *et al.*, 2010).

By this means, a *Brand Image* positioning, as a protection against competitive brands, is established, and the brand attains a unique selling proposition (Na *et al.*, 1999; Parker, 2005). In so doing, brand loyalty and purchasing probability may be increased (Achouri & Bouslama, 2010; Keller, 1993).

When a positive *Brand Image* is being processed, it appears to bias a consumer's perception in favour of maximising *Brand Equity* (Biel, 1992; 1993; Faircloth *et al.*, 2001). Hence, the consumer acts, according to his/her propensity (Chang & Liu, 2009). *Brand Equity* is thus the result of brand knowledge, as well as the consumer's perception of the brand (*Brand Personality*, *Brand Attitude* and *Brand Image*). The subsequent section 3.5 addresses the construct of *Brand Equity*. Antecedents of the construct are outlined and the role of meaningful marketing, in order to optimise *Brand Equity*, is discussed (refer to section 3.5.3).

3.5 BRAND EQUITY

Since the 1980s the interest in *Brand Equity* has steadily grown (Cobb-Walgren *et al.*, 1995; Kapferer, 2012; Myers, 2003). The influencing factors of *Brand Equity* are fundamental, and the interplay between the different antecedents and consequences of *Brand Equity* were addressed by many researchers (Faircloth *et al.*, 2001; Chang & Liu, 2009; Cobb-Walgren *et al.*, 1995; Branaghan & Hildebrand, 2011; Keller, 2013; Sääksjärvi & Samiee, 2011).

Consumers nowadays expect more from brands to satisfy their higher-level and more meaningful needs of self-fulfilment. Instead of "telling and selling", it is rather important to connect with customers on a level where marketing improves their lives by adding value to it (Gilbreath, 2010, p. 1). Research conducted by Bridge Worldwide discovered that the so-called "meaningful marketing" addresses consumers' desires and needs, and builds up faithful relationships (Gilbreath, 2010). Marketing with meaning adds value to the brand. The increased attractiveness of a brand is also referred to as the *Brand Equity* (Gilbreath, 2010).

Posed theories and concepts about creating and managing *Brand Equity* should help to improve the understanding of consumer behaviour, and the efficiency of any marketing strategies.

3.5.1 Definition of Brand Equity

Keller (1993) defines *Brand Equity* as "the differential effect of brand knowledge on consumer response to marketing" (Keller, 1993, p. 8). The marketing activities of a firm's brand affect the consumer's behaviour (Paproski, 2011). A brand adds value to a product, thereby making it meaningful and valuable to the customer, i.e. *Brand Equity* (Biel, 1993).

Brand Equity is the result of brand knowledge combined with the consumer's perception of the brand (*Brand Personality, Brand Attitude* and *Brand Image*), as highlighted in the conceptual framework in section 3.1. If *Brand Equity* is effectively achieved, the consumer has a biased behaviour towards the brand, and is likely to act according to his/her propensity.

Keller (2013, p. 57) points out: "Branding is all about creating differences." This citation explains why similar products are not equally successful, which is the result of branding and the created brand value/*Brand Equity* (Faircloth *et al.*, 2001; Myers, 2003). The marketing of brands transforms brands into valuable assets, for both the consumer and the firm. *Brand Equity* is considered to have numerous indicators and advantages (Aaker, 1991; 2011; Chang & Liu, 2009; Cobb-Walgren *et al.*, 1995; Faircloth *et al.*, 2001; Gilbreath, 2010; Keller, 2013; Myers, 2003; Sääksjärvi & Samiee, 2011):

- For the consumer, *Brand Equity* provides meaning, guidance and direction, leading to the consumer's own impression of the brand. Moreover, search costs and perceived risk can be reduced by means of simplifying the consumer's product decision. For the consumer, this equates to higher levels of Brand Preference and Purchase Intention.
- For the company, *Brand Equity* is an important tool to measure the brand's profitability and performance accurately and timeously. It provides short-term and long-run information to marketers, and reflects the effectiveness and efficiency of the marketing strategy and its outcome (Keller, 2013, p. 60). With the aid of this insight, information on short- and long-term decisions should help to maintain and expand. In addition, *Brand Equity* provides a higher market share and more success, due to being an entry barrier for competitors. Moreover, it enables companies to introduce premium prices.

There exist a number of different viewpoints on the concept of *Brand Equity*: Recent studies conducted in the financial sector focus on the added market value (intangible asset), the brand name or symbolic additions to a product (Biel, 1993; Cobb-Walgren *et al.*, 1995; de Chernatony *et al.*, 2004; Simon & Sullivan, 1993; Myers, 2003). However, for marketers, it is vitally important to understand the driving forces of *Brand Equity* (e.g. the firm's marketing activities), rather than only focusing on the financial performance of the brand (Biel, 1993; Faircloth *et al.*, 2001). This other viewpoint is driven by consumer behaviour and consumer perceptions (Biel, 1993).

In this study, the focus is on the consumer-based perspective. Farquhar (1989), with his customer-based conception, states that *Brand Equity* derives from a positive evaluation of the brand, a positive *Brand Attitude*, and a substantial image of the brand (Chang & Liu, 2009). *Brand Equity* is thus defined as the action of a biased consumer towards an object with positive associations, and its complemented attractiveness is endowed by the brand (Chang & Liu, 2009; Faircloth *et al.*, 2001; Kim *et al.*, 2001).

A variety of definitions of *Brand Equity* and conceptualisations are presented herein from different points of view. However, this dissertation defines the construct of *Brand Equity* as the biased and favourable behaviour of a consumer towards (the added value of) a branded product. This route was chosen due to its fit with the theoretical model and the scale items of the questionnaire, in order to collect data from consumers.

3.5.2 Contributors to Brand Equity

The key to *Brand Equity* is the consumer's knowledge (Keller, 2013). Every element and marketing activity of the brand results in the consumer's perception of the brand, based on his experience. Knowledge of brands "creates the differential effect that drives brand equity" (Keller, 2013, p. 71). Brand awareness and *Brand Image* can be considered as the constituents of brand knowledge (Chang & Liu, 2009). Brand awareness, in particular, is the ability to identify, recognise and recall a brand. A high level of brand awareness and familiarity with the brand relates to strong, salient, favourable and unique associations held about the brand, which, in turn, leads to *Brand Image* (Biel, 1993; Keller, 2013).

Brand associations are a clear antecedent to behavioural patterns regarding *Brand Equity* (Aaker, 1991; Branaghan & Hildebrand, 2011; Faircloth *et al.*, 2001). Depending on this set of associations and their evaluation, consumers perceive the quality and performance of the brand, which results in them being more loyal to the brand (Hellier *et al.*, 2003; Keller, 2013).

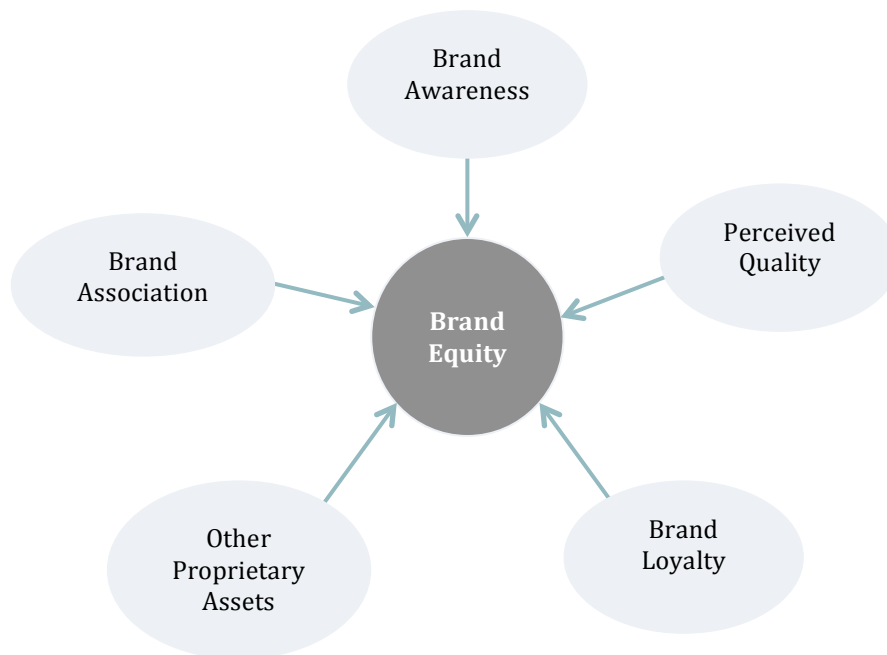
According to Cobb-Walgren *et al.* (1995), *Brand Equity* is created by perceptions deriving from the psychological and physical features of a brand. Objective sources, such as consumer reports, provide physical characteristics; whereas advertisements and individual experience provide subjective information. Advertising is assumed to be the prevalent mechanism for creating *Brand Equity* through psychological differentiation (Aaker & Biel, 1993). In the studies of Cobb-Walgren *et al.* (1995), it was found that a product enjoying higher investments in advertising developed higher *Brand Equity*, which generated remarkably greater *Brand Preference* and the tendency to purchase. Through advertisements and other informational sources, brand awareness is created, making the brand look unique and setting it apart from competitive brands. This, in turn, influences its perceived quality and evokes a favourable *Brand Image* in the consumer's minds. Positive brand evaluation/attitude, arising from advertising, is crucial for the development of *Brand Equity*. This holds true, especially for those brands that are quite similar, meaning consumers find it difficult to differentiate between them (Cobb-Walgren *et al.*, 1995).

The added value or attractiveness of the brand to the consumer can be divided into three sub-dimensions. These categories/dimensions are namely: "brand awareness and association", "brand loyalty" and "perceived quality" (Chang & Liu, 2009, p. 1697). Exemplifying these three categories, the consumer is aware of the brand Asics, and can recall its logo (brand awareness and association), s/he makes Asics his/her first choice, and is prepared to recommend the brand to others (brand loyalty).

The consumer perceives the quality of Asics as being high, and holds it in high regard (perceived quality).

As pictured in Aaker's (1991) Brand Equity Model in Figure 3.6, the dimensions of *Brand Equity* include brand associations, brand awareness, perceived quality, brand loyalty and other proprietary dimensions (Aaker, 1991; 1996; Aaker & Biel, 1993; Chang & Liu, 2009; Myers, 2003; Rajagopal, 2010).

Figure 3.6: Brand Equity Model



Source: Aaker (1991, p. 17)

An example serves as a depiction of the Brand Equity model (Figure 3.6): Nike has developed a long-established and distinct brand identity that consumers can easily recognise and recall. Research has found that Nike's worldwide brand awareness contributes very substantially to Nike's Brand Image and Brand Equity (Sanusi et al., 2014). Brand associations are linked to famous and successful athletes, and they have an impact – not only on the perceived quality of the brand (through the athlete's credibility, attractiveness and professionalism) – but also on the perceived *Brand Personality* and *Brand Image*. Nike listens closely to its athletes, and to the consumers' needs. The company is well informed about its clientele and current fashion trends. As a result, Nike is able to design shoes that meet the users' expectations (Sanusi et al., 2014). Sponsored athletes communicate the brand's identity to consumers. In summary, Nike has built a good relationship with their clientele, and it has created a loyal customer base (Sanusi et al., 2014). Research on *Brand Equity* provides evidence that a positive *Brand Attitude* and a positive *Brand Image* enhance *Brand Equity* development (Aaker, 1991; Faircloth et al., 2001; Chang & Liu, 2009; Keller, 1993; 2013). In this regard, *Brand Attitude* is determined as the evaluation of the brand, and *Brand Image* as the brand-related

perceptions. These constructs of information processing and brand knowledge affect *Brand Equity*, which is the biased action of a consumer towards a brand. Therefore, it can be said that positive brand associations are more likely to create a positive *Brand Image*, because the brand is cherished (Biel, 1993). When this positive *Brand Image* is being processed, it should bias a consumer's perception towards a major equity (added value) of the brand (Biel, 1992; 1993). There is broad consensus that *Brand Image* has a positive effect on *Brand Equity* (Faircloth *et al.*, 2001).

Faircloth *et al.* (2001) proposed that a favourable evaluation of a brand influences *Brand Equity* (Chang & Liu, 2009). Farquhar (1989) stated that *Brand Equity* derives from a positive evaluation of a brand, a positive *Brand Attitude*, and a substantial image of the brand. These facts show that, to a certain extent, these factors do have a positive influence on *Brand Equity*.

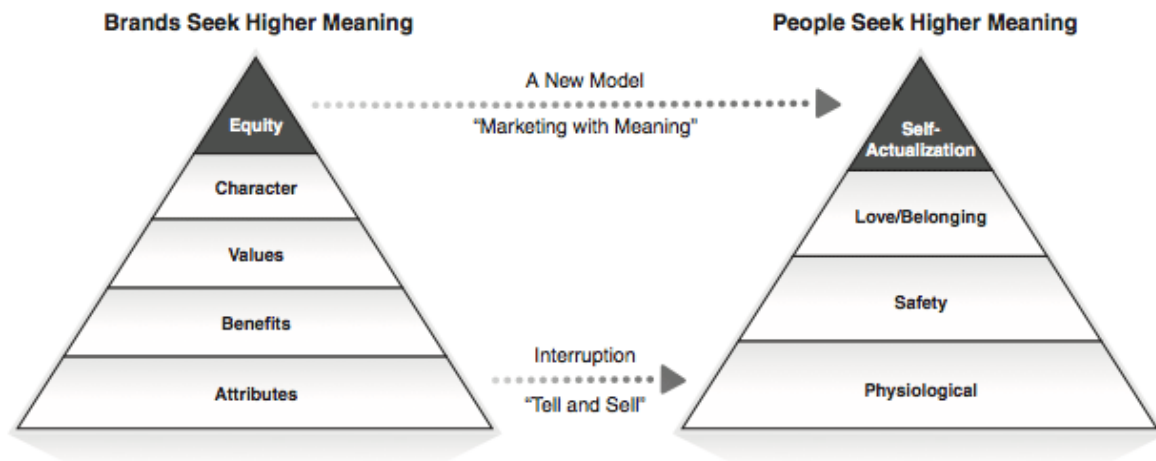
3.5.3 Achieving Meaningful Marketing Through Optimising Brand Equity

In order to build strong brands, marketers should make use of newly researched marketing opportunities (Gilbreath, 2010). Nowadays, due to the shortened product and brand cycle, and the flood of information, marketers rather concentrate on adding value to the brand. They do this by enhancing the intangible and soft-image attributes that evoke emotions and feelings in the consumer, rather than by merely focusing on differentiation through functional and technical attributes (Biel, 1993). Marketing undergoes a change that heralds in an emerging evolution of marketing. The so-called "Marketing with Meaning" (Gilbreath, 2010, p. 32) is becoming more prominent. By focusing on the meaning of marketing, value is added that benefits a consumer's life. Given that, the consumer actively chooses to engage with the brand, and to participate in the marketing process of his own free will, unlike the interruptive marketing in the 1950s that flooded consumers with advertising (Gilbreath, 2010).

The more meaningful the marketing, the more emotionally attached the consumer. The individual would be loyal to the brand, willing to pay premium prices, and to recommend the brand via positive word-of-mouth (Gilbreath, 2010; Kapferer, 2012).

Gilbreath (2010) combines the hierarchy of *Brand Equity* (Figure 3.7, left side) with Maslow's hierarchy of needs (right side). This implies that the benefits are connected to the basic needs, and equity is linked to self-actualisation and self-esteem. A Higher Meaning is reached by means of a new way of marketing that disregards the interruptive aspect of marketing, departing from traditional advertising (towards the social media, forums and campaigns) (Gilbreath, 2010). What may be deduced from these hierarchies is the new model "Marketing with Meaning" (Gilbreath, 2010).

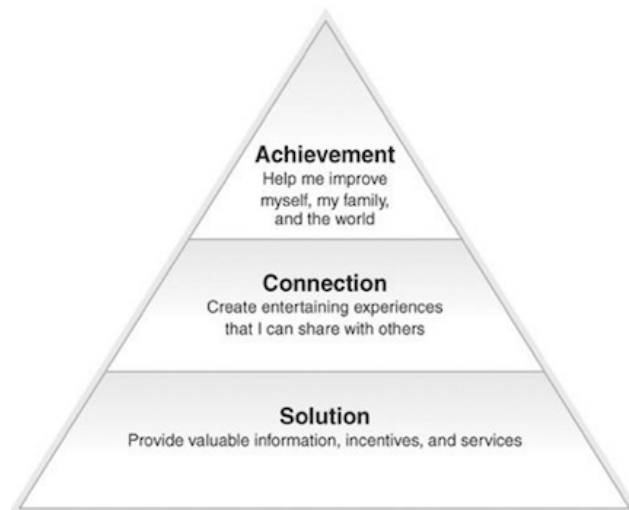
Figure 3.7: Both Brands and People Seek Higher Meaning



Source: Gilbreath (2010, p. 46)

The hierarchy of meaningful marketing, illustrated in Figure 3.8, offers different levels of marketing strategies. These constitute meaningful solutions, meaningful connections and meaningful achievements, of which achievement is the most important category. Hence, the higher the meaning of marketing, the higher the needs it satisfies. This marketing model is adapted for the basic levels of needs (physiological and safety) up to the top higher-level needs, such as self-actualisation through equity (Gilbreath, 2010).

Figure 3.8: The Hierarchy of Meaningful Marketing



Source: Gilbreath (2010, p. 47)

As previously mentioned, consumers strive for more than just the satisfaction of their basic needs (Govers & Schoormans, 2005; Paproski, 2011; Rajagopal, 2010). With their goal of achieving self-fulfilment, and tapping into their individual full potential, consumers tend to prefer and choose brands with favourable, unique and appealing characteristics that can add value to their lives (Gilbreath, 2010; Kim *et al.*, 2005; Ouwersloot & Tudorica, 2001). Strong brands, like Nike, offer more than just product benefits (Gilbreath, 2010). Such a strong brand represents: The product, service, and especially marketing value that satisfies the consumer's needs and expectations. Consumers engage in a relationship with the brand via forums, applications, social connections and other high-level benefits (forms of meaningful marketing) to eventually bond with the brand (Chang & Chieng, 2006; Gilbreath, 2010).

Through meaningful marketing, consumers can improve their lifestyle experience and make a positive impact on their community and society (Gilbreath, 2010). The personal value (meaning) is different for every person. Thus, it is important to analyse the target market of a brand, according to the current and prospective consumer's behaviour. What are their needs, expectations, habits and desires, and how can additional, personal value be created (Gilbreath, 2010)?

Nike, the world's pioneering brand in sportswear, has one of the most effectively embedded and most meaningful branding strategies worldwide (MarketLine, 2013; Sanusi *et al.*, 2014; Statista, 2015b). Here, marketing can become even more meaningful than the product itself (Gilbreath, 2010; Kotler & Armstrong, 2014; Xenopoulos, 2013). According to Gilbreath (2010, p. 39), "the company seems to have cracked the code of a new marketing model". With its "Word of Foot" marketing campaign, Nike revitalised the brand by getting back to its basics, which means attempting to focus on the roots of running (Gilbreath, 2010, p. 36; Keller, 2013). Nike increasingly concentrates on connecting with the community and their running customers by offering them a special service (Nike+, NikeiD, The Human 10K race event, SportBands). For instance, service was provided by the launch of Nike+, a running tool in collaboration with Apple, where two companies combine their strength to provide additional long-term value to the customer (Gilbreath, 2010). This product invites people to use it for additional experience, for encouragement, to analyse their runs, to improve their fitness levels and personal lives, and to connect with like-minded people. In that way, consumers stay in touch with the brand long after the purchase. The meaning of Nike+ created a loyal customer base that became "the world's largest running club" with followers willing to pay higher prices, and leading to increased sales and revenue growth (Gilbreath, 2010, p.37).

Nike is aware of the situation: "If we can do something to benefit our consumers and serve the needs of athletes to perform better, they will return to our brand" {Stefan Olander, Global Director for Brand Connections, Nike, in: Gilbreath (2010, p. 38)}. This example shows that by way of meaningful marketing, value is added to a brand, in particular *Brand Equity*. As a consequence, deep (long-run) consumer-brand relationships can be built.

3.5.4 Summary of Brand Equity

From the consumer-based perspective, *Brand Equity* is described as the differential effect marketing activities have on the consumer's brand knowledge and perceptions of the brand (Paproski, 2011). A brand adds value to a product, increases its attractiveness, and makes it meaningful and valuable for the customer (Biel, 1993). *Brand Equity* is the biased and favourable behaviour of a consumer towards (the added value of) a brand. The consumer's impression and his/her experience with the brand determine the development of *Brand Equity*. It is assumed that advertising is the prevalent mechanism for creating *Brand Equity* through psychological differentiation (Aaker & Biel, 1993). Moreover, a positive *Brand Personality*, *Brand Attitude* and *Brand Image* are crucial contributors to the *Brand Equity* of the product (Chang & Chieng, 2006).

Nowadays, with consumers spending an increasing amount of time online, and against the backdrop of more and more companies competing in an e-commerce environment, building strong brands through a ubiquitous presence is essential, in order to be successful (Faircloth *et al.*, 2001; Redrup, 2013). *Brand Equity* plays a significant role in this process, because it provides brands with a higher meaning, and offers consumers the chance of achieving self-fulfilment and attaining their individual full potential by adding value to their lives. By promoting brand values through meaningful marketing, the long-standing objective to attach consumers emotionally to the brand can be accomplished (Kim *et al.*, 2005).

Theories and concepts about creating and managing *Brand Equity* should help to improve the efficiency of marketing strategies. Special attention should be paid to the importance of the consumer-brand relationship in this process, being the driving force and power of a strong brand (Chang & Liu, 2009; Keller, 2013; Rajagopal, 2010). However, the importance of *Brand Equity* cannot be fully appreciated, if it is not clearly stated how *Brand Equity* is created, and how it affects consumer behaviour. For that reason, it is important that marketers focus specifically on the management of the antecedents of *Brand Equity*, namely, the constructs of *Brand Personality*, *Brand Attitude* and *Brand Image*, their interplay and their impact on *Brand Equity* (Faircloth *et al.*, 2001).

If the constructs of *Brand Equity* can be managed and controlled in line with the strategic marketing objectives, then marketers can take a step in influencing consumer behaviour, diagnosing image problems, and identifying precise solutions for their brand's success (Faircloth *et al.*, 2001). *Brand Equity* plays a key role in consumer behaviour, and hence, in the developed conceptual model of this research. For that reason, the researcher brought the elaboration of *Brand Equity* and its inputs into focus (refer to section 3.2 to 3.4). Having particularised the antecedents of *Brand Equity*, attention is drawn to its consequences in the following section.

3.6 BRAND PREFERENCE AND PURCHASE INTENTION

Researchers in consumer behaviour strive to find out which factors and constructs are subject to consumers' decision-making processes. The objective is to assess what influences a favourable *Brand Attitude*, which, in turn, projects a positive *Brand Image* through emotional attachment and self-congruity, and eventually results in an increased *Brand Preference* (Chang & Liu, 2009). In this regard, the importance of building up *Brand Equity* cannot be overemphasised. It is the antecedent of *Brand Preference*, and as a consequence thereof, *Purchase Intention*, and has been affirmed in many other studies (Chang & Liu, 2009; de Chernatony et al., 2004; Keller, 2013; Myers, 2003).

Having prior elaborated the construct of *Brand Equity* and its antecedents, this section focuses on defining and explaining its consequences, in particular *Brand Preference* and *Purchase Intention*.

3.6.1 Brand Preference

The message a brand delivers creates brand awareness and forms an association in the consumer's mind. During this cognitive process, information, experience and brand knowledge are processed, the brand is measured and evaluated by the consumer (Ballantyne *et al.*, 2006; Keller, 1993). The result is a positive attitude towards the brand. This message eventually creates an image in the consumer's memory, ideally a positive recollection. Due to the perceived equity and value, the consumer has a more favourable reaction towards the branded product, expressed in the preference for the brand (Bass & Talarzyk, 1972; Hellier *et al.*, 2003; Keller, 2013). Having a preference for and choosing a brand over another one, is the result of the consumer being emotionally attached to the brand (Achouri & Bouslama, 2010; Keller, 2013).

Brand Preference is defined as "the extent to which the customer favours the designated ... [brand] provided by his or her present company, in comparison to the designated ... [brand] provided by other companies in his or her consideration set" (Hellier *et al.*, 2003, p. 1765). The consumer believes that one brand is superior and more relevant than another one (Aaker, 2011).

According to Rajagopal (2010), *Brand Preference* is closely linked to brand loyalty. Empirical research has revealed that cognitive factors associated with the brand stimulate Brand Preference. Those are classified as the brand's personality attributes, attitudes, images and emotions (Aaker, 1997; Govers & Schoormans, 2005; Rajagopal, 2010). Brand passion (preference) is driven by relevance, trust and familiarity with the brand (Ramaseshan & Tsao, 2007). Key aspects are the emotional values that the brand elicits, also with regard to the relationship of the brand's attributes and the company's image and standards (Guido *et al.*, 2010; Möller & Herm, 2011; Paproski, 2011).

Brand Preference is an essential construct when building a strong brand, being the reason for repetitive purchase patterns, which grant a company higher market shares and profits (Aaker, 2011; Chang and Liu, 2009; de Chernatony *et al.*, 2004). Through

Brand Preference and its antecedents, the consumer's response to a brand and its marketing activities can be influenced (Cobb-Walgren *et al.*, 1995).

Therefore, the objective of building a strong brand is to attract consumers' perceptions and to connect prospects emotionally because of the increased *Brand Equity*. Congruity between the consumer's self-image and the *Brand Image* positively influences *Brand Preference* and choice (Ballantyne *et al.*, 2006; Branaghan & Hildebrand, 2011; Hooper *et al.*, 2011; Sirgy and Danes, 1982). Hence, the better the fit with the brand, the higher the preference for the brand (Branaghan & Hildebrand, 2011; Guido *et al.*, 2010; Sääksjärvi & Samiee, 2011). The objective is to attract the customer's attention, and through added value and emotional attachment, it is hoped that consumers would identify themselves with the brand. In sum, *Brand Equity* is generally believed to be a main contributor to *Brand Preference* (Hellier *et al.*, 2003; Myers, 2003).

Through *Brand Preference*, customers' purchasing intentions and the likelihood of buying a brand/product can be influenced. The consumer's *Brand Preference* is communicated to others in his/her social environment, and hence, increases the firm's reputation due to (positive) word-of-mouth reports (Chang and Liu, 2009; Rajagopal, 2010). Favourable consumer responses are, for example, giving preference to a certain brand over others, the increased likelihood of buying and eventually the de facto purchasing of the branded product, and, should the occasion arise, repeating the purchase (Achouri & Bouslama, 2010; Hellier *et al.*, 2003; Cobb-Walgren *et al.*, 1995).

In studies by Cobb-Walgren *et al.* (1995), it was found that products with higher marketing budgets reached a higher *Brand Equity*, which generated remarkably more *Brand Preference* and *Purchase Intention*. The construct of *Purchase Intention* will thus be elaborated subsequently.

3.6.2 Purchase Intention

Purchase Intention is the act of purchasing, to paraphrase, actually buying a product or a brand. Hellier *et al.* (2003) analysed that *Brand Preference*, besides other factors, such as perceived value and quality, satisfaction and loyalty, as well as symbolic and emotional attachment precede the customer's repurchase intention (Ballantyne *et al.*, 2006; Low & Lamb, 2000; Myers, 2003; Paproski, 2011).

The level of a pleased and content customer, is a key factor preceding *Brand Preference*. A satisfied customer most probably has a positive *Brand Attitude* that results in *Brand Preference* (Hellier *et al.*, 2003). The customer favours a designated brand, and, addressing his/her repurchase intention, judges the brand on whether to buy it again or instead switch to another brand. This is done, while taking all other alternatives into account (Cobb-Walgren *et al.*, 1995; Hellier *et al.*, 2003; Low & Lamb, 2000; Salisbury & Feinberg, 2012). A brand considered as relevant, credible, trustworthy and suitable would lead to the choice of the brand (Aaker, 2011; Erdem & Swait, 2004; Freling *et al.*, 2011; Sirgy *et al.*, 2000).

In this context, *Brand Equity* leads to the greater probability of brand choice towards actual Purchase Intention, and is reflected in the consumer's willingness to pay high prices (premium prices) (de Chernatony et al., 2004; Keller, 1993; 2013).

Customers purchase the same products repeatedly, due to their preference for the brand, and the bond that they feel towards a brand (Guido et al., 2010; Hellier et al., 2003; Kim et al., 2001). Celebrity advertisement is applied to increase that bond even further through the endorser's credibility and his/her reputation (Sallam & Wahid, 2012). Therefore, it is contended that there is a causal link between *Brand Equity*, *Brand Preference* and the willingness to buy a brand (Chang & Liu, 2009; Low & Lamb, 2000).

3.6.3 Summary of Brand Preference and Purchase Intention

In this section, a brief overview of the constructs of *Brand Preference* and *Purchase Intention* has been given. The input factors, as described above, determine those constructs, with *Brand Equity* being the main driving force (Chang & Liu, 2009; Hellier et al., 2003). Products are purchased to satisfy the needs, such as belongingness, esteem and satisfaction (Rajagopal, 2010). For that reason, it is important to analyse the consumer's perception of the brand in a holistic approach, taking their social life into account (Paproski, 2011). Brands with persuasive appeal act as enhancement of the consumer's personality in terms of social identification; and thus, they influence the consumer's decision-making (Kim et al., 2001). Brand choice can be based on the preferences and expectations that the consumer's social group expresses (Guido et al., 2010). Such a moderating effect, described as *Social Acceptance*, is defined in the following section 3.7.

3.7 SOCIAL ACCEPTANCE AS MODERATION EFFECT

In this study, a moderator is added to maximise the relevance and validate the proposed research framework. This chosen moderator influences the consumer's decision-making process; and it can explain any divergence in consumer behaviour (Rajagopal, 2010). Consumers behave differently in varying consumption situations, since the decision-making process with its influencing variables is "all in the mind" (Rajagopal, 2010, p. 206; Paproski, 2011).

Analysing the purchase situation is vitally important, because consumers suffer from an overabundance of product offerings, advertising and other sensory stimuli – described by Ballantyne et al. (2006, p. 340) as "choice fatigue". For that reason, consumers tend to simplify the complexity of the purchase situation by making use of patterns that minimise their cognitive effort. As elucidated, these patterns include making use of brand personalities, forming brand attitudes and images, as well as perceiving the brand's equity. The way a brand is perceived and evaluated is stored in the memory in a simplified way, and it results in a *Brand Preference* or non-preference. However, this procedure does not display the actual decision-making process, since consumers rely on emotions and intuition, and not all the relevant data are being processed.

The purchase situation, and other stimulating variables, can therefore still influence a consumer's preference (Rajagopal, 2010; Wysong *et al.*, 2012). Among the wide range of dimensions, this study exemplarily focuses on the following situational dimensions: The social environment with regard to socially desirable response, social pressure, visual and shared identities with a reference group. In addition thereto, consumer socialisation associated with the brand community (brand stimuli), as well as word-of-mouth reports, fashion trends, as well as friends in their social network, or people of a certain reference group influencing each other's lives (me-too feeling) (Ballantyne *et al.*, 2006; Keller, 1993; Maehle & Supphellen, 2011; Paproski, 2011; Rajagopal, 2010; Sirgy *et al.*, 2000; Wysong *et al.*, 2012). These circumstances are summarised as *Social Acceptance*.

Social Acceptance, as a moderator of the relationship between *Brand Preference* and *Purchase Intention*, influences the consumer's decision-making process. This moderator has various dimensions that are illustrated subsequently to clarify its definition.

3.7.1 Definition of Social Acceptance

Today, consumption plays a significant role in consumers' lives, when it comes to expressing their identity to others and satisfying their need of belonging to social groups or organisations (Tian *et al.*, 2001). Kim *et al.* (2001) describe this as social identification: "Social identification means that a person identifies him/herself as a member of a society" (Kim *et al.*, 2001, p. 197). This implies that a person wants to belong to a specific (reference) group, whereas the type of group or organisation is not the focus, but rather the fact that the consumer strives to be socially accepted as a member thereof.

Belonging is so important to consumers, because personal relationships increase the value of their social lives. With regard to Maslow's Hierarchy of Needs (described in section 3.2.3 and 3.5.3), consumers make use of brands to achieve self-fulfilment, to tap their individual full potential and to fulfil their needs of belonging, love, and self-esteem (Rajagopal, 2010). By preferring and choosing brands with favourable, unique and appealing characteristics that add value to their lives, consumers can improve their lifestyle experience, and have a positive impact on their community and society (Gilbreath, 2010; Kim *et al.*, 2005).

Badaly *et al.* (2012, p. 482) define *Social Acceptance* as "a marker of likeability and peer regard [...] generally associated with positive behavioural features and few negative behavioural attitudes".

To enhance the consumer's personal and social image/identity, material goods are being consumed (Tian *et al.*, 2001). Aaker (1999) stated that the consumer's self-presentation varies in different social situations. This indicates that people act differently, according to those situations in which they are more or less influenced, respected and valued by other people, social norms and roles (Potochnik *et al.*, 2012; Smith & Swinyard, 1983). By choosing and consuming a brand with personality traits that fit best, the consumer

can fulfil the desire of consumer socialisation and enhancement of his/her social-image (Aaker, 1999; Kim *et al.*, 2001; Sirgy *et al.*, 2000).

In this context, branded products that are predicted to become popular are more likely to be purchased (assuming that the brand will be approved by the majority) than brands, which feature a relatively low level of popularity (Tian *et al.*, 2001). Nikitin *et al.* (2014) analysed the significant role that differences in age have on the experience of social situations, particularly *Social Acceptance*. They found that younger people (approximately 23 years old) are more emotionally affected by *Social Acceptance* (liked) and rejection (disliked) than older people (average 71 years old). This implies that younger consumers are more involved in the so-called “impression management” (Sirgy *et al.*, 2000, p. 133). Kostanski and Sallechia (2003) have analysed and approved the impact of fashion on socialisation processes, with regard to *Social Acceptance* and the establishment of self-identity during the years of adolescence and young adulthood.

To conclude, the relationship between the consumer and the brand depends on the consumer’s personality, as well as the social situation (Rajagopal, 2010). These factors interact with each other, and put the consumer under pressure, according to which particular role s/he assumes (Aaker, 1999).

3.7.2 Dimensions of Social Acceptance

Against the backdrop of reasons mentioned above, *Social Acceptance* leads to socially desirable response (identification with and approval of the group), due to the social pressure the consumer feels. Because of this social pressure, the consumer tries to act in a way that would result in the group’s approval of his/her personality by means of brands that s/he consumes to establish his/her social identity. The dimensions of *Social Acceptance* (namely Socially Desirable Response and Social Pressure) are subsequently described in more detail.

3.7.2.1 Socially Desirable Response

This dimension describes the setting of a situation regarding social visibility (referring to socially desirable response) and visual and shared identity with a reference group (Maehle & Supphellen, 2011; Paproski, 2011). When visibly consuming a product in public, the people of a reference group that surround a consumer would influence him/her; and this would lead to a different behaviour, according to the setting of the situation and the product (Paproski, 2011; Wysong *et al.*, 2012). In such a situation, the consumer frantically seeks social recognition and acceptance. Striving for guidance, safety and belonging, the consumer wants to be part of the group (Wysong *et al.*, 2012). During a “social comparison process” (Wysong *et al.*, 2012, p. 104), both sides evaluate and judge each other’s “opinions, abilities and possessions”, and the group’s feedback would signal the consumer their approval or dismissal (Sirgy *et al.*, 2000; Wysong *et al.*, 2012, p. 104). According to this feedback, consumer behaviour may change.

Socially visible consumption of a product leads to socially desirable response, and is defined as follows (Helgeson & Supphellen, 2004; Maehle & Supphellen, 2011; Wysong *et al.*, 2012): Socially desirable response (SDR) refers to the feedback and evaluation of the people surrounding a consumer in a situation. It is “the tendency for people to present themselves in a favourable way, in the light of current cultural norms [...]” (Helgeson & Supphellen, 2004, p. 207). A brand’s personality not only displays the brand’s personality, but also the consumer’s personality to other people when s/he consumes it conspicuously. For that reason, the choice of brand is important. According to Wysong *et al.* (2012), consumers tend to purchase brands with a greater and desired *Brand Personality*, when being in a socially visible situation. When being in public, the consumer considers his social self-image (vs. private self) (Sirgy *et al.*, 2000). With the emerging need for social consistency, the consumer feels the desire to synchronise his social self-image with the image s/he believes other people have of him/her and the brand’s image (Sirgy *et al.*, 2000). Sirgy *et al.* (2000, p. 132) mention the “social approval motive”, according to which consumers want to purchase and consume brands that would make others hold them in high esteem, and would increase the probability of approval from the group. Therefore, socially desirable behaviour (to earn approval) is an influencing variable on a consumer’s *Brand Preference*, and can aid in better predicting consumer behaviour (Sirgy *et al.*, 2000).

Social desirability as a moderating influence plays an important role in consumer behaviour research (Helgeson & Supphellen, 2004). Helgeson and Supphellen (2004) analysed the effect of socially desirable response (SDR) on the relationship between *Brand Personality*, self-congruity and *Brand Attitude*. In order to promote measurement advancement in consumer research, this moderating factor in this dissertation is further applied to the relationship between *Brand Preference* and *Purchase Intention*.

This focus is justified by a major point of discussion in the research work of Helgeson and Supphellen (2004). Thus, there are two cases that evoke socially desirable response in consumers (how it occurs): It either occurs in a way of repetitive response, or as a specific response aroused by an exceptional situation. Repetitive response implies that a consumer purchases the same brand due to convenience, familiarity and habit (Dick & Basu, 1994; Ouwensloot & Tudorica, 2001).

A specific response characterises behaviour where the consumer is influenced by some extraordinary or special situation, such as, for example, a fashion trend/a marathon (Sheldon, 2010). Moreover, Wysong *et al.* (2012) point out in their chapter on prospective research that further studies should examine the impact of socially visible consumption situations, and how these affect the consumer’s decision-making process.

3.7.2.2 Social Pressure

Social pressure is defined as “pressure by members of one’s peer group to take a certain action, adopt certain values, or otherwise conform, in order to be accepted” (Dictionary.com, 2015). This social momentum or peer pressure affects the expectations

of the entire group on the consumer to behave in a similar or acceptable manner in front of the group.

According to Low (2015), social pressure notably influences purchasing decisions among teenagers. They copy styles from advertisements and of friends to appear fashionable and to convey the impression of fitting in. They seek to be more recognised, to be highly estimated by friends, and to receive their approval. As described in an article by the New York Times (2013), nowadays, people are being “outer-directed”.

Consumers are dependent on the power of the crowd with its judgements, opinions, trends and tastes. According to the New York Times, people have become “prosumers” – being both producers and consumers at the same time. Via the social media, consumers connect with each other and “tweet, post, update and blog at the same time they are other people’s digital productions” (Siegel, 2013). Women, in particular, are guided by the pressure to meet societal trends and norms. This pressure has a considerable impact on their social ideals and their level of self-esteem (Sheldon, 2010).

Dick and Basu (1994) describe this dimension with regard to social norms. Consumer behaviour is influenced by the subjective norms of reference. Hence, the consumer perceives the beliefs of his/her reference group of people around him/her, and considers and weighs their reaction towards his/her behaviour (and, accordingly might adapt his/her behaviour). Guido *et al.* (2010) approve of this moderating dimension, and explain it with the aid of Ajzen’s (1991) Theory of Planned Behaviour. According to this theory, consumers change the way they behave when being with others. They are under social pressure (referring to the social norm), because the group is judging their behaviour (Guido *et al.*, 2010). Consequently, consumers’ purchasing behaviour would possibly differ regarding the group’s feedback and concomitantly with the advantages or disadvantages the consumer would receive for his/her performance (Guido *et al.*, 2010).

Related to social pressure, several studies describe the visual and shared identity with a reference group (Helgeson & Supphellen, 2004; Maehle & Supphellen, 2011): The visual and shared identity implies that by using a brand, the consumer intends to create a feeling of belonging to a group by impressing them, and thereby becomes an affiliate. Consuming a brand is establishing an identity. Choosing a brand that matches his/her self-image best boosts his/her self-assurance. The consumer feels richer, more exciting or stylish, and s/he thus expresses his/her identity and social status to others.

When consuming a product in a social group, social pressure is high. This can lead to purchasing a specific brand for the purpose of obtaining the approval of relevant others. For example: Since Nike is the world’s number one in selling sports shoes, a consumer decides to buy this presumably popular brand for the workout at the gym.

According to Forbes and the TOTEMS List, Nike is the most popular brand on Instagram, with approximately 5.6 million followers (O'Connor, 2014). However, when attending a marathon that is sponsored by the company Asics (e.g. the New York City marathon), the so-called core enthusiast would most probably wear that brand and the running shoe specially designed for that occasion (Elliott, 2014; Asics America Corporation, 2014).

The fact that high-quality running shoes come with a higher price excludes the likelihood of any impulsive purchases. This implies that consumers actually weigh their options when purchasing such a product (Guido *et al.*, 2010). Depending on the involvement and motivation of the consumer, meaning how important the product, opinion and preferences of the reference group are to him/he, s/he would adapt his/her purchasing behaviour (Guido *et al.*, 2010; Smith & Swinyard, 1983; Zaichkowsky, 1985).

3.7.3 Summary of Social Acceptance as Moderation Effect

In this dissertation, a moderator is added, and its interactive effect on the relationship between *Brand Preference* and *Purchase Intention* is analysed. This moderator – *Social Acceptance* – is defined “as a marker of likeability and peer regard, and is generally associated with positive behavioural features and only a few negative behavioural attitudes” (Badaly *et al.*, 2012, p. 482). *Social Acceptance* has several characteristics, including two dimensions that will be tested in this study: Socially desirable response and social pressure. Consumers strive for social identification and acceptance. Belonging is so important to consumers, because personal relationships increase the value of their social lives (Rajagopal, 2010).

In order to acquire self-fulfilment and to enhance the consumer's personal and social identity, material goods are being consumed (Tian *et al.*, 2001). By choosing a certain socially visible lifestyle, consumers hope to receive approval from the group, and thereby become accepted as a member (Gilbreath, 2010; Kim *et al.*, 2005). Especially nowadays, with increased social pressure and the impact of crowds, as well as the complexity and boundlessness of the markets, consumers look for strong brands that provide safety, authenticity, stability, and confidence. Those brands that support the establishment of identity become thus preferable (Ballantyne *et al.*, 2006). Consumer's self-presentation is variable in different social situations, meaning that they act differently around other people as regards social norms and roles (Aaker, 1999; Kim *et al.*, 2001; Potochnik *et al.*, 2012; Sirgy *et al.*, 2000).

With the social force of the group, word-of-mouth reports about a brand play a significant role on the dissemination of trends and a brand's popularity (Kim *et al.*, 2001). At this point, marketers need to define realistic and convincing approaches (depth and breadth) to address consumers, so that their brand evaluations lead to the actual purchase of the brand (Ballantyne *et al.*, 2006; Wysong *et al.*, 2012). This study could shed a new light on understanding and predicting a consumer's choice of brand, taking the relationships between the research constructs and the situational circumstances into account.

3.8 CONCLUSION

This chapter of theory offered significant insight into the underlying theoretical background of *Brand Equity*, its antecedents and its consequences. The relevant, reviewed literature is extensive, and therefore, the constructs were defined, characterised and explained in great detail. The theory was applied to practical examples reflecting the purpose and research context of this thesis. These examples served to visualise and introduce the empirical analysis of the running shoe market with the brands Asics and Nike.

The sections 3.2 to 3.4, namely, *Brand Personality*, *Brand Attitude* and *Brand Image*, delineated the constructs affecting *Brand Equity*. *Brand Equity* (see section 3.5) was approached by defining it as the different effects that marketing activities have on the consumer's brand knowledge, and his/her perceptions of the brand (Paproski, 2011).

A brand adds value to a product, increases its attractiveness, and makes it meaningful for the customer (Chang & Liu, 2009). For these reasons, the interest in *Brand Equity* has steadily grown (Kapferer, 2012; Keller, 2013). The influencing factors of *Brand Equity* are fundamental, and understanding their interplay is of the utmost importance to improve the efficiency of marketing strategies (Faircloth *et al.*, 2001; Cobb-Walgren *et al.*, 1995; Branaghan & Hildebrand, 2011; Myers, 2003; Sääksjärvi & Samiee, 2011).

From these circumstances, meaningful marketing can be developed, which addresses consumers' desires and higher-level needs of self-fulfilment and builds up faithful relationships (Gilbreath, 2010). The two representative brands, Asics and Nike, adopt this marketing strategy as well (Elliott, 2015; Sanusi *et al.*, 2014).

The established moderator in this study (as explained in section 3.7) analyses the impact of *Social Acceptance* on consumers' behaviour. The section highlighted the fact that consumers are biased in their behaviour, implying that they are not only influenced by the advertised brand, price and product associations, but also by other people (Guido *et al.*, 2010). Consumers are exposed to social pressure, leading to socially desirable response (Helgeson & Supphellen, 2004). This implies that the moderator could have an influence on the relationship between *Brand Preference* and *Purchase Intention* – by either strengthening or weakening it. Its impact will be empirically tested in the research context of the South African running shoe market and the results would be of importance to both industry and academia.

The intention of this chapter has been to explain how the constructs are intertwined, and how their relationships are established. The reader is guided towards understanding the underlying theory, meaning the associative cognitive concepts of the model. Chapter IV addresses the hypotheses to be empirically tested, as well as the development of the final theoretical model.

CHAPTER IV MODEL DEVELOPMENT

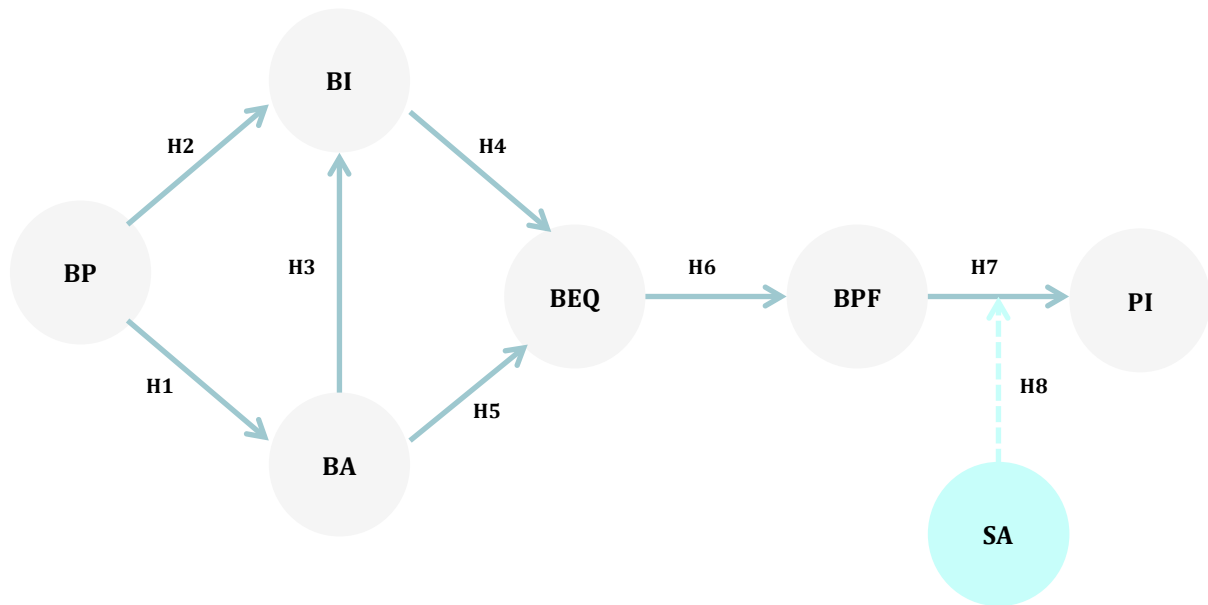
4.1 INTRODUCTION

Consumers perceive brands, their performance, attributes and benefits at anytime and anywhere. Brand associations are first stored, then evaluated, and eventually, they form images in the consumer's mind. Images are subject to attitudes that result in *Brand Equity* (Hellier *et al.*, 2003). A brand's value emerges, making the brand attractive and desirable for consumers (Aaker, 1991). With this information saved in the consumer's brain nodes, his/her preferences are being formed. The best-case scenario is that the consumer prefers a brand rather than another and purchases it being convinced that it is a superior brand (Kapferer, 2012). However, in addition to this cognitive evaluation process, the consumer is influenced by the peer group. Knowing a brand might be superior or personally desirable, but eventually not attractive in the group's opinion, puts him/her under pressure. This pressure is the so-called social pressure. Wanting to be socially accepted, the consumer might change his/her behaviour (preference and *Purchase Intention*), so that it leads to a socially desirable response (Gilbreath, 2010).

In this chapter, the theoretical framework is developed, based on the underlying theories and constructs discussed earlier. The consumer's cognitive process is illustrated, and his/her decision-path is depicted. The penultimate chapter offers an overview of the empirical analysis of the hypotheses and supporting publications. In closing, the final theoretical model is presented, and the interrelationship between the antecedents and the consequences of *Brand Equity* – with due regard to the impact of a moderating factor – is put on display.

For ease of reference, and before presenting the associated hypotheses, the conceptual model is reproduced below. In detail, the theoretical model illustrates how *Brand Equity* is developed and influenced by *Brand Personality*, *Brand Attitude* and *Brand Image*. In addition, the model represents the influence *Brand Equity* has on *Brand Preference* and *Purchase Intention*. The moderating interaction, namely *Social Acceptance*, is added, in order to analyse, whether the consumer is influenced in the decision-making process by factors such as social desirable response and social pressure.

Figure 4.1: Theoretical Model



BP=Brand Personality, BA=Brand Attitude, BI=Brand Image, BEQ=Brand Equity, BPF=Brand Preference, PI=Purchase Intention, SA=Social Acceptance

4.2 INTERRELATIONSHIPS BETWEEN RESEARCH CONSTRUCTS

The following sections will describe the interrelationships between the research constructs, leading to the hypotheses. First, the antecedents of *Brand Equity* will be addressed, and subsequently, the consequences of *Brand Equity*. The moderator and its impact will be demarcated thereafter.

4.2.1 Impact of Brand Personality on Brand Attitude and Brand Image

The constructs *Brand Personality*, *Brand Attitude* and *Brand Image* were discussed in detail in sections 3.2 to 3.4 of this study. In section 3.2, covering *Brand Personality*, it was pointed out that the set of attributes associated with a brand give it a personal meaning and make the brand distinguishable (Aaker, 2011; Guido *et al.*, 2010; Kim *et al.*, 2005). Through the brand's personality, its emotional and self-expressive features, the consumer-brand relationship is built up, evoking images and feelings. When information concerning *Brand Personality* is processed, it has an extensive influence on the development of *Brand Attitude* and *Brand Image* (Ballantyne *et al.*, 2006). The following paragraphs will elaborate the interaction of these constructs and will lead to the associated hypotheses of the conceptual model.

The evaluation of a brand results from the consumers' perceptions of the *Brand Personality* attributes associated with a brand and its benefits. The consumer's emotional experience has an influence as well (Berger & Mitchell, 1989; Dick & Basu, 1994; Kotler & Armstrong, 1996; Keller, 1998).

According to its constituents, *Brand Attitude* is a consumer's overall evaluation of a particular brand – with either positive or negative effects towards the equity of the brand.

Brand Attitude – this is the overall gratification, evaluation, and liking of a brand – is generated by salient *Brand Personality* attributes, which are evoked by associations (Aaker, 1991; Keller, 1998). Consequently, the following hypothesis can be postulated:

H1: Brand Personality has a significant effect on Brand Attitude.

If these *Brand Personality* attributes and benefits fulfil the features of being salient, favourable, strong and unique associations, they form a positive image of the brand in the consumer's mind (Fishbein & Ajzen, 1975; Keller, 1993). Formally defined in section 3.4, *Brand Image* is a subjective concept about a branded product based on individual perceptions and emotions (Aaker, 1991; Lee, 2009). Referring to Kotler and Armstrong (1996), a *Brand Image* is a cluster of beliefs that a consumer holds about a particular brand in his/her memory. Beliefs, deriving from consumers' perceptions of the brand, are reflected by associations (Keller, 1993; Faircloth *et al.*, 2001). They are a synthesis of all the brand signals (activities), or simply the perception of the brand (Kapferer, 2012).

The sum of the associations of a brand's attributes forms a distinct image in the consumer's mind (Hsieh, 2002), leading to the following hypothesis:

H2: Brand Personality has an influence on Brand Image.

4.2.2 Relationship Brand Attitude and Brand Image

Brand Image, elaborated in section 3.4, is not only built on *Brand Personality*. Keller (1993; 1998) conceives *Brand Attitude* as a constituent of *Brand Image*. It is a combination of associations and beliefs held about a brand. When creating a *Brand Image*, associations about the physical features are combined with the psychological properties (emotions, self-esteem), and the social attributes (social status). A unique symbol is associated with a brand, and can be recalled from memory automatically. In summary, *Brand Image* consists of functional and symbolic brand beliefs.

This implies that if marketers develop a positive attitude, it would evoke a positive *Brand Image* (Keller, 1993; 1998; Na *et al.*, 1999; Faircloth *et al.*, 2001). From the aforementioned statements, the subsequent hypothesis derives:

H3: Brand Attitude has an influence on Brand Image.

4.2.3 Antecedents of Brand Equity

Theories and concepts about developing and managing the construct of *Brand Equity* were outlined in section 3.5 of this dissertation. Accordingly, *Brand Equity* is the result of brand knowledge and consumers' perceptions of the brand (*Brand Personality*, *Brand Attitude*, *Brand Image*). The consumer has a biased behaviour towards the brand, and hence acts according to his/her propensity. Brand knowledge, referred to by Keller (1993; 2013), is described as a combination of *Brand Image* and awareness of the brand. *Brand Image* derives from the perceived associations of a brand. The more they meet the features of being salient, favourable, strong and unique associations, the more positive the formed image would be, and the more favourable the response to the branded product and its marketing mix (product, price, promotion, distribution) would be. Depending on these associations and their evaluation (*Brand Attitude*), the consumer responses will vary.

Brand Equity is influenced significantly by the image of the brand and the consumer's attitude towards the branded product. Brand associations are a clear antecedent to behavioural patterns regarding *Brand Equity* (Aaker, 1991). However, the construct of *Brand Personality* will not be acknowledged as a direct antecedent to *Brand Equity*, since it only has an indirect influence through the preceding constructs of *Brand Image* and *Brand Attitude*.

Research on *Brand Equity* provides evidence that a positive *Brand Attitude* and a positive *Brand Image* enhance *Brand Equity* development (Aaker, 1991; Biel, 1992; 1993; Chang & Chieng, 2006; Chang & Liu, 2009; Cobb-Walgren *et al.*, 1995; Faircloth *et al.*, 2001; Farquhar, 1989; Hellier *et al.*, 2003; Keller, 1993; 2013). In this regard, *Brand Attitude* is determined as an evaluation of the brand and *Brand Image* as brand-related perceptions. These constructs of information processing and brand knowledge affect *Brand Equity*, which is the biased action of a consumer towards a brand.

Therefore, it can be said that positive brand associations are more likely to create a positive *Brand Image*. When this positive *Brand Image* is being processed, it will bias a consumer's behaviour towards a major equity (added value) of the brand (Biel, 1992). There is broad consensus that a positive *Brand Image* has a positive effect on *Brand Equity*.

H4: Brand Image significantly influences Brand Equity.

Faircloth *et al.* (2001) propose that a favourable evaluation of a brand influences *Brand Equity* directly and indirectly through *Brand Image*. However, their research results do not support the hypothesis on the direct impact of *Brand Attitude* on *Brand Equity*. Nevertheless, Farquhar (1989) states that *Brand Equity* derives from a positive evaluation of a brand, meaning a positive *Brand Attitude*, and a substantial image of the brand.

These facts show that, to a certain extent, there is a positive influence and notwithstanding the notion of Faircloth *et al.* (2001), in this study, the direct effect will be tested. This leads to the following hypothesis:

H5: Brand Attitude significantly influences Brand Equity.

4.2.4 Consequences of Brand Equity

The importance of building *Brand Equity*, since it affects *Brand Preference*, and as a consequence thereof, purchasing intention, has been affirmed in many studies (de Chernatony *et al.*, 2004; Kapferer, 2012; Kim *et al.*, 2005; Myers, 2003). The constructs of *Brand Preference* and *Purchase Intention* were discussed in section 3.6.

Brand Equity leads to a greater probability of brand choice, likelihood of purchase, and actual *Purchase Intentions*. Moreover, it is reflected in the consumer's alacrity to pay high prices (premium prices) (Smith & Swinyard, 1983; Farquhar, 1989; Aaker, 1991; de Chernatony *et al.*, 2004). In summary, *Brand Equity* is generally believed to be a main contributor to *Brand Preference*. This is hypothesised as follows:

H6: Brand Equity has a significant effect on Brand Preference.

Purchase Intention is the act of purchasing, to paraphrase, of actually buying a product or brand. The customer favours a designated brand, and addressing repurchase intention, judges the brand to buy it again, or to switch to another brand while taking all alternatives into account (Cobb-Walgren *et al.*, 1995; Hellier *et al.*, 2003). Therefore, it is contended that there is a causal link between *Brand Preference* and the willingness to buy a brand, leading to the following hypothesis:

H7: Brand Preference has a significant influence on Purchase Intention.

4.2.5 Social Acceptance as Moderation Effect

To maximise relevance and validate the proposed research framework, a moderator is added. This moderator is a situational influencing factor on the relationship of *Brand Preference* and *Purchase Intention*, namely, *Social Acceptance*. The description of the moderator, its dimensions and influence on consumer behaviour were elaborated in section 3.7.

Social Acceptance has several characteristics, including the two dimensions of socially desirable response and social pressure, which will be tested in this study. Particularly, when consuming a product in public, social pressure is high and a socially desirable response is strong, which can lead to purchasing a specific brand – for the purpose of

obtaining the approval of relevant others (Ballantyne *et al.*, 2006; Gilbreath, 2010; Rajagopal, 2010; Sirgy *et al.*, 2000; Wysong *et al.*, 2012).

It is proposed that, although a *Brand Preference* has been stated already, the final purchasing decision can be influenced by the moderator. This implies that the positive relationship between *Brand Preference* and *Purchase Intention* can be either strengthened or weakened by the moderator. Based on this view, the following hypothesis is formulated:

H8: Social Acceptance has a moderating effect on the relationship between Brand Preference and Purchase Intention.

4.3 RESTATEMENT OF HYPOTHESES

Table 4.1 lists the hypotheses described in the previous section 4.2, and indicates those publications that support the interrelationships between the illustrated research constructs addressed in Chapter III. Considerable theoretical support was found for hypotheses H1-H8, as outlined below.

Table 4.1: Hypotheses and Supporting Publications

Hypothesis	Supporting Publications
H1	Berger & Mitchell (1989), Dick & Basu (1994), Kotler & Armstrong (1996), Keller (1993; 1998), Aaker (1991), Fishbein & Ajzen (1975)
H2	Kapferer (1992), Hsieh (2002), Keller (1993), Faircloth <i>et al.</i> (2001)
H3	Keller (1993; 1998), Na <i>et al.</i> (1999), Faircloth <i>et al.</i> (2001)
H4	Aaker (1991), Faircloth <i>et al.</i> (2001), Biel (1992; 1993), Chang and Liu (2009), Chang and Chieng (2006), Keller (1993; 2013)
H5	Chang and Liu (2009), Cobb-Walgren <i>et al.</i> (1995), Faircloth <i>et al.</i> (2001), Farquhar (1989), Hellier <i>et al.</i> (2003), Keller (1993; 2013)
H6	Myers (2003), de Chernatony <i>et al.</i> (2004), Smith & Swinyard (1983), Farquhar (1989), Aaker (1991)
H7	Cobb-Walgren <i>et al.</i> (1995), Hellier <i>et al.</i> (2003)
H8	Guido <i>et al.</i> (2010), Rajagopal (2010), Wysong <i>et al.</i> (2012)

4.4 FINAL THEORETICAL MODEL

This study aims to establish an integrated framework of the antecedents (*Brand Personality, Brand Attitude, Brand Image*) and the consequences (*Brand Preference, Purchase Intention*) of *Brand Equity*, with due regard to a moderating factor. The market for sports equipment, in particular the South African running shoe market, will be the object of study.

In order to give an answer to the stated research questions, a synthesis of the model of Faircloth *et al.* (2001) (A) and that of Cobb-Walgren *et al.* (1995) (B) is generated, referring to the basic structure of a similar model by Chang and Liu (2009). The foundation of the model and its development is expounded in the subsequent discussion:

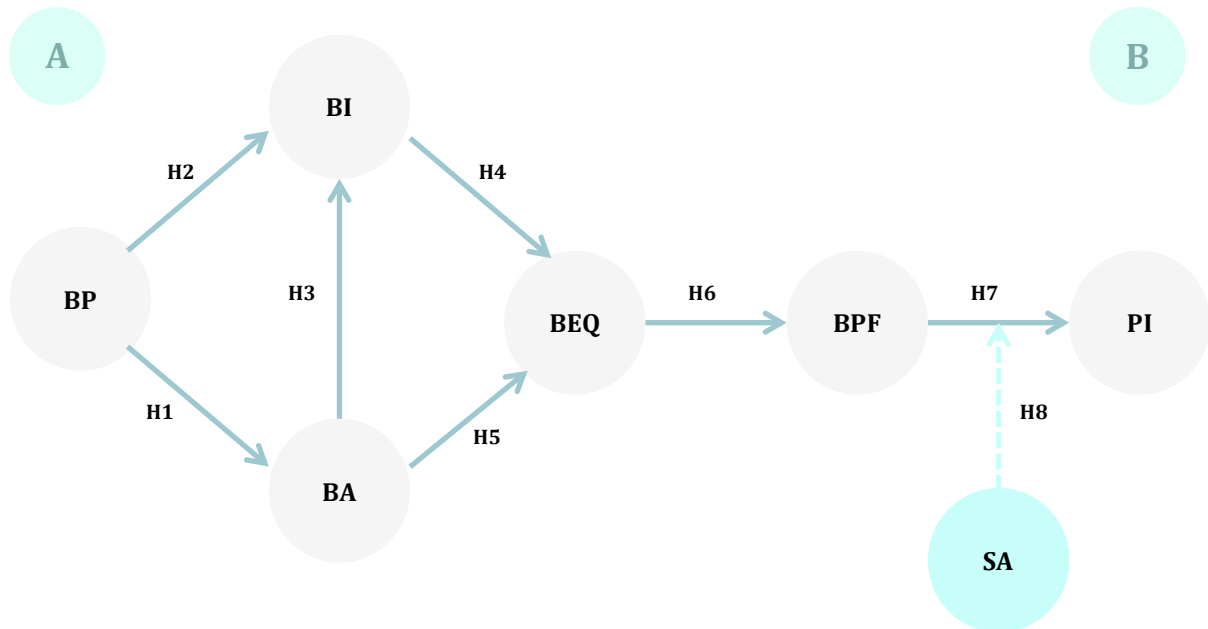
Faircloth *et al.* (2001) examined the effect of *Brand Attitude* and *Brand Image* on *Brand Equity*. The basis for their research was the brand associations (attributes) being provided as signals of a brand's characteristics to consumers. These perceived brand associations manifest in *Brand Images* and attitudes towards the brand. Faircloth *et al.* (2001) maintained that the previously mentioned constructs affect *Brand Equity*. *Brand Equity* is defined as the action of a biased consumer towards an object. However, the consequences of *Brand Equity* have not yet been examined; the focus has only been on the antecedents of *Brand Equity*.

Cobb-Walgren *et al.* (1995) fill this gap by analysing the effects of *Brand Equity* on consumers' preferences and purchase intent. Various antecedents of *Brand Equity* are studied, namely, the signals of advertising and other information sources describing a brand's physical and psychological features. Advertising is seen as being the prevalent mechanism for creating *Brand Equity* through psychological differentiation. In their studies, it was found that the product with higher investments in advertising developed higher *Brand Equity*, which generated greater *Brand Preferences* and willingness to purchase. Yet, their approach is limited, since it focuses on advertising as the main source of perception. However, there are many more perceptual components that influence *Brand Equity*. Therefore, this research is not able to support the stated hypothesis comprehensively.

Chang and Liu (2009) examined the antecedents (*Brand Attitude, Brand Image*) of *Brand Equity* and its impact on *Brand Preference* and *Purchase Intention* in the service industries. Their conceptual framework is a combination of the model of Faircloth *et al.* (2001) and that of Cobb-Walgren *et al.* (1995) model. Their approach would benefit from further research, because the antecedents of *Brand Attitude* and *Brand Image* have not been taken into consideration. Nonetheless, brand attributes characterise a brand's personality. They are brand associations, which have a positive influence on *Brand Attitude*, as well as on *Brand Image*. For that reason, it is necessary to take them into account.

Putting together the concepts and approaches discussed so far (as well as previously alluded to in section 3.1 and 4.1), Figure 4.2 is a pictorial representation of the final conceptual model, which serves as the leitmotif in this dissertation.

Figure 4.2: Final Theoretical Model



BP=Brand Personality, BA=Brand Attitude, BI=Brand Image, BEQ=Brand Equity, BPF=Brand Preference, PI=Purchase Intention, SA=Social Acceptance

The various steps of the model development are summarised as follows:

- The framework of Faircloth *et al.* (2001) focuses on the antecedents of *Brand Equity* (A).
- Taking that as a basis, the consequences of *Brand Equity*, from the model of Cobb-Walgren *et al.* (1995) (B), were used as an extension, but slightly modified.
- Whereas the single constructs were extracted from the aforementioned research papers, the general structure of the new framework originated from the model of Chang and Liu (2009).
- Moreover, it was supposed that brand associations (attributes), as they are analysed by Faircloth *et al.* (2001), were equitable to *Brand Personality*. They have a positive and significant influence on *Brand Attitude* and *Brand Image*, and ensured the accuracy of this study. For that reason, it was necessary to take them into account.
- To maximise the relevance and validate the proposed research framework, a moderator was added.

4.5 CONCLUSION

This final theory chapter focused on the antecedents and consequences of *Brand Equity*, with due regard to *Social Acceptance* as a moderator. The interplay of constructs that surround *Brand Equity* has been described in detail. Their interrelationships lead to the stated hypotheses. The hypotheses were supported by various publications. Thus, *Brand Personality*, *Brand Attitude* and *Brand Image* form *Brand Equity*, in a direct and indirect way. *Brand Equity* has a significant impact on *Brand Preference* and *Purchase Intention*. *Social Acceptance*, functioning as a moderator, influences the relationship between *Brand Preference* and *Purchase Intention*. Its strengthening or weakening effect will be analysed. The insights acquired may be of importance for marketers, since the moderator influences consumer behaviour, which is very close to the actual purchase of a branded product.

The purpose of this study was to provide a comprehensive and contemporary approach to the analysis of consumer behaviour by the means of *Brand Equity*, its input and outcomes. For this reason, a conceptual framework has been developed that outlines the research context within which the stated hypotheses will be assessed. The model combines the examination of consumer perceptions, emotions and situational influencing factors. Driving and moderating forces of consumer preference and *Purchase Intentions* are studied.

The forthcoming chapter introduces the design process that outlines the research methodology. The measurement instruments and other methods and principles applied are identified, in order to attain the desired results from the theoretical paradigm. The methodology component delineates and details the research approach to this study.

CHAPTER V METHODOLOGY

5.1 INTRODUCTION

The preceding chapters thoroughly acquainted the reader with the theoretical framework of this study. Following the branding fundamentals and the theoretical background, the constructs and hypotheses were delineated. It was pointed out that *Brand Equity* was measured by taking its antecedents and consequences into account. The moderator, *Social Acceptance*, stressed the fact that consumers were not only influenced by the brand's marketing itself, but also by the pressure of other consumers and consumer groups.

This methodology chapter sets forth the research design considerations, which are substantiated, in order to ensure a high quality of research, so that other researchers can benefit from this study. The chapter commences by discussing the research objectives, as well as the deduction (hypotheses testing) and methodology employed to achieve them. The analytical proceedings are explained and justified. The sampling techniques, data collection and processing, as well as the statistical analysis are also discussed in this chapter. The results of the pilot study, which are used for the main study, are presented. Finally, the reasons for the use of SmartPLS are provided.

5.2 OBJECTIVES OF RESEARCH

This study empirically tested an integrated framework of the antecedents and the consequences of *Brand Equity* from a consumer's perspective in the South African running shoe market. Two representative product brands, Nike and Asics, were compared by means of their marketing strategies. Research was conducted on how the brand personalities affected *Brand Equity* and *Brand Preference* with due regard to the moderating factor (*Social Acceptance*).

The matter of exploratory interest was the analysis of the impact of the constructs contributing to and resulting from *Brand Equity*. The focus was on the relationships between the antecedents of *Brand Equity* (*Brand Personality*, *Brand Attitude* and *Brand Image*) and its consequences (*Brand Preference* and *Purchase Intention*).

This study's purpose was to reveal the influence that *Brand Personality* has on *Brand Preference* through the congruence effect, meaning that consumers identify with brands that reflect their own self (Aaker, 1999; Kim *et al.*, 2005). In addition, the moderator – consisting of socially desirable response and social pressure – was analysed. The prevailing opinion is that consumers not only buy brands that match their own self best, but also brands (with a *Brand Personality*) that assure them of the approval and a desirable response from their peer group (Maehle & Supphellen, 2011; Kim *et al.*, 2001; Wysong *et al.*, 2012).

The research methodology provided assistance in the analytical process of the research constructs. To gain the results from the secondary and empirical data collections, the methods used are presented. Within the context of the South African running shoe market, the following primary and secondary objectives are re-established. These were originally outlined in the introductory Chapter I (see section 1.3).

The primary objectives of this study, as stated on page 11, are as follows:

- (1) To determine the influence of *Brand Equity* on *Brand Preference* and, in turn, *Purchase Intention*.
- (2) To determine the influence of *Brand Image* and *Brand Attitude* on *Brand Equity*.

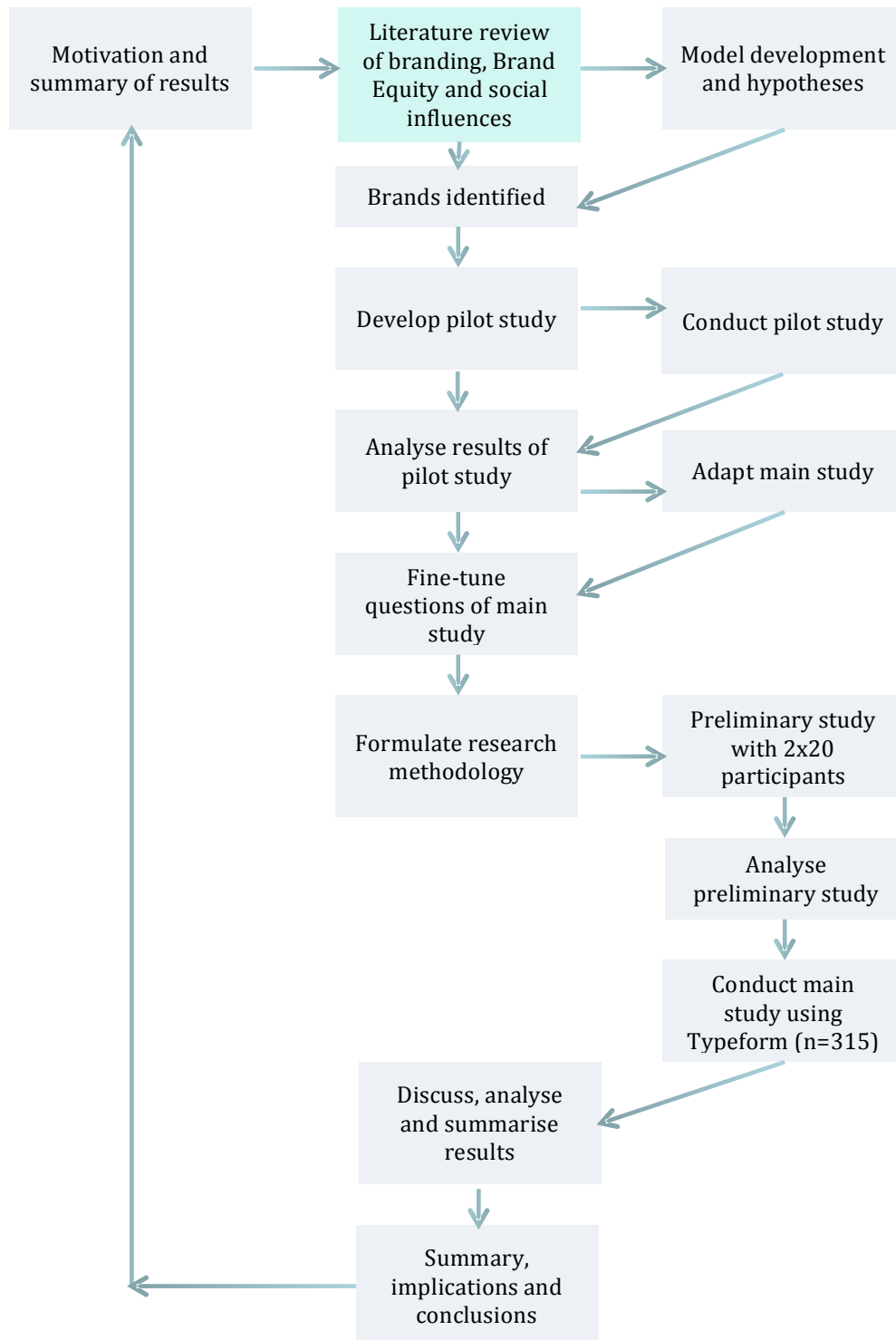
The secondary objectives of this study, as specified on page 11, are outlined as follows:

- (1) To determine if *Brand Personality* has an influence on *Brand Attitude* and *Brand Image*.
- (2) To determine the influence of *Brand Attitude* on *Brand Image*.
- (3) To determine whether situational factors have a moderating effect on the relationship between *Brand Preference* and the intention to purchase the brand.
- (4) To provide recommendations for marketing approaches to strengthen the brands of running shoes in South Africa.

5.3 RESEARCH DESIGN

The term research design refers to a plan for conducting the study (Berndt & Petzer, 2011; Paproski, 2011).

Figure 5.1: The Research Methodology Flowchart



Source: Paproski (2011, p. 119)

Figure 5.1 provides a substantial overview of the research approach by specifying the main steps, the procedures and the details, in order to obtain the necessary data. Beginning with the literature review (green block), the underlying theory of the conceptual framework was outlined. The study's research objectives were approached comprehensively. Having identified the market and the representative brands, the survey method was chosen, and the questionnaires were developed. For the purpose of this study, the survey consisted of a pilot study and a main study. The sampling process, as well as the design and pre-test of the questionnaires, are described in subsequent sections (refer to 5.4 to 5.6). Finally, the tools for the data analysis are discussed. Those are explained in the sections 5.7, referring to data preparation (section 5.8) and the statistical data analysis plan in section 5.9.

The following sub-section covers the study's conclusive research approach. Conclusive research follows the theoretical background and the delineation of the hypotheses. All the relevant data are gathered during this primary data analysis, in order to verify the required data (Malhotra, 2010).

5.3.1 Conclusive Research

Conclusive research focuses on testing the previously defined hypotheses, and on analysing the relationships between the constructs (Berndt & Petzer, 2011; Cooper & Schindler, 2010). The process of quantitative data collection is formal and structured, in order to obtain the predetermined information. Large and representative samples provide the data to be used in the quantitative analysis (Aaker *et al.*, 2012; Burns & Bush, 2013). From these data, practical, verified and strategic recommendations can eventually be generated.

Conclusive research can be subdivided into descriptive research and causal research (Berndt & Petzer, 2011). The quantitative research phase in this dissertation was part of the data-collection process. The research undertaken was of a conclusive nature. The goal was to describe, analyse and predict the causal relationships between the research constructs. The results from the quantitative analysis of data lead to the evaluation of these relationships. The objective of conclusive research was to either support or to reject the proposed hypotheses (cause-and-effect relationship) by providing evidence from the quantitative data analysis. The findings were described by means of statistical methods.

5.3.2 Evaluation of Survey Method

Regarding the primary quantitative data collection, one of the major methods in conclusive and descriptive research is to conduct a survey (Burns & Bush, 2013; Zikmund, 2010). Generally, the survey methods for data collection can be classified as follows (Berndt & Petzer, 2011; Cooper & Schindler, 2010; Malhotra, 2010):

- Telephone interviewing
- Personal interviewing
- Mail interviewing
- Electronic interviewing

For the purpose of this study, a self-administered questionnaire was selected as the survey method, in order to reveal consumers' perceptions, attitudes, preferences and other characteristic behaviour. Compared to the primary research methods (observation, interview), the form of a survey seemed adequate for the purpose of revealing the participants' opinions and behaviours (Malhotra, 2010). A two-step approach was applied (Chang & Liu, 2009) that was executed in the form of an electronic survey. The respondents were questioned in an anonymous and structured questionnaire. Such an electronic survey has advantages and its disadvantages the researcher took into consideration (Evans & Mathur, 2005; Ilieva *et al.*, 2002; Malhotra, 2010; Wright, 2006).

Table 5.1: Advantages and Disadvantages of an Electronic Survey

Criteria	Advantages	Disadvantages
Cost	Low costs	-
Data input and data processing	Automation and real-time data entry Data access and storage electronically	-
Response rate and time	Immediately	-
Convenience for respondents	Respondents can answer conveniently at any time and any place	-
Design flexibility	Scales and skip patterns are programmed to reduce input errors (e.g. answering one question twice, missing values)	-
Identifiable/sensitive information	Completely anonymous	-
Accessibility and availability of respondents	Via Internet and email address	Limited Internet accessibility in South Africa; Email address is required
Attendance of interviewer	Candour is optimised when perceived anonymity – respondents dare to answer more faithfully, thereby ensuring higher data quality (esp. when asking for socially desirable responses)	No assistance due to absence of researcher

Source: Malhotra (2010, p. 222)

The benefits of conducting an online survey outweighed the limitations. Table 5.1 highlighted the fact that the disadvantages were comparatively few. Nevertheless, to minimise these drawbacks, a few precautions were adhered to.

According to the data from the Internet World Statistics, African internet usage has increased rapidly since the year 2000 (Macharia, 2014). To counteract the connectivity problem of South Africans, the City of Cape Town started the SmartCape Access Point Project in 2002, in order to connect the public to communication technologies, and it was able to register more than 170 000 users in 97 public libraries across Cape Town (Macharia, 2014; SmartCape, 2010; Wright, 2006). Furthermore, an online survey is appropriate due to the broad audience. The respondents are located all over South Africa and in this way they all had an opportunity to participate in the survey. This was important, as geographic differences among the South African population were taken into consideration. The level of accessibility of sports brands in the major cities played a major role in this study's outcome, which is why the focus was predominantly on urban areas. The situation in rural areas, where brands are not as prevalent and consumer perception and preferences towards sports brands might differ, is an interesting topic to consider for future research as part of a qualitative, in-depth research approach.

Regarding the second concern, the absence of the interviewer, the following precaution was implemented to counteract any adverse effects: With the researcher not being present during the survey, the respondents could not ask for assistance, when facing problems. Therefore, detailed instructions were deployed in the introduction, as well as all over the questionnaire to prevent input errors. Hence, the advantage of respondents' truthful responses could be utilised when ensuring anonymity – due to the absence of face-to-face interviews. Additionally, it could also be argued that the absence of the researcher guarantees that the results were unbiased.

Having explained the research approach and decided on the survey method, the subsequent section 5.4 relates to the assessment of the primary data, as depicted in Figure 5.1. The research phases and the outcome of the pilot study are discussed thoroughly.

5.4 RESEARCH PHASES

The data-collection process was divided into several research phases, which are explained in detail in the subsequent sections. In this study, the two brands Asics and Nike were selected as the objects of research. The number of brands considered adequate, in order to achieve the research objectives, and not to tax the respondents' time and support (Parker, 2005). The focus was on the branding strategies of Asics and Nike. Reasons for the choice of these two brands, as well as their company profiles, were presented in the introductory chapter (see section 1.2.5).

When constructing the surveys, a sample product was chosen from each brand that best represented the character of the company and its marketing strategy. The "NIKE FREE"

running shoe range represented the brand Nike, because it has been Nike's bestseller since its launch (Runner's World Magazine, 2011; Runner's World Magazine, 2013d).

It is a neon-coloured, fashionable shoe that promises its user a barefoot-like running experience (Nike, Inc. 2013b). The "GT-2000" running shoe range exemplified the brand Asics.

These two examples have enjoyed a long-standing reputation for their consistent quality for an average price, winning best buy awards (Asics America Corporation, 2013; Runner's World Magazine, 2013e). Both models met the criteria of not being gender-biased regarding colour and shape.

For the data collection, a two-step approach was implied (Chang & Liu, 2009), consisting of a pilot study and a main study. In both studies, the participants were asked to think of each brand's running shoe as if it were a person. The research phases for Asics and Nike are outlined as follows: After discussing the pilot study (refer to section 5.4.1), results of this first approach are outlined in section 5.4.2. Having decided on a set of *Brand Personality* associations, the main study is finalised, pre-tested (see section 5.4.3) and distributed (see section 5.4.4).

5.4.1 Pilot study

Prior to the main study, preliminary research identified the objective as being: to describe the *Brand Personalities* of Asics and Nike. The *Brand Personality* construct was covered by a 30-item Likert-scaled questionnaire. The list of *Brand Personality* attributes, to be incorporated into the pilot study, was generated with the aid of Aaker's (1997) research. *Brand Personality* attributes were generated with an adaption from Aaker's (1997) Brand Personality Scale (BPS). Aaker's (1997) 42-items scale was reduced to 30 items for the pilot study, based on their fit with the running shoe market. Attributes, such as "small-town", "sentimental" or "hard working" were excluded – due to a lack of fit with the running shoe brands (Aaker, 1997, p. 354).

Aaker's (1997) scale has been proven to be generalisable across product categories and brands, and was therefore, suitable for analysing the symbolic effect of *Brand Personalities* on consumers (Aaker, 1997). For the pilot study, two structured questionnaires were designed, treating the brands Asics and Nike separately. The pilot studies of Asics and Nike, including covering letter, brand logos and pictures of sample running shoes, were similar to the questionnaires of the main study (refer to Appendix B, part "Brand Personality Asics" and "Brand Personality Nike").

In the first wave of the data collection, the surveys were conducted on a small scale {n(Asics)=20; n(Nike)=20}, which was considered adequate for the purpose (Parker, 2005). The pilot study merely served to clarify the researcher's own understanding. Moreover, this was the reason a pre-test of the pilot study was ruled out. The respondents received a link via email to access the survey. During the online questionnaire, the respondents were requested to rate the attributes on a five-point

Likert scale, ranging from strongly disagree (=1) to strongly agree (=5) in terms of their depiction of each brand's personality.

5.4.2 Results of Pilot Study

The two datasets from the pilot study were prepared; and their frequencies were calculated in Microsoft Excel, to determine the five most popular attributes for each brand. Tables 5.2 and 5.3 display the results per brand, based on the levels of agreement. From each pilot study, five attributes were selected, in order to generate the list of the top ten attributes to measure the construct of *Brand Personality* (see Table 5.3). The results from the pilot study provided a range of preselected items to shorten the duration and response time during the main study. This way of *a priori* measuring *Brand Personality* was chosen to preclude the arbitrary, subjective selection of *Brand Personality* items.

By conducting the pilot study, it was ensured that the results of it, which were used for the main study, casted no doubt on the scale's validity, reliability and robustness (Aaker, 1997).

Table 5.2: Top Five Ranking Asics and Nike

Attributes Asics	Mean	Attributes Nike	Mean
1. Technical	4,52	1. Trendy	4,59
2. Reliable	4,43	1. Successful	4,59
3. Outdoorsy	4,19	2. Confident	4,45
3. Successful	4,19	3. Cool	4,36
4. Confident	4,00	4. Up-to-date	4,27
4. Independent	4,00	5. Leader	4,22
5. Original	3,95		

Table 5.3: Top Ten Attributes

Attributes
Technical
Trendy
Reliable
Successful
Outdoorsy
Confident
Independent
Cool
Up-to-date

Leader

The list of preselected attributes was added to the main study's section *Brand Personality*. In this way it was made sure that both main surveys were identical. The main study was finalised and comprised two structured, online questionnaires (for further details regarding questionnaire development and measurement scales refer to section 5.6 and 5.7).

These questionnaires were constructed identically, with the distinction that each questionnaire covered a different brand. The reason for this decision was that the respondents were not supposed to be influenced by one or the other brand. The order of the brands in the questionnaire could have biased their response. In addition, measuring two brands at the same time could tax their support and time.

5.4.3 Pre-Test Main Study

In order to successfully complete the main study, it was necessary to conduct a pre-test of the survey. This preliminary analysis served to detect any potential problems, as well as to assess the reliability and validity of the implemented scale items regarding their internal consistency. Pre-testing on a small scale is essential to rectify any bugs, and to improve the results of the questionnaire (Berndt & Petzer, 2011; Hair *et al.*, 2014).

The two separate tests assessed how well the survey had gathered the required information, and provided insights into the measuring instrument. Moreover, it could be to detect whether the brands and the selected products were suitable. The respondents' feedback – provided they understood the questions and had no difficulties completing the survey – was used to refine the instrument. For those reasons, the main study was pre-tested on a convenience sample of n=40 respondents. This implied that n=20 respondents had completed the main survey on Asics; and the same group had taken part in the main study on Nike. After the pre-test phase, the results and any comments/suggestions were analysed.

The outcome of the pre-test(s) could be summarised as follows: A description of the sections was redundant, because they were self-explanatory, and hence, were removed. The alphabetical order of the sections was discarded, and replaced with numbers. The respondents were satisfied with the layout and design. They were able to keep track and it was easy to complete the survey. The online questionnaire loaded properly on all devices, such as computers, tablets and smartphones; and no glitches or bugs were detected. The completion rate was very high, according to the statistics provided by the hosting software Typeform. The estimated process/answering time on the covering page was reduced, because the respondents were faster than expected.

5.4.4 Main Study

Once the pre-test phase had been completed, the main study could be finalised. In this regard, the questionnaires for Asics and Nike were programmed in Typeform. To ensure

that the prerequisites regarding gender and income were met, the main survey was programmed in a way that access was denied if individuals were younger than 16 years, or their disposable income was less than R1 500 per month (refer to section 5.5.1). The software was allocated to the participants (Asics or Nike), according to their birthday month. Consequently, individuals that were born in the first half of the year (January-June) were redirected to the questionnaire concerning Asics; and those participants who were born in the second half of the year (July-December) were forwarded to the Nike survey. After collection of the data, the numbers gave evidence that the sample size was evenly distributed between the two brands.

In order for individuals to take part, an online link to the 40-item main study was sent out via electronic communication. Electronic messages were sent to contacts in an existing database of consumers likely to fit the profile of running shoe consumers. This spanned both email and social network platforms. In this way, it was possible to connect with people from all over South Africa, and all the different age groups were represented. From December 2014 until the end of January 2015, the responses were collected based on quota sampling. In total, a sample size of $n=315$ was reached, which exceeded the intended sample size by far $\{n(\text{Asics})=160; n(\text{Nike})=155\}$.

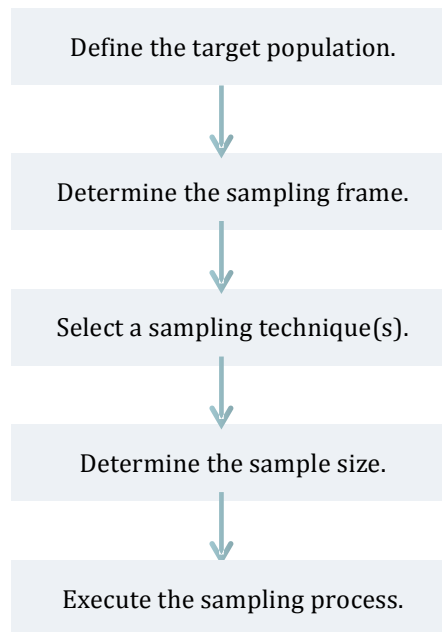
Before determining the questionnaire design, it is compulsory to identify the target population, in order to customise and adapt the content and layout of the online survey to the defined sample. The sampling method will be discussed elaborately in the following section.

5.5 SAMPLING

In reality, the researcher faces a situation that precludes a consummate, non-overlapping measurement of the population (Scheaffer *et al.*, 2012). It is rather difficult to replicate a sample that reflects the true nature of the population, due to budgetary and time constraints (Burns & Bush, 2013; Levy & Lemeshow, 2008). Yet, the academic literature states that provided the samples are carefully chosen, the deviation between the results of the study and the actual behaviour of the population can be minimised (Berndt & Petzer, 2011; Malhotra, 2010; Zikmund, 2010). Therefore, a demographic estimation is considered as a reliable procedure, provided that the rules and standards regarding the accuracy and completeness of the census enumeration are adhered to (Berndt & Petzer, 2011; Levy & Lemeshow, 2008).

The sampling design process is adapted from Malhotra (2010). Figure 5.2 illustrates the steps to be taken to achieve a representative sample of the population's characteristics, and the necessary parameters needed to be able to make inferences about actual behaviour.

Figure 5.2: The Sampling Design Process



Source: Malhotra (2010, p. 372)

The required information to address the main research issue and the research objectives was determined in the previous sections (see sections 5.2 and 5.3). The next step, as part of the research design, was to collect the data in a viable way. Different sampling procedures and techniques were taken into consideration. The following sections discuss these qualitative reflections, and address the ethical issues associated with sampling.

5.5.1 Target Population

The South African consumer was defined as the object or element of research. Inferences made about this sample were meant to represent consumer behaviour in the entire country. The target population that possessed the information the researcher strived for consisted of residents across South Africa. However, the requirements had to be defined precisely, in order to avoid research results that were ineffective and misleading (Berndt & Petzer, 2011).

For participation, the respondents had to meet two requirements: Participants had to be over the age of 16. Furthermore, they needed to have a disposable income of at least R1 500 per month. This income threshold was in place, because running shoes of Asics and Nike generally cost approximately that much (Sportsmans Warehouse, 2015). With that requirement, the researcher wanted to make sure that the participants would in fact be able to afford running shoes. For individuals, it was not necessary to have specific knowledge about or experience with the selection of brands and running shoes, since a picture of each object was displayed.

5.5.2 Sample Frame

Having decided on the target population, the sample frame could be addressed. The sample frame is a representative list or directions, containing all the elements and strata of the population, from which the sample is drawn (Berndt & Petzer, 2011; Scheaffer *et al.*, 2012). For the purpose of this study, there was no formal sample frame. For that reason, a social-media base, inclusive of contacts across the Facebook and LinkedIn networks, was used as the sample frame to fulfil the quota characteristics.

To avoid sample frame errors, the respondents were screened in the data-collection phase, making sure they matched all the sampling criteria (Berndt & Petzer, 2011; Malhotra, 2010). For that reason, the questionnaire contained screening questions and was based on a quota sample.

5.5.3 Sampling Technique

The next step was to draw a final sample from the sample frame. To arrive at this final sample, several sampling methods were discussed.

A sampling with replacement was applied, meaning that a respondent was put back into the sample frame after answering a questionnaire (Malhotra, 2010). Hence, it could be possible that a participant answered a questionnaire twice, in this case, a questionnaire about Asics and one about Nike. Having two brands to be measured in individual surveys justified the use of this sampling technique. The different research phases and the process of data collection are explained in greater detail in sections 5.4 and 5.8.

The way the respondents were picked as samples, required additional and critical choices that the researcher had to make. Cooper and Schindler (2010) describe two different sampling techniques: Probability and non-probability sampling. In the following paragraph, these methods and their differences are discussed. Their main distinguishing feature is randomness or random sampling, implying that the respondents are chosen without any rules or patterns (Burns & Bush, 2013; Berndt & Petzer, 2011; Fuller, 2009; Levy & Lemeshow, 2008; Scheaffer *et al.*, 2012).

- Probability sampling is a method of random sampling. This procedure asserts that each element of the population has the same probability of being selected (Berndt & Petzer, 2011; Fuller, 2009). With randomness and with a controlled procedure, the respondents are picked by chance, and therefore most probably, they would embody a precise representation of the entire population (Berndt & Petzer, 2011; Levy & Lemeshow, 2008). By this means, the findings are generalisable for the entire population. Probability sampling techniques are: Simple random sampling, systematic sampling, stratified sampling, and cluster sampling, amongst others (Berndt & Petzer, 2011; Fuller, 2009; Malhotra, 2010; Levy & Lemeshow, 2008).
- Non-probability sampling means selecting the samples randomly/arbitrarily (Burns & Bush, 2013; Berndt & Petzer, 2011). Here, the selection procedure is

based on the researcher's personal judgement and convenience. Population parameter inferences (estimates) include valuable results. However, since random sampling is not employed, the results may not be utilised for an objective evaluation. They are not statistically projectable to the entire population (Malhotra, 2010). Therefore, due to the researcher's subjective sample selection, any inferences drawn from the sample would be problematic (Berndt & Petzer, 2011). Despite the aforementioned disadvantage, in the non-probability sampling technique there is a reasonable and conclusive explanation why it is applied. These reasons are elucidated in the following paragraphs. Examples of sampling methods relying on non-probability sampling are: Convenience sampling (1), judgement sampling (2), quota sampling (3) and snowball sampling (4) (Berndt & Petzer, 2011; Malhotra, 2010).

For this dissertation, a non-probability quota sampling technique was employed. The researcher was impelled to use non-probability sampling, because there was not a strong and robust sample frame available. Subsequently, the different non-probability sampling methods are discussed, adducing reasons for choosing quota sampling. The literature defines these sampling methods in some detail (Burns & Bush, 2013; Berndt & Petzer, 2011; Malhotra, 2010; Moser, 1952; Scheaffer *et al.*, 2012; Zikmund, 2010):

- 1) Convenience sampling: The researcher obtains the sample in a convenient way. The risk with this procedure is that solely units that are available and accessible at a certain time and place are addressed. As the name indicates, collecting the sample is not only convenient, but also easy to realise – with low levels of effort regarding time and costs. However, this sampling method has its limitations. The sample is biased by the researcher's choice, and shows great deficits in linking results to the population, which is the chief reason why it is not suitable for marketing research (Berndt & Petzer, 2011; Malhotra, 2010).
- 2) Judgemental sampling: This method is similar to convenience sampling, with the difference that the researcher selects units carefully and cautiously. Hence, the selection procedure is based on intention, but yet, succumbs to the researcher's bias (Berndt & Petzer, 2011).
- 3) Quota sampling: This is a two-step sampling method, and a combination of convenience and judgemental sampling. Firstly, the quotas (control categories) are determined, in order to reflect the proportion of the population's elements best. Census data are used to assign the quotas and their distribution among the population with respect to gender, age, income, etc. Based on the determined quotas, the sample is selected in a convenient and/or judgemental way. Although the selection process is influenced by the researcher's convenience and judgement, the quotas ensure that the composition of the sample is eminently similar to the composition of the population. Controls and guidelines to reduce the researcher's selection bias lead to results that are relevant and close to those

of probability sampling methods (Burns & Bush, 2013; Berndt & Petzer, 2011; Malhotra, 2010).

- 4) **Snowball sampling:** The researcher randomly chooses a group of respondents. These respondents then again provide information and reference/referral about others that match the criteria of the target population. This process continues in waves (like a snowball) – until the requisite number of respondents is reached. The resulting sample shows similar or the same demographic characteristics, but is not representative of the population. Besides low sampling costs and variance, a positive aspect is that snowball sampling is widely used to find people that are difficult to reach (minority or special census groups) (Malhotra, 2010; Moser, 1952; Scheaffer *et al.*, 2012).

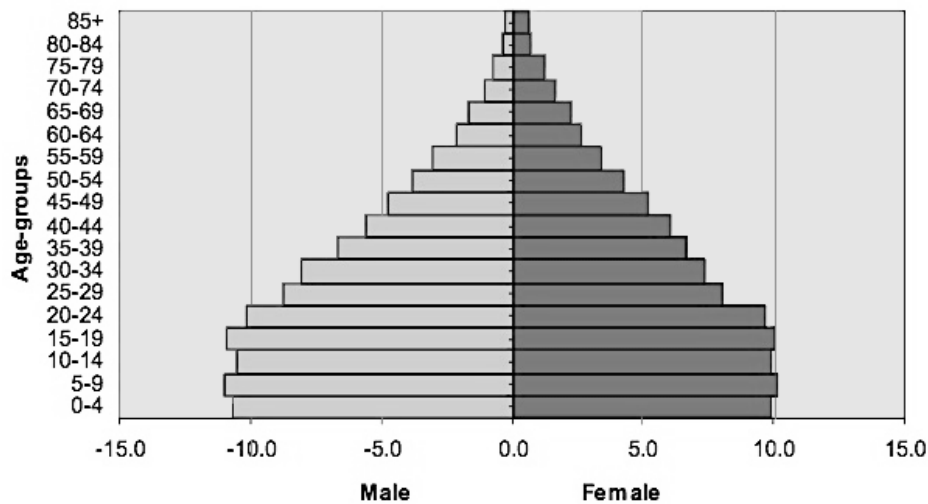
This comparison highlights the reasons for choosing quota sampling, being the method that yields the most relevant, precise and representative sample among the non-probability sampling techniques (Scheaffer *et al.*, 2012). For the purpose of this study, a proportional amount of each quota (category/control characteristic) represented the elements and traits of the entire population, described in the following section.

5.5.3.1 Quota Sampling: Control Characteristics

The implemented quotas determined the composition of the sample. This section describes the calculating process for the control characteristics in detail. According to the quota control characteristics, presented in Tables 5.4 and 5.5 below, the sample units were chosen. The assembled sample exhibited the same characteristics as the national population that was studied. Therefore, the South African population was segmented into exclusive sub-groups. The pre-specified characteristics in this study were gender and age (Chang & Liu, 2009). Of each age group, the same number of female and male respondents was selected.

The indicated numbers in Table 5.4 are supported by the Community Survey of Statistics South Africa (2007), for which the data were collected in nationwide surveys in the years 1996, 2001 and 2007. The South African population was analysed, according to population size, distribution and composition. The bar chart (Figure 5.3) displays the demographic structure of the South African population, as of 2007, featuring its distribution over age groups (each comprising 5 years) and gender (in percentages). The sex ratio of the population of South Africa has been stable over the past 11 years (1996-2007), with an equal proportional distribution of the two genders (Statistics South Africa, 2007). On average, the gender ratio is 92-93 males per 100 females. For the purpose of this study, it was assumed that the gender ratio was stable – until the current year. Hence, a distribution of 50% males and 50% females was applied (Statistics South Africa, 2007). Although Table 5.4 displays figures that indicate an unequal gender ratio, it is actually not the case. This can be traced back to the fact that the age group 0-14 years was disregarded (the respondents did not meet the requirements).

Figure 5.3: South Africa: Percentage Distribution of Population by Five-Year Age Groups and Sex-2007



Source: Statistics South Africa (2007, p. 18)

The second quota, age group, was defined as five age groups, ranging from 16 to 50 years and older (Chang & Liu, 2009). Figure 5.3, as well as the table in Appendix C, were added to determine the quotas (sampling units) for this study’s age groups. For this purpose, the Statistics South Africa Community Survey’s (2007) age groups were converted to fit the age groups of this study (refer to table 5.4).

According to the predetermined quota criteria, the researcher selected subjects that met these control characteristics. The calculation of age groups and gender is presented in Table 5.4, and the quota control characteristics are presented in aggregated form in Table 5.5. In each age group, a calculated number of subjects per gender was selected. For instance, the second age group of this study was comprised of 21-30 year old individuals. Thus, the age groups 20-24 and 25-29 of the Community Survey (Statistics South Africa, 2007) were included in the calculation. The number of people was added and divided by the total (ages 0 to 14 years were excluded) in order to calculate the percentage of 26.5%. The distribution of gender was calculated in the same way. In order to ultimately achieve the requisite sample size, a minimum number of 250 respondents (n=250) was intended.

Table 5.4: Quota Sampling: Calculation

Percentage/ adapted age group	15.3		26.5		20.8		15.6		21.8	
Gender %	M	F	M	F	M	F	M	F	M	F
		7.7	7.6	13.2	13.3	10.3	10.5	7.2	8.4	9.1
Adapted age groups (of this study)	16-20		21-30		31-40		41-50		50+	
Age groups Community Survey (Statistics South Africa, 2007)	15-19		20-24 25-29		30-34 35-39		40-44 45-49		50-54 55-59 60-64 65-69 70-74 75-79 80-84 85+	

Table 5.5: Quota Sampling: Control Characteristics

Control Characteristics	Population Composition (%)	Sample Composition	
		%	Number
GENDER			
Male	50	50	125
Female	50	50	125
			Σ 250
AGE			
16-20	15.3	15.3	38
21-30	26.5	26.5	66
31-40	20.8	20.8	52
41-50	15.6	15.6	40
50+	21.8	21.8	54
			Σ 250

The quota sampling technique was applied, as it mirrors the South African population best. Although the representativeness could not be absolutely guaranteed, the obtained results were most probably very close to those of probability sampling (Berndt & Petzer, 2011; Scheaffer *et al.*, 2012). The classification into age groups and gender ensured that a balanced and representative sample of respondents and relationships between the quotas could possibly be observed (Scheaffer *et al.*, 2012). Gender differences in the perception towards the sport, sports brands and buying behaviours were considered and part of the analysis in section 6.2.1. The final step regarding sampling was to

determine the appropriate sample size, in order to meet the requirements of the chosen research design.

5.5.4 Sample Size

The sample size determines the number of elements included in the sample (Burns & Bush, 2013; Fugard & Potts, 2015). Berndt and Petzer (2011) argue that a sample does not necessarily have to be as large as possible. It is more important to choose a size that is concomitant with the established sampling technique, the parameters of interest, and suitable for statistical analysis. Additional considerations include: The diversity or variance of the population to be measured, the longitudinal nature of the research, the intended accuracy, the precision and reliability of the results, the margin of error, the research budget, as well as time and resource constraints (Berndt & Petzer, 2011; Fugard & Potts, 2015; Scheaffer *et al.*, 2012).

The nature of the research has an effect on the sample size. For conclusive research, as discussed in section 5.3.1, a large sample is necessary. In this way, accurate results can be obtained, and sampling errors can be minimised (Fugard & Potts, 2015). According to the literature, sample size determination for a problem-solving research approach should include considerations of the amount of research constructs and the intended statistical power of the study (Malhotra, 2010; Fugard & Potts, 2015). Sample sizes found in similar studies were compared as well, such as Parker's (2005) measurement of *Brand Personality* and user imagery that included the sample sizes of approximately 270 respondents (e.g. Cobb-Walgren *et al.*, 1995; Ramaseshan, 2007).

Taking this information into account and regarding the research objectives, a total sample size of $n=250$ respondents was aimed at for conducting the main study. In this dissertation, the total sample size was split into two sub-samples of $n=125$ for each brand. For the main study, the researcher picked subjects that met the aforementioned quota criteria. In each age group, 19 to 33 subjects per gender were selected. Regarding the estimation of sampling errors, such as incidence, completion and response rates, the requisite net sample size should at least contain 250 respondents ($n=250$) for both brands in total. However, the actually achieved sample size is discussed in section 5.8.

5.5.5 Execution

Having specified the target population, sample frame, techniques and sample size, the final step of the sampling process was actualised. The actual selection of the sample requires planned and detailed fieldwork to match the sampling design, as well as office work to organise the data (Scheaffer *et al.*, 2012). In order to collect the data from the sample, a questionnaire was developed. Considerations and steps involved in the form design are discussed in the subsequent section.

5.6. QUESTIONNAIRE DESIGN

The primary quantitative data can either be obtained with a survey, or by an observation (Burns & Bush, 2013). In this study, the researcher made use of the survey method. A questionnaire is defined as a structured measuring instrument to gather information from the respondents by asking them several questions about the constructs (Malhotra, 2010). This procedure must comply with the guidelines and adhere to the objectives of the questionnaire, which are: Any required information must be obtainable with a set of questions; the respondent's motivation and involvement must be investigated; and the potential response error must be minimised. The following section explains the questionnaire design process.

5.6.1 Development Process and Guidelines

According to the underlying marketing research literature (Burns & Bush, 2013; Berndt & Petzer, 2011; Hair *et al.*, 2014; Malhotra, 2010), the questionnaire design process includes several inter-related steps and guidelines, which the researcher had to consider:

- Define the information needed
- Identify the type of survey method

For the purpose of this study, a self-administered questionnaire was selected as the survey method, in order to reveal consumers' perceptions, attitudes, preferences and other behavioural characteristics. Detailed information addressed the research questions, the research variables and the hypotheses. Relevant information about the sample was obtained by focusing on the branding strategies of Asics and Nike.

A two-step approach was employed, consisting of a main study and a pilot study (refer to the research phases in section 5.4).

- Form specific content for questions
- Overcome respondents' inability and unwillingness to answer questions

Structured or closed questions limit the response options, by presenting categories that reflected a respondent's answers, as numbers in the database (Scheaffer *et al.*, 2012; Zikmund, 2010). Hence, administration, coding and data processing were less time-consuming and costly (Malhotra, 2010). Filter questions and a covering letter ensured that the respondents were suitable and informed. An included approval of the Ethics Committee built rapport with the respondents (see Appendix J). Displayed brands and pictures of running shoes were implemented, in order to improve the communication between the researcher's questionnaire and the respondent, as well as stimulate the respondent's memory (Burns & Bush, 2013). By guaranteeing anonymity at all times, the respondents' willingness to reveal sensitive information was increased (Malhotra, 2010). Their effort was minimised by means of a Likert scale that mirrored the respondent's answers as numbers (Berndt & Petzer, 2011):

- Consider the arrangement of the questions
- Specify the design, layout and form of the questionnaire

The main survey's layout was structured logically. The division into sections and numbered questions contributed to its clarity and comprehensibility. The different sections each contained three to five questions. After answering a question, the software automatically jumped to the following question. Questions regarding crucial information relating to the research problem were stated before any questions covering indispensable information about the respondent (Berndt & Petzer, 2011). The pilot study was developed in the same way; but it was shorter, since it only analysed a single construct.

- Pre-test the questionnaire to eliminate bugs
- Reproduce the questionnaire

Before reproducing the main study, the questionnaires of Asics and Nike were pre-tested with a small sample of n=20 respondents each, in order to detect any potential problems. In section 5.4.2, the results of the pre-test were explained in detail. In order to distribute the online survey, a link was sent out to the participants via an email and/or shared on the social media. The electronic questionnaires were programmed and hosted online with the survey software and questionnaire tool Typeform (www.typeform.com).

5.7 MEASUREMENTS AND SCALING

When measuring consumers' behaviour, it must be noted that not their actual behaviour, but characteristics or indicators of it are measured. In this case, this implies that the consumer's perceptions, attitudes, preferences and responses are measured. Therefore, characteristics are assigned to those subjects/constructs of interest. According to Malhotra (2010, p. 282), measurement is defined as: "The assignment of numbers or other symbols to characteristics of objects, according to certain prespecified rules." With validated and reliable scaling techniques, consumer behaviour is converted into numbers on a continuum (Hair *et al.*, 2014; Malhotra, 2010). In this way, the gained data are utilisable for statistical analysis. To ensure the quality of the data, it is necessary that rules are applied that guarantee an intelligible, consistent, uniform and standardised measurement and scaling process (Malhotra, 2010). This indicates that all the measured constructs must be described coherently by means of the applied scale characteristics, such as description, order, distance and origin (Malhotra, 2010). By describing the level of measurement, it can be determined which characteristics of a construct are being measured.

The following sections will enlarge upon these deliberations. The measurement instruments used to obtain the specified information, the measurement concepts, as well as the fundamentals of the measurement process are introduced. Several scaling techniques (comparative and non-comparative) are compared and described

(Hair *et al.*, 2014; Malhotra, 2010). Comparative scales are non-metric scales, because the respondents merely compare two objects, and then decide, which one of them they would prefer on an ordinal scale (Hair *et al.*, 2014). Besides the advantages regarding an easy application and understanding, these scaling techniques carry certain disadvantages.

Due to the usage of an ordinal scale, the results do not contain any quantitative information, such as the differences between objects (Malhotra, 2010). Such difficulties are surmounted with non-comparative scaling, which is discussed in the subsequent section.

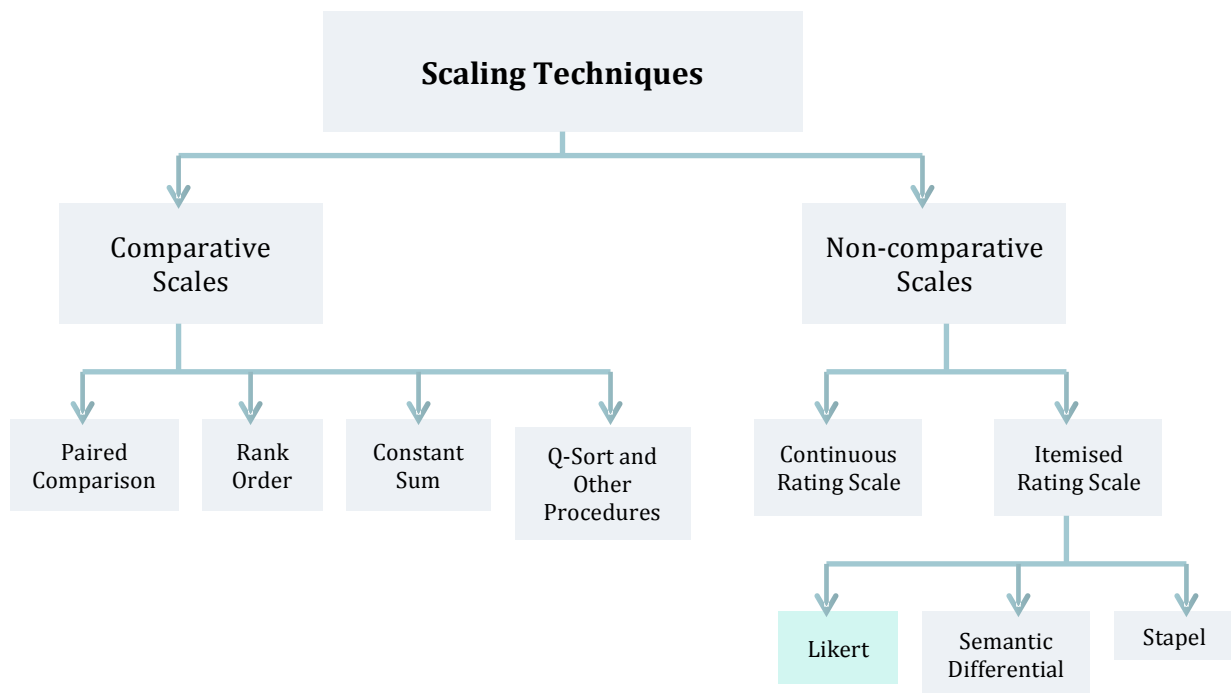
5.7.1 Non-comparative Scales of Measurement

With this metric (monadic) technique, each subject or object is measured individually on a scale (Hair *et al.*, 2014). The information is captured, not as ordinal data, but as a ratio, or as an interval-scaled data (Hair *et al.*, 2014). According to Malhotra (2010), non-comparative scales are the most frequently applied scales.

For this dissertation, the main focus was on the itemised scales, which are a sub-category of non-comparative scales (as represented in Figure 5.4). In order to measure the construct of *Brand Equity*, its antecedents and consequences, non-comparative scales were implemented.

The reason for choosing a non-comparative scaling technique was its usefulness to evaluate objects on a categorised scale. The term categorised implies that the respondent's answers were classified, according to previously described categories. Individuals were asked to evaluate objects, in this case running shoes of the two brands, according to their *Brand Personality*, *Brand Image*, etc. Each scale item was measured individually and separately. During the measurement process, the brands were not being compared with each other or with another standard (Hair *et al.*, 2014). These applied measurement tools had been validated in the literature to ensure a consistent reliability (Aaker, 1997; Chang & Liu, 2009; Paproski, 2011; Parker, 2005).

Figure 5.4: Scaling Techniques



Source: Malhotra (2010, p. 289)

Each construct of the conceptual framework was covered separately by the questionnaire. In the main study, the constructs were measured with a 40-item questionnaire (refer to Appendix B for questionnaires).

Considering these assumptions and deciding on the adequate measuring technique, the Likert-type scale was implemented as the main scale. The Likert scale, named after its inventor, Rensis Likert, is a widely applied and verified method for measuring attitudes, which are queried by means of scale items (Likert, 1932; Hair *et al.*, 2014; Malhotra, 2010). On a symmetrical Likert scale, the respondent chooses the category that best describes the stated object. Numbers and/or short descriptors itemised the scale and identified the categories (Malhotra, 2010).

According to the respondent's answer to positively or negatively framed statements (items), s/he indicated his/her level of agreement or disagreement (Hair *et al.*, 2014). A Likert scale can be a five-, seven- or nine-point scale. For this dissertation, a seven-point Likert scale was chosen, according to reference provided by the researcher Vagias (2006). Therefore, when measuring the level of agreement, a Likert scale consisting of seven categories is appropriate. For the participant's response, each scale item of the questionnaire was measured, according to the seven categories of a numerical score. These categories ranged from "strongly disagree" (=1) to "strongly agree" (=7) (Malhotra, 2010). In other words, high scores represented individuals that agreed to a statement, whereas low scores represented disapproving opinions. The following scale (Figure 5.5) was used to state the respondents' level of agreement.

Figure 5.5: Seven-Point Likert Scale

Strongly disagree	Disagree	Somewhat disagree	Neutral	Somewhat agree	Agree	Strongly agree
1	2	3	4	5	6	7

Source: Vagias (2006)

Likert-type scales have the advantage of being easy to administer and create. Although people have to invest more time in their response, they usually face no difficulties in understanding the requirements and the usage of the scale (Malhotra, 2010). Due to its simplicity, it is employed in telephone, personal, mail and electronic interviewing. To ensure the reliability and quality of consumers' responses, it is essential that a scoring process be implemented that is consistent at all times (Malhotra, 2010). Accordingly, negatively framed statements are subject to reverse coding. In this dissertation, it implies that high scores represent a person with a favourable attitude or *Brand Image*, and vice versa (Hair *et al.*, 2014).

The subsequent sections explain and discuss the adopted measures for each construct, and they provide reference to the scale evaluation regarding validity and reliability.

5.7.2 Brand Personality Measurement

Brand Personality was measured in a two-step approach: The pilot study and the main study, which were explained in section 5.4. In both research phases, the participants were asked to think of each brand's example running shoe, as if it was a person. The selected attributes (human characteristics) were associated with the brand Asics or Nike. Respondents rated their level of agreement on which extent the attributes described each brand (Aaker, 1997; Malhotra, 2010). In the main study, a seven-point Likert scale was introduced, in order to generate more robust data (the pilot study employed a five-point Likert scale). The rationale for moving to a seven-point Likert scale was to increase the accuracy of the measures (Finstad, 2010). According to Finstad (2010), the respondents, especially when unsupervised, answer more truthfully when evaluating scale items on a seven-point scale.

5.7.3 Brand Attitude Measurement

Brand Attitude, the consumer's evaluation of a brand, was operationalised with a seven-point Likert scale, to determine the extent to which the respondents had a positive or negative opinion towards the brand Asics or Nike (Chang & Liu, 2009). For instance, a consumer's attitude towards the brand was measured against four scale items, such as: "I am favourably disposed towards [X]" (Chang & Liu, 2009, p. 1697).

5.7.4 Brand Image Measurement

Brand Image was formally defined as the perceived associations of a brand forming a set of beliefs. The construct of *Brand Image* was assessed on a three-item, seven-point Likert scale (Chang & Liu, 2009). Scale items queried the consumer's overall impression of the brand and his/her image of the typical user compared to him/herself (refer to section 5.7.8 for the full list of scale items). For example: "My overall impression of the brand [X] is favourable" (Parker, 2005, p. 44). The statements were adapted from the research of Parker (2005). The provided scale items of Chang and Liu (2009) did not support that which was originally supposed to be measured.

5.7.5 Brand Equity Measurement

The multi-dimensional construct *Brand Equity*, the added value or attractiveness of the brand to the consumer, was divided into three sub-categories in the questionnaire. These categories, namely, "brand awareness", "brand loyalty", and "perceived quality", were evaluated with a seven-point Likert scale. The sub-components consisted of three to four scale items, for example: "[X] is a comparatively recallable brand to me" (Chang & Liu, 2009, p. 1697). The full list of scale items for each construct is represented in section 5.7.8.

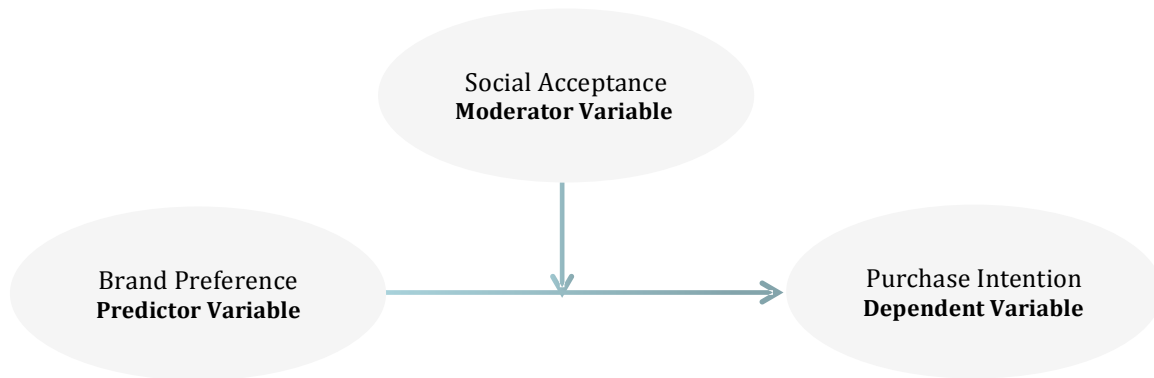
5.7.6 Brand Preference and Purchase Intention Measurement

Brand Preference is the extent to which a customer favours one brand over another. Both *Brand Preference* and willingness to buy a product were operationalised with a seven-point Likert scale (Chang & Liu, 2009). Scale items to verify hypothesis 7 were, for instance: "I think [X] is superior to other competing brands" (Chang & Liu, 2009, p. 1698). Section 5.7.8 displays the full list of scale items.

5.7.7 Social Acceptance Measurement

Social Acceptance, as a moderator of the relationship between *Brand Preference* and *Purchase Intention*, influences the consumer's decision-making process. This moderator was added by the researcher to maximise the relevance of the results, and to increase its academic and managerial significance. For this reason, scale items were generated and adapted from the research work of Paproski (2011). The full list of scale items is represented in section 5.7.8. For instance, scale items to measure the interaction effect addressed the following scenario: "I would wear [X] running shoes when going out with friends" (Paproski, 2011, p. 146). The process of testing the presence of a moderator is depicted in Figure 5.6 (Trinchera & Russolillo, 2009).

Figure 5.6: Moderation of Relationship



Source: Trinchera and Russolillo (2009, p. 9)

Social Acceptance was anticipated to moderate the relationship between *Brand Preference* and *Purchase Intention*. The interaction effect between the predictor and the moderator variable could have a strengthening or weakening influence on the dependent variable *Purchase Intention* (Guido *et al.*, 2010; Rajagopal, 2010; Wysong *et al.*, 2012). This effect was measured with a seven-point Likert scale, rating the extent to which the respondents agreed or disagreed with the statements (for categories of seven-point Likert scale refer to Figure 5.5).

5.7.8 Summary of Measurement Scale Items per Construct

The constructs and the interaction effect were measured by means of a 40-scale item questionnaire. The constructs, their scale items, and the academic source are depicted in Table 5.6.

Table 5.6: Constructs, Scale Items and Academic Source

Construct	Scale item	Source
Brand Personality Q1-Q10	The brand [X] can be described as...	Aaker (1997)
Brand Attitude Q11-Q14	I am favourable to [X]. I do not like [X]. [X] can satisfy my needs. I have negative opinions towards [X].	Chang and Liu (2009)
Brand Image Q15-Q17	Overall, the brand [X] is very desirable. My overall impression of the brand [X] is favourable. The typical user of the brand [X] is consistent with how I like to see myself.	Parker (2005)
Brand Equity Q18-Q28	<u>Brand Awareness</u> [X] is a comparatively recallable brand to me. I am not aware of [X]. I can quickly recall the symbol or logo of [X]. I have difficulty in imagining [X] in my mind. <u>Brand Loyalty</u> I consider myself to be loyal to [X]. [X] would not be my first choice at all. I will recommend [X] to others. <u>Perceived Quality</u> [X] is of premium quality. The likelihood that [X] would be functional is very high. The likely quality of [X] is extremely high. [X] appears to be of very poor quality.	Chang and Liu (2009)
Brand Preference Q29-Q32	I think [X] is superior to other brands. I prefer [X]. When considering purchasing a running shoe, I would consider [X] first. I am interested in trying [X] running shoes.	Chang and Liu (2009)
Purchase Intention Q33-Q35	I would consider purchasing [X] running shoes. I will purchase [X] running shoes. I intend to buy [X] running shoes in the near future.	Chang and Liu (2009)
Social Acceptance Q36-Q40	I would wear [X] running shoes when going out with friends. I would wear [X] running shoes when going shopping. I often feel pressured to purchase [X] running shoes, because some of my friends have recently bought them. I buy [X] running shoes to fit in. I wear [X] running shoes to be trendy.	Paproski (2011)

5.7.9 Demographic Statistics Measurement

To study the dimensions and dynamics of a population, demographic data is acquired by means of categorical scales of measurement, of which the nominal and ordinal scales are a sub-group, and discussed subsequently (Berndt & Petzer, 2011). A nominal scale assigns numbers or descriptors (alphabet, symbol, word) to identify and classify objects (Bagozzi, 1994; Hair *et al.*, 2014). Each descriptor or number is strictly assigned to one class, category or object. With a nominal scale, objects are tagged and labelled in a bijection (one-to-one correspondence), in order to rule out any false assignments (Bagozzi, 1994). The nominal scale is used for identifying respondents regarding their gender classification, brands or other objects (Malhotra, 2010).

In comparison, an ordinal scale assigns numbers that indicate the rank order of objects. Hence, the relative position of the measured objects can be analysed (Hair *et al.*, 2014; Malhotra, 2010). The researcher can identify, classify and compare the objects, but not their scale difference – due to a lack of origin and distance (Bagozzi, 1994; Malhotra, 2010).

In this dissertation, nominal and ordinal scales were implemented in the main study. In this way, the South African population could be classified and labelled, according to gender, residence and age group. Gender and place of residence were measured with a nominal scale; whereas age groups were measured with an ordinal scale (Bagozzi, 1994; Malhotra, 2010). With those applied primary scales, each category was mutually exclusive, implying that a respondent could only belong to one age group, be either female or male, and reside in one city. Additionally, a nominal scale of measurement was utilised for the identification of the respondent's leisure-time activities. A response scale with multiple checkboxes provides different options from which to choose. Here, the different categories were not exclusive (Berndt & Petzer, 2011).

5.8 DATA COLLECTION AND PREPARATION

Data for this study was collected via a self-administered, online survey hosted by www.typeform.com and consisting of different questionnaires, as discussed in section 5.4. Before commencing with the collection of the responses, approval from the Commerce Faculty Ethics in the Research Committee was obtained in November 2014 (refer to Appendix J).

For this dissertation, an electronic form of data collection was chosen (Berndt & Petzer, 2011). In a two-step approach, the responses were collected from the pre-determined sample (refer to section 5.5). To ensure that the requirements were met, the online questionnaire was programmed in such a way that access was denied if the individual was younger than 16 years and/or his/her disposable income was below R1 500.

In mid-November 2014, the first wave of data collection commenced by inviting 2x20 (n=40) respondents to take part in the pilot study. They were asked to imagine the

brand personalities of Asics and Nike, and evaluate how well the selected brand attributes served as descriptors. Due to the fact that the brands were treated separately, the responses were captured on different days, in order to rule out brand bias.

After pre-testing the main study (n=40), the second wave of data collection commenced at the end of November. The respondents received an URL link to the main study via email, and they had the option to participate at any convenient time or place. A covering letter, as well as detailed instructions of the tasks, stressed the importance of the research and the value of their participation. It was pointed out that no identifiable information was obtained, and their response was treated with the utmost confidentiality at all times. The contact details of the researcher were given, in case the respondents encountered any problems or were interested in the research findings.

To ensure that the questionnaires of Asics and Nike were homogeneously distributed among the sample, the survey software randomly picked respondents, based on their date of birth. For more information regarding the research phases, refer to section 5.4. In total, a final sample size of n=315 responses was accomplished, exceeding the intended dataset of n=250. The responses for both brands were evenly distributed {n(Asics)=160}; {n(Nike)=155}.

Subsequent to the data-collection process, the preparation of data was commenced. Both processes are of great importance in marketing research, and should comply with certain regulations, in order to guarantee the quality of the responses (Berndt & Petzer, 2011; Zikmund, 2010). Data was collected in a consistent (unvarying) form, and the respondents were approached appropriately. In this dissertation, great attention was paid to the data-collection process, in order to ensure the suitability of the final dataset for the subsequent statistical analysis. The data preparation processes the raw data to maximise the precision and accuracy of the outcome of the analysis (Malhotra, 2010).

This process consisted of several steps that were undertaken (Malhotra, 2010): The questionnaires were examined for quality and completeness. No missing values were detected, because the questionnaires were programmed that only completed ones could be submitted. The assessment of ambiguous or inconsistent responses was part of the cleaning process. Prior to the last step in the research design process, the raw data obtained in the questionnaires were converted into a form suitable for statistical analysis. Two separate data files were developed in Microsoft Excel. Therefore, the demographics were coded from 1 to n, as outlined in Table 5.7. Several scale items of the main study (Q12, Q14, Q19, Q21, Q23, Q28) were reverse-coded as containing negative statements.

Table 5.7: Coding Process: Demographic Statistics

Age Group	
16-20	1
21-30	2
31-40	3
41-50	4
50+	5
Gender	
Female	1
Male	2
City	
Cape Town	1
Johannesburg	2
Pretoria	3
Durban	4
Port Elizabeth	5
Other	6
Hobbies	
I am member of a gym.	1
I exercise regularly.	2
I enjoy running.	3
I have competed in a marathon.	4
None	5

Paying adequate attention to this matter ensured not only the quality of the statistical results, but also that the findings were unbiased, and hence, could lead to a correct interpretation thereof (Malhotra, 2010). After this step, the researcher selected an appropriate data-analysis strategy. This will be discussed in the following section.

5.9 DATA ANALYSIS PLAN

After the data preparation, the data sets were subjected to a statistical analysis. The purpose of the quantitative data analysis was to provide results addressing the research problem. The data analysis will be discussed in the following sections. Various statistical techniques, as well as their assumptions and objectives are addressed. Based on univariate and multivariate techniques, the variance between the variables can be assessed, the magnitude/strength of their relation analysed, and predictions about them can be made (Malhotra, 2010; Statsoft, 2015; Freund, 2004).

The literature distinguishes between descriptive and inferential statistics. The latter deal with the model and path analysis, in order to gain inferences regarding a representative cross section of the population, while the descriptive method covers the analysis and the graphical display of the data (Berndt & Petzer, 2011; Freund, 2004; Moore & McCabe, 2003; Thorne & Giessen, 2000).

5.9.1 Descriptive Statistics

Descriptive statistics serve as a clear and concise summary of the collected data (Malhotra, 2010). The software programmes utilised for the data evaluation were Microsoft Excel for the basic calculations and the statistical software SPSS (Berndt & Petzer, 2011, Malhotra, 2010). SPSS was considered adequate, since it is known for its high quality control functionality (Naidenov, 2014). It offers a variety of features and functions for descriptive statistical analysis including graphical display of results (Malhotra, 2010; Naidenov, 2014).

In this dissertation, an overview of the sample composition was undertaken, and the observations made were given by displaying them in descriptive cross-tabulations, graphs and diagrams, such as pie charts, bars, histograms and further graphical methods (Berndt & Petzer, 2011; Malhotra, 2010). For the purpose of this dissertation, an elaborate description of the quotas was presented. The overall sample size, the sub-groups and the gender distribution were analysed.

Regarding the scale items of this dissertation, common measures of central tendency and frequency distribution, as well as variability or dispersion, were applied (Berndt & Petzer, 2011; Hair *et al.*, 2014; Malhotra, 2010; Moore & McCabe, 2003; Thorne & Giessen, 2000). Responses to the survey were analysed, based on the following assumption/deliberation: The 40 scale items, all being measured with a seven-point Likert scale, were individually treated as ordinal data. The median, mode, range, minimum and maximum values were calculated with the software SPSS. Subsequently, data per construct was aggregated and analysed as interval data. In this regard, the mean, median, standard deviation, variance, minimum and maximum, as well as the Cronbach's Alpha, were computed with SPSS. Histograms for each scale item visualised the distribution of the data and any outliers could be detected.

The explanation behind this approach was that although a Likert scale is considered ordinal, when presented appropriately, a Likert scale could approximate an interval-level measurement. In this dissertation, through aggregation, SPSS treated the data as scale variables and the distances between the Likert items (categories) could be measured. This was decided, together with the Department of Statistical Sciences at the University of Cape Town, on the assumption that the categories were clearly described with equidistant attributes, and were symmetrically located around a midpoint.

The objective of descriptive statistics is to clearly illustrate and arrange the extensive, enormous amount of empirical data (Berndt & Petzer, 2011; Freund, 2004; Malhotra, 2010). Descriptive statistics can be distinguished from inferential statistics due to the mere fact that no statements are made extending beyond the measured population; no hypotheses testing, probability theory or stochastic analysis are included (Freund, 2004; Moore & McCabe, 2003; Thorne & Giessen, 2000). In general, descriptive methods form the basis for a connecting inferential statistical analysis.

5.9.2 Inferential Statistics

Inferential statistics are concerned with making inferences, and drawing conclusions about the population, with the observed sample as a basis (Asadoorian & Kantarelis, 2009). Specifically, hypotheses are tested at a certain confidence level (statistical significance), and the stated expectations are either accepted or rejected (Malhotra, 2010). According to the final theoretical model of this dissertation, the hypotheses posit relationships or interactions between constructs. Due to the model's complexity in measuring multiple indicators simultaneously, a form of Structural Equation Modelling (SEM) was considered adequate for the statistical analysis of the causal relations (Henseler *et al.*, 2009; Malhotra, 2010; Schumacker & Lomax, 2010). Chang and Liu (2009), whose model is similar, also made use of SEM in their research and hence, confirm the application of this statistical model.

This multivariate method tests the models with regard to how well variables/items define a construct and the strength and significance of the constructs related to each other (Schumacker & Lomax, 2010). The goal of SEM based statistical techniques is to assess whether the sample dataset supports the theoretical model when taking measurement error into account. This is done via hypotheses testing, by expressing the relationships as a series of structural equations. Structural equation modelling has great recognition for its reliability and validity of the measures (Schumacker & Lomax, 2010). Moreover, group differences can be examined through multi-group analysis included in SEM. Interaction effects, such as that of a moderator can be added to the theoretical model, and tested with SEM. Since it was first applied in 1980, it has gained great popularity in marketing research (Hair *et al.*, 2014).

There exist various types of programmes that include path models, regression models and confirmatory factor analytical models, as well as observed and latent variables (Malhotra, 2010; Schumacker & Lomax, 2010). Those can be separated into covariance-based techniques (CB-SEM) and variance-based partial least-squares techniques (PLS-SEM) (Hair *et al.*, 2014; Jöreskog & Sörbom, 1993). Both techniques have advantages and disadvantages. The choice of the use of PLS-SEM is justified in the following section.

5.9.2.1 PLS-SEM

The differences between CB-SEM and PLS-SEM are summarised in Table 5.8 below. For this research, the PLS-SEM approach was chosen for certain reasons (Lowry & Gaskin, 2014; Malhotra, 2010). Strictly speaking, the PLS-SEM algorithm estimates partial model relationships in an iterative sequence of ordinary least squares (OLS) regressions, in order to maximise the explained variance of the endogenous latent variable. This is the reason why PLS-SEM focuses on prediction offering the explained variance of the endogenous variable. Complex models can be processed with a great number of latent variables and indicators. A smaller sample size is acceptable without sacrificing statistical power. In this dissertation, the research objectives were rather predictive in

nature with the sample exceeding the recommended minimum, in order to achieve robust estimations (Malhotra, 2010; Fugard & Potts, 2015). PLS-SEM is robust with different scale types, including Likert scales, and no distributional assumptions are required.

Table 5.8: Summary Comparison of PLS-SEM and CB-SEM Approaches

Basis of Comparison	PLS-SEM	CB-SEM
Objective	Prediction oriented	Theory oriented: Parameter oriented
Approach	Variance based	Covariance based
Assumptions	Predictor specification (nonparametric)	Multivariate normal distribution and independent observations (parametric)
Relationship between a latent variable and its measures	Can be modelled in either formative or reflective mode	Typically only reflective indicators
Implications	Optimal for prediction accuracy	Optimal for parameter accuracy
Model complexity	Large complexity (e.g., 100 constructs, 1000 indicators)	Small to moderate complexity (e.g., <100 indicators)
Sample size	Power analysis based on the portion of the model with largest number of predictors. Recommendations for minimum number of observations range from 30 to 100 cases.	Ideally based on power analysis of specific model. Recommendations for the minimum number of observations range from 200 to 800.

Source: Hubona (2010)

However, several disadvantages and constraints were taken into consideration as well. Path coefficients are less accurate than the ones in the CB-SEM approach. The absence of an established global Goodness-of-Fit criterion limits the usability for PLS-SEM models, and a wide spread of opposing and supporting opinions exists in the literature (Hair *et al.*, 2014; Hubona, 2010; Reinartz *et al.*, 2009). Acknowledging the limitations, PLS-SEM is the appropriate approach in this study, because it is conducive to smaller

sample sizes. Since there is no Goodness-of-Fit measure, elements of the model are evaluated separately via certain quality criteria (Hubona, 2010).

PLS-SEM consists of two parts: The measurement model and the structural model (Esposito Vinzi *et al.*, 2010; Henseler *et al.*, 2009). Both play an important role in the overall analysis, and will be discussed in turn subsequently (Hair *et al.*, 2014).

5.9.2.2 Measurement Model

This component of a PLS-SEM contains the measurement model, also referred to as the outer model. It measures the unidirectional predictive relationships of the factors (latent constructs) and their associated indicators (Hair *et al.*, 2014). Latent variables cannot be directly measured, but they can be defined conceptually. Therefore, they are measured through observable variables (referred to as items or indicators) as a linear function (Hair *et al.*, 2014; Hubona, 2010). Such individual indicators are associated with each construct, and the scores are obtained via interviews, a survey or observation, etc. (Edwards & Bagozzi, 2000).

It is important to distinguish between a formative measurement model and a reflective measurement model (Henseler *et al.*, 2009). Formative indicators determine the latent construct they influence, so removing an indicator would change the conceptual meaning (Hair *et al.*, 2014). These causal indicators measure the latent construct collectively, and removal must be carefully considered (Hubona, 2010). In this dissertation, the measurement model for each latent variable is reflective in nature. Reflective indicators are considered as functions of the latent construct (Esposito Vinzi *et al.*, 2010). As such, these indicators are influenced by their underlying latent construct, and they are referred to as effect indicators (Henseler *et al.*, 2009). Such items are expected to correlate highly, thereby indicating that these items are interchangeable without alteration of the conceptual meaning of the model (Hubona, 2010).

An assessment of the reflective measurement model consists of the following measures (Esposito Vinzi *et al.*, 2010; Hair *et al.*, 2014; Henseler *et al.*, 2009):

- **Measures of the reliability of indicators**

- Internal consistency and reliability (Cronbach's Alpha, Composite Reliability)

- Indicator reliability {(Squared) item loadings}

- **Measures of the validity of the factors (latent variable)**

- Convergent validity {Average variance extracted (AVE)}

- Discriminant validity (Fornell-Larcker Criterion, Cross loadings)

The researcher can run tests, such as confirmatory factor analysis (comprising convergent and discriminant validity), and measures for reliability testing (e.g. Cronbach's Alpha) to assess whether the indicators all measure the same construct and are positively correlated. With the measurement model clearly presented, the structural model will be outlined in the next section.

5.9.2.3 Structural Model

The structural model is also known as the inner model or the path model. The effects and the prediction quality of the structural model are analysed (Hair *et al.*, 2014).

They are measured, according to their beta values, path coefficients of determination (R^2) of the endogenous variables, and the statistical significance (t-values) and size of the relationships (Hair *et al.*, 2014).

In this regard, it must be differentiated between whether a construct is endogenous or exogenous. The former mentioned describes a variable whose value is created from within, indicating the influencing effect of other constructs (Hubona, 2010). In a model, constructs may predict other endogenous constructs, and the value of a dependence relationship is represented by R^2 (the amount of explained variance). Inner model path coefficients (beta values) are related to each hypothesised relationship, and describe the size and nature thereof (Hair *et al.*, 2014; Wong, 2013).

The second consideration regarding the structural model is to interpret the path significance of the hypothesised relationships via a resampling procedure (Hair *et al.*, 2014). Path coefficients are deemed significant at the 5% level if the t-statistic is larger than 1.96 (Hair *et al.*, 2014).

5.9.2.4 Path Modelling Software SmartPLS

Having identified the structural equations modelling technique, the researcher had to decide which software programme to use. The researcher considered the needs and preferences, and came to the conclusion to use the graphical path-modelling software SmartPLS 2.0 developed by Ringle *et al.* (2005). SmartPLS is applied for model evaluation and hypotheses testing (Hair *et al.*, 2014; Henseler *et al.*, 2009). Assessment of the conceptual model was done separately, by evaluating the measurement and the structural model.

5.9.2.4.1. Measurement Model in SmartPLS

The measurement model is presented first to demonstrate the reliability and validity of the scales – before assessing the relationships (Hair *et al.*, 2014). The measurement model comprised reliability and validity testing. The different procedures and criteria were outlined in section 5.9.2.2. For that reason, only the important aspects are summarised here once more.

Reliability is defined as the consistency of the results that a scale produces when measures are repeated (Malhotra, 2010). The reliability of the measurement model was assessed by testing for internal consistency and reliability, as well as indicator reliability. The logic is that a measure that is unreliable cannot be valid at the same time (Esposito Vinzi *et al.*, 2010; Hair *et al.*, 2014). Several criteria and their minimum threshold were summarised in Table 5.9.

Table 5.9: Reliability Indicators

Quality Criteria	Critical minimum
Cronbach's Alpha	$\alpha > 0,6$
Composite Reliability	CR > 0,7
Squared item loading	Squared value > 0,5

Source: Hubona (2010)

Validity is defined as the extent to which the measures actually measured what they were intended to measure, and whether this was relevant. This is conducted by analysing how well measurement items correlate to the construct (Hair *et al.*, 2014). To ensure that the measurement model is valid, convergent validity and discriminant validity were assessed (Hair *et al.*, 2014; Wong, 2013). An overview is presented in Table 5.10.

Table 5.10: Validity Indicators

Quality Criteria	Critical minimum
Average Variance Extracted (AVE)	AVE > 0,5
Fornell-Larcker Criterion	$\sqrt{\text{AVE}} > \text{latent variables cross-correlations}$
Cross loadings	Item loading on assigned latent factor > its cross loadings on all other latent variables

Source: Hubona (2010)

When it is assured that the model is compliant with the reliability and validity requirements, the focus is drawn to the structural model.

5.9.2.4.2 Structural Model in SmartPLS

The structural model, as discussed above in section 5.9.2.3, provides an evaluation of the inner model by interpreting the coefficient of determination (R^2) to compensate for the shortcoming of a Goodness-of-Fit criterion. The value of the minimum threshold varies, according to the disciplines of marketing. The values summarised in Table 5.11 assume that this dissertation analysed consumer behaviour (Hair *et al.*, 2014). A further

assessment is the evaluation of path-modelling estimations (Wong, 2013). Inner model path coefficients are related to each hypothesised relationship, and describe the size and nature thereof (Hair *et al.*, 2014). Such β values signal whether the relationship is strong and positive, or negative in nature. The final evaluation in SEM-PLS is to verify that the hypothesised relationship is statistically significant. The t-values are calculated with bootstrapping in a resampling procedure (Hair *et al.*, 2014, Henseler *et al.*, 2009).

In this dissertation, a two-tailed test was conducted at the 5% significance level.

It reflected the relationship between two constructs, which was measured at the 95% confidence level (Wong, 2013).

Table 5.11: Structural Model

Prediction Quality and Effects	Critical minimum
Coefficient of Determination	$R^2=0,2$ is considered a high value
Path Coefficients	$\beta>0,2$

Source: Hubona (2010)

The structural model is considered valid only when the stated hypotheses are supported, meaning that the null hypotheses are rejected (Malhotra, 2010; Wong, 2013). The hypotheses for each brand, as well as the combined dataset, were assessed in this way. Special attention was paid to the moderator, which was implemented in a specific manner.

5.9.2.4.3 Analysis of Interaction Effect

The software SmartPLS merely allows direct effects in the PLS path model. It is problematic that moderating effects are difficult to assess and interpret, they involve high measurement error and low statistical power (Chin *et al.*, 2003). In fact, only in 21% of the cases tested, the moderator's statistical support could be found (Chin *et al.*, 2003). The researcher included the interaction effect to open up new additional possibilities with a more complex model. In order to add the interaction effect, SmartPLS offers a latent variable modelling approach (Chin *et al.*, 2003; Henseler *et al.*, 2009).

In this dissertation, the following interaction was installed: The moderator *Social Acceptance* (z) would have an influencing effect on the relationship between the predictor variable *Brand Preference* (x) and the dependent variable *Purchase Intention* (y). The interaction effect of the underlying latent variables (predictor*moderator) was graphically presented as a new variable, named the pairwise-product indicator (x_i*z_i) (Chin *et al.*, 2003).

The multiplicative indicator has standardised values, in order to avoid computational errors (Chin *et al.*, 2003). The one-step product indicator approach of Chin *et al.* (2003) produces more accurate estimations than that of other approaches, combined with less limiting assumptions. The new variable was subjected to the PLS algorithm, and assessed as discussed above (sections 5.9.2.4.1 and 5.9.2.4.2).

5.9.2.5 PLS Multi-Group Analysis

To analyse the differences between the groups, there are not many tools available designed to conduct a multi-group analysis (Lowry & Gaskin, 2014). SmartPLS 2.0 has no function that could analyse such group differences. However, Lowry and Gaskin (2014) researched a method for comparing the differences between groups; and more importantly, whether such differences were substantial and of statistical importance. In order to do this, the following steps were undertaken in section 6.3.10.

Firstly, the dataset had to be split into the two different groups (Lowry & Gaskin, 2014). In this dissertation, this had already been done. Asics consisted of n=160 responses; and the data set of Nike comprised n=155 responses. Once loaded in SmartPLS, bootstrap for 5 000 subsamples was run for both data sets and the report 'Path Coefficients (Mean, STDEV, T-Values)' were extracted for Asics and Nike. The focus was on the values of the Sample Mean (M) and the Standard Error (STERR) for each hypothesised relationship.

For both groups/brands, those values were copied into a formula, in order to assess the t-statistic for the statistical difference between the groups. The groups were compared, based on sample size, regression weight and standard error for each path being tested (Lowry & Gaskin, 2014). Lowry and Gaskin (2014) converted the t-statistics formula (according to Figure 5.7) into a function in Excel, which could be downloaded from their online research work (<http://www.kolobkcreations.com/PLSIEETPC2014.pdf>).

Figure 5.7: T-Statistic for the Difference Between Groups

$$t = \frac{Path_{sample_1} - Path_{sample_2}}{\left[\sqrt{\frac{(m-1)^2}{(m+n-2)} * S.E.^2_{sample1} + \frac{(n-1)^2}{(m+n-2)} * S.E.^2_{sample2}} \right] * \left[\sqrt{\frac{1}{m} + \frac{1}{n}} \right]}$$

Source: Lowry and Gaskin (2014, Appendix 2, p. 9)

A two-tailed probability value, as well as the significance level was calculated for Asics, Nike and for the entire data set. The results were presented in a summarising table in section 6.3.10.

5.10 CONCLUSION

This chapter discussed the methodological considerations in detail, regarding methods to test the final theoretical model and to achieve the research objectives, re-stated in section 5.2. The presented methodology aimed to inform the reader elaborately on the procedure, in order to enable a researcher to replicate this research, and to be able to evaluate the quality of this dissertation.

The chapter commenced by stating the research design as an overview. Accordingly, the conclusive research approach was detailed, and the survey method discussed. Following this, the research phases of the pilot study and the main study were elaborated, and the results of the pilot study assessed. The subsequent sections focused on sampling methods, in particular quota sampling, the questionnaire design – and the guidelines to which the researcher adhered. A non-comparative scale was applied. In this case, a seven-point Likert scale was used to measure the key constructs of the model. Before proceeding to the data analysis plan, the data collection and preparation process were outlined. Regarding data analysis, the descriptive statistics were summarised that would complement the results of the inferential statistics. A thorough discussion provided the justification for the application of Partial Least Squares Structural Equations Modelling (PLS-SEM).

The following Chapter six reports on the results obtained from the descriptive and the inferential analyses of the data sets.

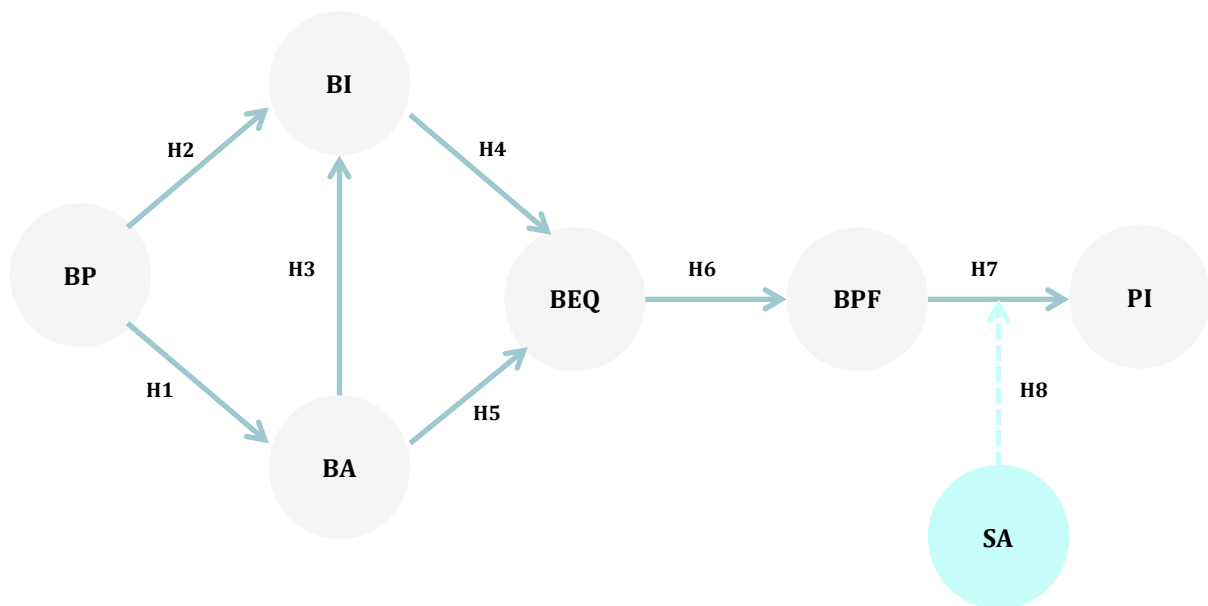
CHAPTER VI RESULTS

6.1 INTRODUCTION

The preceding chapter set forth the methodology of this dissertation. Included in this chapter was a discussion concerning the research design. To achieve the study's objectives a self-administered questionnaire was developed. The interaction of the pilot study and the main study was forwarded, leading to the questionnaire design. The data was collected via quota sampling to achieve the desired response rate and realise the ultimate sample size. The analytical measures to test the model, its paths and hypotheses, were discussed in section 5.9.

In this chapter, the results of the conducted descriptive and inferential statistical analyses are set forth. In the first section, the final sample size and the composition of the sample are analysed, in order to demonstrate its suitability to represent the South African target population described in section 5.5. Hereafter, further results of the descriptive analysis associated with each key construct of the model are reported. The final section focuses on the results obtained from the PLS analysis. For ease of reference, the final theoretical model with the hypotheses to be tested is reproduced here.

Figure 6.1: Final Conceptual Model



BP=Brand Personality, BA=Brand Attitude, BI=Brand Image, BEQ=Brand Equity, BPF=Brand Preference, PI=Purchase Intention, SA=Social Acceptance

6.2 DESCRIPTIVE STATISTICS

In this section, the sample is described in a quantitative and visual way, in order to make the set of data easily interpretable (Malhotra, 2010). For this purpose, data is summarised and depicted in a meaningful way, so that patterns emerge and information

can be obtained (Berndt & Petzer, 2011). In this study, a combination of tabulated and graphical description, as well as a statistical commentary on the parameters was applied (further described in section 5.9.1). First, the composition of the sample, the sample size and its characteristics are analysed. The second part (refer to section 6.2.2) reports on the statistical measures associated with the constructs of the theoretical model, whereby the two brands Asics and Nike are separately treated.

6.2.1 Composition of Sample

An elaborate description of the quotas regarding sample size, sub-groups and gender distribution is presented in the following section. Due to the use of an anonymous, online questionnaire, an exact calculation of the response rate is considered difficult (Malhotra, 2010).

Table 6.1: Total Sample Size and Distribution of Gender

Gender	Number	Percent
Female	172	54.60%
Male	143	45.40%
Total	315	100%

The total number of respondents was $n=315$, as summarised in Table 6.1. Of the total respondents, 54.60% were females ($n=172$) and 45.40% were males ($n=143$). The sample size was considered adequate to proceed with the statistical analysis. Considerations regarding the appropriateness of the sample size were the following: Firstly, it was pointed out in section 5.9.2 that SmartPLS was applied due to its robustness to sample sizes (Fugard & Potts, 2015; Hair *et al.*, 2014; Hubona, 2010; Wong, 2013). In addition, a similar study of Chang and Liu (2009) achieved comparable results (e.g. Cobb-Walgren *et al.*, 1995; Ramaseshan, 2007). Although their total sample size was more extensive, which can be traced back to the number of brands to be tested (>2), their amount of valid responses per brand were between $n=110$ and $n=223$.

In this study, the sample sizes per brand (Asics/Nike) were acceptable and indeed exceeded the requirements.

Table 6.2: Distribution of Brands

Brands	Number	Percent
Asics	160	50.79%
Nike	155	49.21%
Total	315	100%

Table 6.3: Distribution of Asics' Respondents

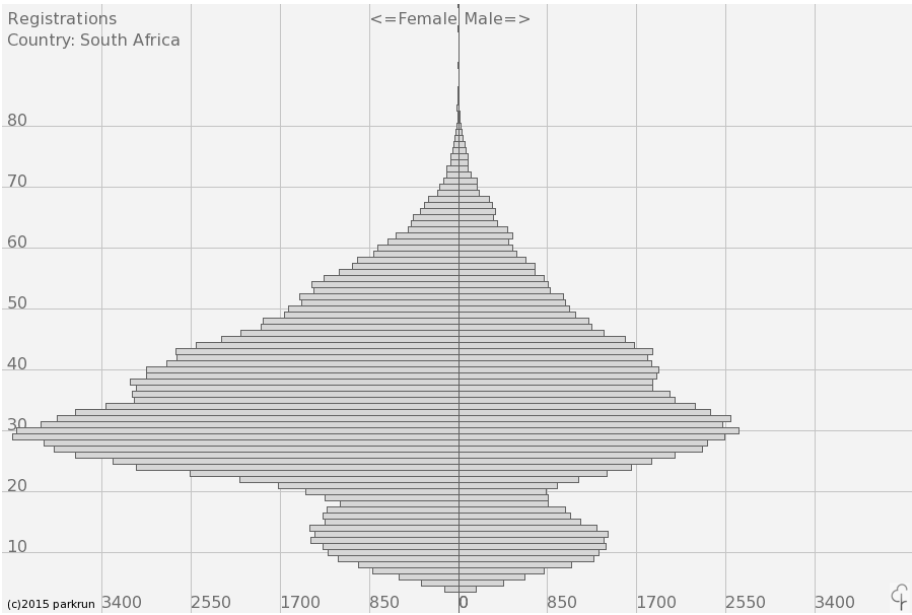
ASICS	Number	Percent
Female	85	53.12%
Male	75	46.88%
Total	160	100%

Table 6.4: Distribution of Nike's Respondents

NIKE	Number	Percent
Female	87	56.13%
Male	68	43.87%
Total	155	100%

The Table 6.2 above indicates that the brands Asics and Nike were evenly distributed. Of the total sample, Asics amounted to 160 responses, which resulted in 50.79%. Nike summed up to 155 responses, which was equal to 49.21% of the total.

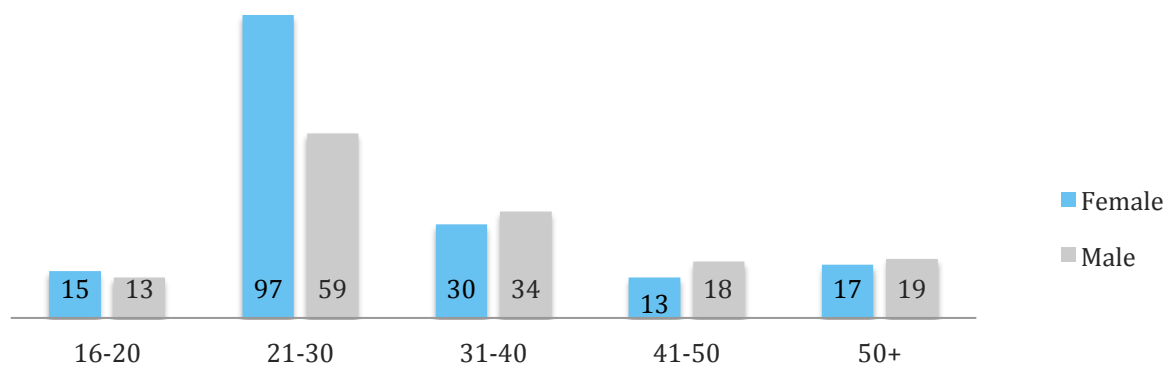
Figure 6.2: Parkrun Registrations South Africa



Source: Parkrun (2015)

The actual gender distribution was slightly higher for women, which could be justified by the fact that women are more involved in sports than are men. This was clearly represented by the Figure 6.2 on registrations for the weekly parkrun in South Africa (Parkrun, 2015).

Figure 6.3: Distribution of Respondents by Gender and Age Group



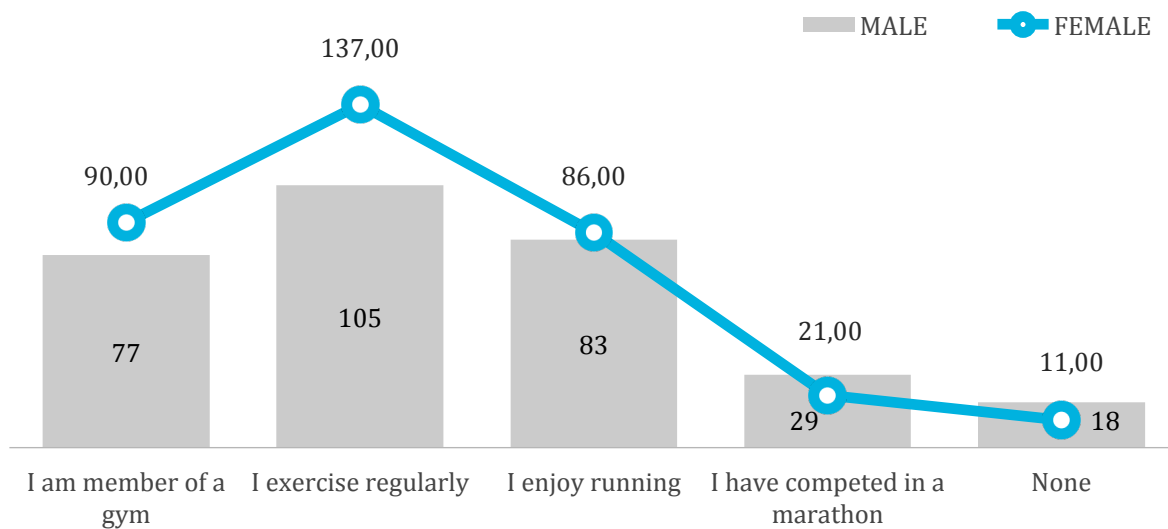
The total distribution of gender and age groups was depicted with the column chart in Figure 6.3. The gender distribution was biased in favour of female respondents. The reasons for that were mentioned above. In addition, the respondents were categorised into age groups (Figure 6.3). The actual distribution deviates slightly from the expected distribution. The proportion of participants in the age groups of 21-30 and 31-40 exceeded in numbers the predetermined amount (refer to section 5.5.3.1). In the methodology chapter, the amounts per age group were calculated, based on the Statistics South Africa Community Survey (2007). These requirements were not met exactly. Instead, the final sample reflected the actual behaviour in the sports segment in South Africa. In other words, particularly people between the ages of 20 and 40 years are interested in running; and hence, the conclusion was drawn that sports brands adhere to this target group (refer to Figure 6.2). Nevertheless, it was considered important to take the whole South African population into account, with the focus being on the age groups two (21-30 years) and three (31-40 years).

The exercising behaviour of South Africans was summarised in Table 6.5 and Figure 6.4 below. South Africans, in general, exercise on a regular basis, and the majority are member of a gym. There was a remarkable difference between the activity levels of men and women (see Figure 6.4). The females were found to be more active than men: In the category “I exercise regularly”, women reached 57% compared to the male respondents (137 females: 105 males). However, when it came to participation in high endurance events, such as marathons, men comprised the leading gender. Very few participants indicated that they were not interested in sports at all – with the number of men being higher than women (18 males: 11 females).

Table 6.5: Respondents differentiated by Leisure Activities and Gender

Hobbies	Female	Male
I am member of a gym.	90	77
I exercise regularly.	137	105
I enjoy running.	86	83
I have competed in a marathon.	21	29
None	11	18

Figure 6.4: Respondents differentiated by Leisure Activities and Gender

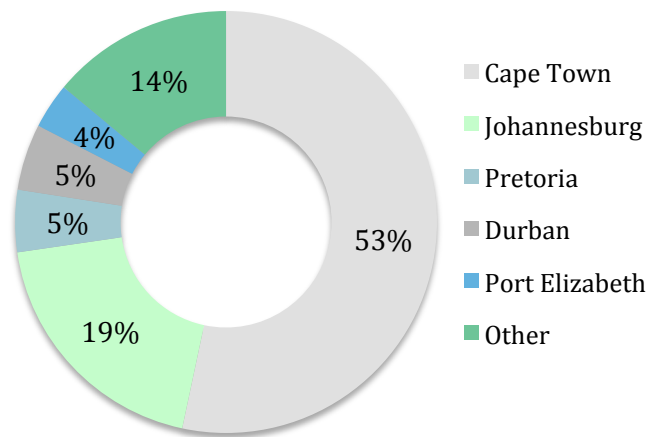


Regarding the origin of the individuals, data was collected from all the major cities across South Africa. Each category's value was presented in Figure 6.5 and Table 6.6. Respondents that did not live in one of the specified cities were able to choose "Other" instead. Cape Town was represented with the highest number of participants. This bias could be ascribed to the fact that the Mother City grows in popularity regarding endurance events that create a unique running experience in South Africa, such as the Two Oceans Marathon and the Sanlam Cape Town Marathon (Asmal, 2014; City of Cape Town, 2011; Morgan, 2015a; 2015b; Runner's World Magazine, 2015; Sanlam Cape Town Marathon, 2015).

Table 6.6: Geographical Distribution of Respondents

City	Respondents
Cape Town	168
Johannesburg	61
Pretoria	15
Durban	16
Port Elizabeth	11
Other	44

Figure 6.5: Geographical Distribution of Respondents



6.2.2 Descriptive Statistics for Constructs

To assess the study’s key constructs and scale items (refer to Table 5.6 in section 5.7.8 for an overview), the descriptive statistics are reported here. The focus is on Asics, and thereafter, Nike is described similarly. All the constructs of this dissertation were measured on a seven-point Likert scale, resulting in categorical data (1=Strongly disagree; 7=Strongly agree). Accordingly, the relevant descriptive statistics were calculated in SPSS. After consultation with the statistical department of UCT, the following approach was taken for several reasons: Scale items were read as categorical data; and therefore, they were reported in groups, depending on their influence on the constructs. The data of the constructs was transformed, and due to its aggregated state, this was considered to be a quantitative analysis (refer to section 6.2.2.1.2 and 6.2.2.2.2 for a detailed explanation).

6.2.2.1 Descriptive Statistics for Asics

6.2.2.1.1 Scale Items

The scale items of each construct were analysed in terms of the median, mode, range, minimum and the maximum values.

- **Brand Personality**

Table 6.7: Statistics for Scale Items Brand Personality Asics

		Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
N	Valid	160	160	160	160	160	160	160	160	160	160
	Missing	0	0	0	0	0	0	0	0	0	0
Median		4.00	6.00	4.00	5.00	6.00	6.00	5.00	4.00	5.00	6.00
Mode		4	7	4	4	7	7	5 ^a	4	7	7
Range		6	6	6	6	6	6	6	6	6	6
Minimum		1	1	1	1	1	1	1	1	1	1
Maximum		7	7	7	7	7	7	7	7	7	7

The first ten questions were the influencing scale items of the construct *Brand Personality*. The median and the mode both indicated that the respondents were found to either be neutral or in agreement with the statements regarding the description of Asics' *Brand Personality*. The values of the median were between 4.00 and 6.00 suggesting that the majority of the participants (>50%) showed a low to medium level of agreement. Scale items 1, 3 and 8 indicated that the respondents had a neutral opinion. This implied that the respondents disagreed with Asics being described as trendy, cool and the leading brand. The mode values were 4 and 7; and therefore, they were higher than the median. This could be explained with the range being 6, indicating that all the categories on the Likert scale were selected. Given the scoring of the seven-point Likert scale, the lower scores indicated less agreement with a statement and vice versa. In general, the participants described the brand as reliable, independent, technical and outdoorsy.

- **Brand Attitude**

Table 6.8: Statistics for Scale Items Brand Attitude Asics

		Question 11	Question 12 (r)	Question 13	Question 14 (r)
N	Valid	160	160	160	160
	Missing	0	0	0	0
Median		5.00	6.00	5.00	7.00
Mode		4	7	4	7
Range		6	6	6	5
Minimum		1	1	1	2
Maximum		7	7	7	7

The construct *Brand Attitude* consisted of the scale items 11-14, of which Q12 and Q14 were reverse coded. It should be reported that all the scale items scored values that represented levels of agreement. The median value indicated that more than half of the sample agreed with the statements describing *Brand Attitude* (median=5.00-7.00). The values that occurred the most frequently were 4 and 7. This suggested that the respondents had a neutral opinion about the statements 11 and 13. The reverse-coded scale items achieved a higher mode of 7. The range amounted to 6, indicating that the

respondents had made use of the entire seven-point Likert scale. Overall, the respondents indicated a favourable attitude towards the brand Asics. They had no negative opinion towards it, and thought it could satisfy their needs.

- **Brand Image**

Table 6.9: Statistics for Scale Items Brand Image Asics

		Question 15	Question 16	Question 17
N	Valid	160	160	160
	Missing	0	0	0
Median		5.00	5.00	4.00
Mode		4	6	4
Range		6	6	6
Minimum		1	1	1
Maximum		7	7	7

Brand Image was constructed with the scale items 15-17. Items 15 and 16, with a median of 5.00, indicated that the respondents agreed with the statement that Asics was a favourable and desirable brand. Question 17 achieved a neutral result (median=4.00). Overall, the mode was rather low. The categories chosen the most frequently were 4 and 6, thereby suggesting that the majority of the respondents were indecisive.

- **Brand Equity**

Table 6.10: Statistics for Scale Items Brand Equity Asics

		Q18	Q19 (r)	Q20	Q21 (r)	Q22	Q23 (r)	Q24	Q25	Q26	Q27	Q28 (r)
N	Valid	160	160	160	160	160	160	160	160	160	160	160
	Missing	0	0	0	0	0	0	0	0	0	0	0
Median		5.00	7.00	5.00	6.00	4.00	4.00	5.00	6.00	6.00	6.00	6.00
Mode		6	7	6	7	1	7	7	7	7	7	7
Range		6	6	6	6	6	6	6	6	4	6	6
Minimum		1	1	1	1	1	1	1	1	3	1	1
Maximum		7	7	7	7	7	7	7	7	7	7	7

The construct *Brand Equity* was subdivided into brand awareness (scale items 18-21), brand loyalty (scale items 22-24) and perceived quality (scale items 25-28). The first part suggested a high level of agreement: The median was between 5.00 and 7.00 and the mode 6 or 7. For brand loyalty, median values of 4.00 and 5.00 were calculated. The respondents had a neutral opinion about statement 22 and 23. The mode of the scale item 22 was low, with a value of 1, suggesting that people did not consider themselves as loyal consumers. The perceived quality indicated high levels of agreement (median=6.00), which was supported by the mode as well (mode=7). It could be reported that the scale items measuring brand loyalty showed low frequencies. Hence, those individuals disagreed with the statements. However, Asics was perceived to be a high quality brand.

- **Brand Preference**

Table 6.11: Statistics for Scale Items Brand Preference Asics

		Question 29	Question 30	Question 31	Question 32
N	Valid	160	160	160	160
	Missing	0	0	0	0
Median		4.00	4.00	4.00	5.50
Mode		4	4	7	7
Range		6	6	6	6
Minimum		1	1	1	1
Maximum		7	7	7	7

Given the results in Table 6.11, the scale items 29 to 32 could be interpreted as follows: The median between 4.00 and 5.50 suggested that the respondents expressed a moderate preference for Asics. The mode confirmed this interpretation for scale items 29 and 30. However, for questions 31 and 32, the mode was 7 and reflected a high level of interest in the brand.

- **Purchase Intention**

Table 6.12: Statistics for Scale Items Purchase Intention Asics

		Question 33	Question 34	Question 35
N	Valid	160	160	160
	Missing	0	0	0
Median		5.00	4.00	4.00
Mode		7	4	4 ^a
Range		6	6	6
Minimum		1	1	1
Maximum		7	7	7

Scale items 33-35 measured *Purchase Intention*. The respondents agreed that they would consider purchasing Asics running shoes (question 33) (median=5.00, mode=7). However, when it came to actually buying them (questions 34 and 35), the statistics showed that the respondents were indecisive and unsure whether to buy Asics running shoes in the near future (median=4.00, mode=4).

- **Social Acceptance**

Table 6.13: Statistics for Scale Items Social Acceptance Asics

		Question 36	Question 37	Question 38	Question 39	Question 40
N	Valid	160	160	160	160	160
	Missing	0	0	0	0	0
Median		2.00	2.00	1.00	2.00	1.00
Mode		1	1	1	1	1
Range		6	6	6	6	5
Minimum		1	1	1	1	1
Maximum		7	7	7	7	6

Social Acceptance comprised five scale items (36-40). All the scale items reported disagreeing opinions. The consumers were unwilling to wear Asics shoes for going out with friends, or for shopping {median (Q36; Q37)=2.00}; mode (Q36; Q37)=1}. The participants did not feel pressured by friends or society to buy Asics running shoes; neither were they trying to fit in or to be trendy. The value that appeared the most frequently in the set of data was 1, thereby indicating that the participants strongly disagreed with the statements.

6.2.2.1.2 Key Constructs

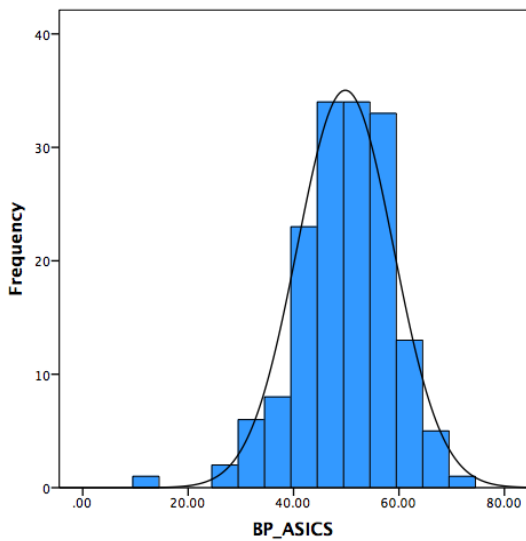
In the following section, the key constructs of Asics were analysed with regard to descriptive statistics. The data were transformed and aggregated, and hence, could be treated as continuous data. With this transformation, SPSS read the dataset for each construct as a scale variable. The statistical tests, such as the standard deviation, mean, median and scale reliability could be reported. Table 6.14 below reports the aggregated score for each construct (i.e. the scores of the composite items). To be able to interpret the statistics, the results were calculated, based on the number of scale items each construct comprised.

Table 6.14: Statistics Transformed for Key Constructs Asics

		BP_ ASICS	BA_ ASICS	BI_ ASICS	BEQ_ ASICS	BPF_ ASICS	PI_ ASICS	SA_ ASICS
N	Valid	160	160	160	160	160	160	160
	Missing	0	0	0	0	0	0	0
Mean		4.98	5.25	4.70	5.10	4.53	4.33	2.39
Median		5.00	5.50	5.00	5.09	4.50	4.67	2.20
Std. Deviation		0.91	1.44	1.40	1.29	1.83	1.94	1.12
Variance		8.30	8.25	5.91	18.30	13.46	11.29	6.32
Minimum		1.20	1.50	1.00	1.55	1.00	1.00	1.00
Maximum		7.00	7.00	7.00	7.00	7.00	7.00	5.40
Cronbach's Alpha		0.84	0.90	0.93	0.92	0.94	0.95	0.66

- **Brand Personality BP_ASICS**

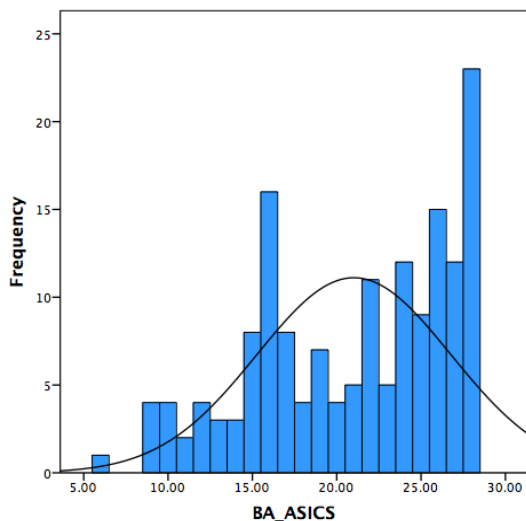
Figure 6.6: Histogram Brand Personality Asics



Asics's *Brand Personality* was operationalised as the summated scale of items 1-10. Scale reliability considerations were interpreted by the use of SPSS. *Brand Personality* achieved a Cronbach's Alpha (α) of 0.84, which was considered adequate. On the average, the respondents were found to somewhat agree with the description of Asics's *Brand Personality* with a mean of 4.98 (=somewhat agree). The standard deviation of 0.91 suggested that the responses demonstrated little spread.

- **Brand Attitude BA_ASICS**

Figure 6.7: Histogram Brand Attitude Asics

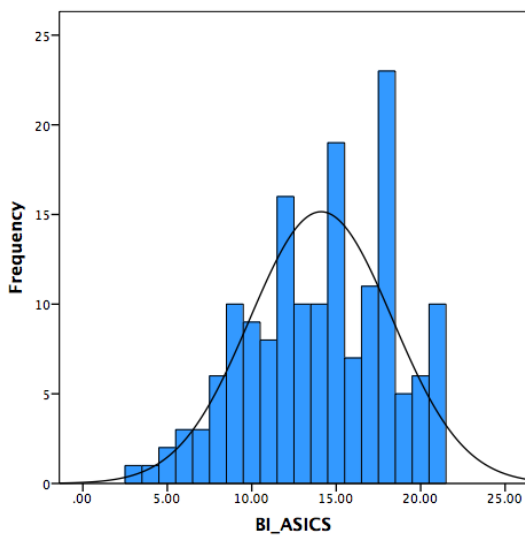


The second construct of the conceptual model was the attitude that consumers had towards the brand. *Brand Attitude* was argued in the preceding theory chapter and defined as feelings or tendencies that a consumer holds (refer to section 3.3.1). The reliability test supported the reflective nature of the measurement and no items had to be removed from the final summated scale ($\alpha=0.90$). An examination of the mean indicated that the individuals, generally, had a favourable overall evaluation of Asics (mean=5.55). However, the respondents were

not unanimous in this regard. The standard deviation with a value of 1.21 indicated that the participants either had positive or negative emotions towards Asics (refer to Table 6.14).

- **Brand Image BI_ASICS**

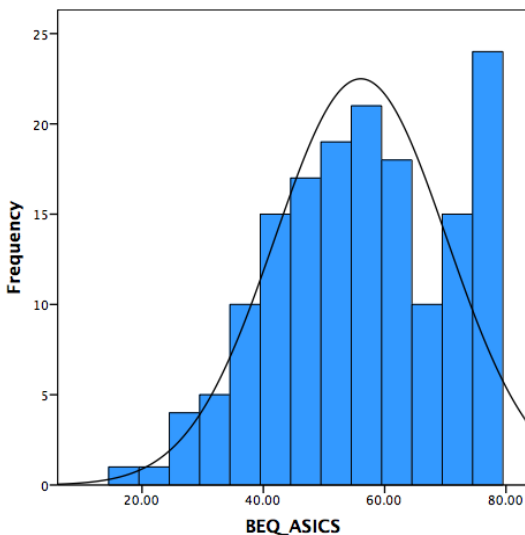
Figure 6.8: Histogram Brand Image Asics



Brand Image was operationalised as scale items 15 through 17. Given the scaling convention (results/3), an examination of the mean (mean=4.70) suggested that the respondents were found to be neutral to somewhat agreeing with the statements. This reflected the extent to which they had a neutral to positive image of Asics. However, a notable spread of responses could be detected (standard deviation=1.40) indicating that the outliers demonstrated a strong affirming opinion, especially in the category “agree”. The summated scale demonstrated suitable reliability with $\alpha=0.93$.

- **Brand Equity BEQ_ASICS**

Figure 6.9: Histogram Brand Equity Asics

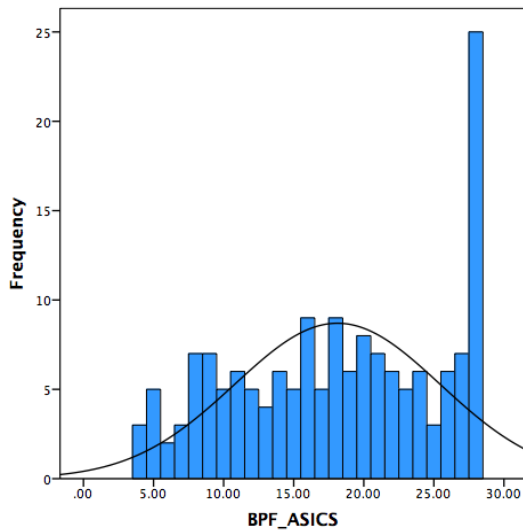


The previously mentioned constructs influence *Brand Equity*, which was comprised of scale items 18 to 28. This 11-item scale probed the extent to which the brand offered added value to the consumer. The final summated scale was concluded to demonstrate an acceptable level of reliability with $\alpha=0.92$. The mean (mean=5.10) of the construct suggested that the respondents were of the opinion that the brand Asics added value to their lives. Therefore, Asics’s perceived quality was high, and the customers considered themselves to be loyal. The

standard deviation of 1.29 indicated that data was not concentrated around the mean, thus resulting in contrasting opinions.

- **Brand Preference BPF_ASICS**

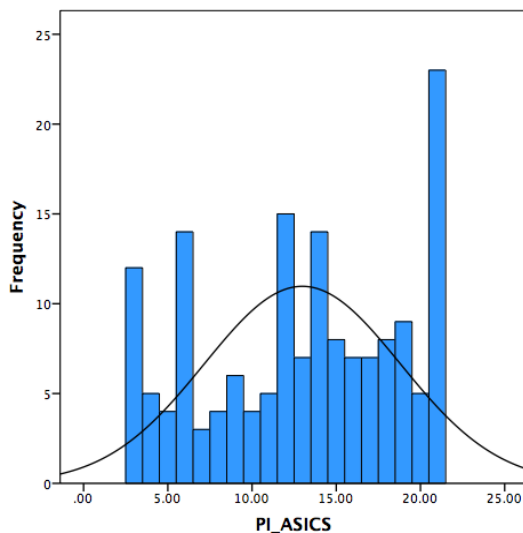
Figure 6.10: Histogram Brand Preference Asics



The construct of *Brand Preference* was operationalised as the summated scale of items 29-32. The resulting scale scores could be interpreted as follows. The mean of 4.50 indicated that the individuals tended to report a neutral to slightly affirming opinion. The standard deviation of 1.64 reflected a large amount of variation in the responses, thus suggesting a non-homogeneous group. Following reliability considerations, all scale items were included in the final summated scale, which achieved high levels of reliability with $\alpha=0.94$.

- **Purchase Intention PI_ASICS**

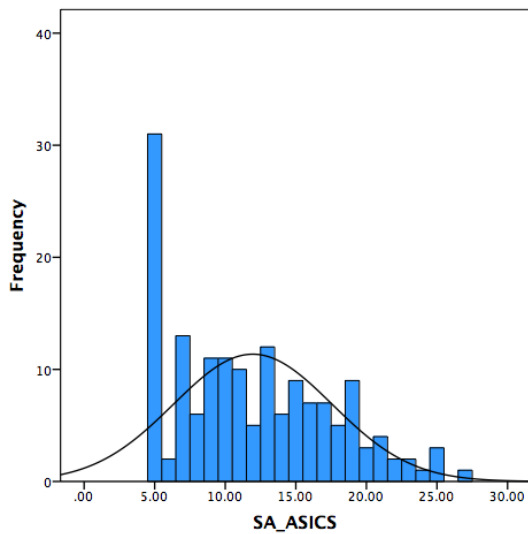
Figure 6.11: Histogram Purchase Intention Asics



An examination of the mean of this construct (Q33-Q35) showed that the participants had no intention of purchasing Asics running shoes (mean=4.33). However, the respondents were not unanimous in this regard. The standard deviation with a value of 1.94 reflected a large amount of variation in the group. Hence, some individuals would definitely purchase the product, and others not at all. Outliers were found in category 7, which represented the opinion of “strongly agree” in a purchase decision. The reliability test achieved satisfactory results ($\alpha=0,95$).

- **Social Acceptance SA_ASICS**

Figure 6.12: Histogram Social Acceptance Asics



Social Acceptance was operationalised as the summated scale of the items 36 through 40. This scale reported an adequate level of reliability, with Cronbach’s Alpha being 0.66 (Burgess & Steenkamp, 2006). An interpretation of the mean (mean=2.39) indicated low levels of socially desirable response and social pressure. This result could be interpreted as participants clearly disagreeing with the items. Moreover, they did not feel exposed to any peer-group pressure. The standard deviation of 1.99 reflected high distribution of responses,

indicating that individuals were either not at all affected by *Social Acceptance*, or they had a neutral opinion about it.

6.2.2.2 Descriptive Statistics for Nike

6.2.2.2.1 Scale Items

For the brand Nike, the scale items of each construct were analysed in terms of their descriptive statistics, as summarised in the tables below.

- **Brand Personality**

Table 6.15: Statistics for Scale Items Brand Personality Nike

		Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
N	Valid	155	155	155	155	155	155	155	155	155	155
	Missing	0	0	0	0	0	0	0	0	0	0
Median		6.00	6.00	6.00	6.00	5.00	5.00	7.00	7.00	6.00	5.00
Mode		7	6	7	7	4	5	7	7	7	5
Range		4	4	3	3	6	5	4	4	4	6
Minimum		3	3	4	4	1	2	3	3	3	1
Maximum		7	7	7	7	7	7	7	7	7	7

Brand Personality comprised the scale items 1-10. The median and the mode both indicated that the respondents were found to agree with the statements regarding the description of Nike’s *Brand Personality*.

The values of the median (median=6.00 and 7.00) suggested that the majority of the participants showed a high level of agreement. The mode values confirmed this finding as 7 was highly recurrent. Overall, this implied that the respondents agreed with Nike being described as the successful leading brand. Other adjectives that respondents agreed upon were: Trendy, reliable, cool, up-to-date and confident.

- **Brand Attitude**

Table 6.16: Statistics for Scale Items Brand Attitude Nike

		Question 11	Question 12 (r)	Question 13	Question 14 (r)
N	Valid	155	155	155	155
	Missing	0	0	0	0
Median		6.00	6.00	5.00	6.00
Mode		7	7	6	7
Range		6	6	6	6
Minimum		1	1	1	1
Maximum		7	7	7	7

The construct *Brand Attitude* consisted of the scale items 11-14, of which Q12 and Q14 were reverse-coded, due to a negatively worded statement. All the scale items scored high values regarding the respondents' level of agreement, thereby indicating respondents' favourable attitude towards the brand Nike. The median value indicated that more than half of the sample stated that they agreed with the statements describing *Brand Attitude* (median=6.00). The value that occurred the most frequently was 7; therefore, the mode confirmed this result of high agreement. Only scale item number 13 had values that were slightly lower, but still represented agreement (median=5.00; mode=6). The range amounted to 6, indicating that the respondents had made use of the entire seven-point Likert scale. Overall, the respondents favoured Nike, they had positive opinions towards it, and indicated that they liked the brand.

- **Brand Image**

Table 6.17: Statistics for Scale Items Brand Image Nike

		Question 15	Question 16	Question 17
N	Valid	155	155	155
	Missing	0	0	0
Median		6.00	6.00	5.00
Mode		7	7	4
Range		6	5	6
Minimum		1	2	1
Maximum		7	7	7

Brand Image comprised Q15-Q17. According to the displayed frequencies, the median (m=6.00) and mode (mode=7) were high for the statements 15 and 16. Scale item number 17, "The typical user of the brand Nike is consistent with how I like to see myself.", showed a level of agreement (median=5.00); but a large part of the sample

chose “neutral” as an answer (mode=4). In other words, the majority had a positive *Brand Image* of Nike. However, not all the respondents could identify with the brand and therefore, had a neutral opinion.

- **Brand Equity**

Table 6.18: Statistics for Scale Items Brand Equity Nike

		Q 18	Q 19 (r)	Q 20	Q 21 (r)	Q 22	Q 23 (r)	Q 24	Q 25	Q 26	Q 27	Q 28 (r)
N	Valid	155	155	155	155	155	155	155	155	155	155	155
	Missing	0	0	0	0	0	0	0	0	0	0	0
Median		6.00	7.00	7.00	7.00	4.00	5.00	5.00	6.00	6.00	6.00	7.00
Mode		7	7	7	7	4	7	4	7	6	6	7
Range		5	5	3	6	6	6	6	6	6	6	4
Minimum		2	2	4	1	1	1	1	1	1	1	3
Maximum		7	7	7	7	7	7	7	7	7	7	7

The construct *Brand Equity* was subdivided into brand awareness (scale items 18-21), brand loyalty (scale items 22-24) and perceived quality (scale items 25-28). The first section suggested a high median (median=6.00-7.00) and mode (mode=7). For brand loyalty, median values of 4.00 and 5.00 were calculated, with the mode being slightly lower. The perceived quality indicated high levels of agreement, which is supported by the mode as well (mode between 6 and 7). To summarise, the statistics reported high levels of agreement. Only brand loyalty achieved lower values, thereby indicating that the participants were not entirely in agreement with their loyalty towards the brand – and hence, recommending Nike to others.

- **Brand Preference**

Table 6.19: Statistics for Scale Items Brand Preference Nike

		Question 29	Question 30	Question 31	Question 32
N	Valid	155	155	155	155
	Missing	0	0	0	0
Median		5.00	5.00	5.00	6.00
Mode		6	7	6	7
Range		6	6	6	6
Minimum		1	1	1	1
Maximum		7	7	7	7

The respondent’s preference for the brand was analysed according to the construct’s scale items (Q29-Q32). The median between 5.00 and 6.00 suggested that the respondents expressed a high preference for Nike. The mode confirmed this interpretation. The predominant high scores signalled a preference for the brand Nike.

- **Purchase Intention**

Table 6.20: Statistics for Scale Items Purchase Intention Nike

		Question 33	Question 34	Question 35
N	Valid	155	155	155
	Missing	0	0	0
Median		5.00	5.00	5.00
Mode		7	6	7
Range		6	6	6
Minimum		1	1	1
Maximum		7	7	7

Scale items measuring *Purchase Intention* showed a level of agreement for the median (median=5.00); and also, the mode suggested high values (mode=6-7). The larger part of the respondents considered purchasing Nike running shoes. Yet, they were unsure, or unwilling to buy Nike running shoes in the near future.

- **Social Acceptance**

Table 6.21: Statistics for Scale Items Social Acceptance Nike

		Question 36	Question 37	Question 38	Question 39	Question 40
N	Valid	155	155	155	155	155
	Missing	0	0	0	0	0
Median		5.00	5.00	3.00	3.00	3.00
Mode		6	7	1	1	1
Range		6	6	6	6	6
Minimum		1	1	1	1	1
Maximum		7	7	7	7	7

Social Acceptance comprised the scale items 36 through 40. Scale items 36 and 37 showed levels of agreement regarding the running shoes' purpose for leisure activities, such as going out with friends and shopping (median=5.00; mode=6-7). The other scale items suggested a contrary opinion of the respondents. The median was 3.00 and the value that appeared the most frequently in the dataset was 1, indicating thereby that the participants strongly disagreed with the statements. Overall, the approach to *Social Acceptance* was averse. However, the participants agreed to wear Nike running shoes for leisure activities, such as shopping or going out with friends.

6.2.2.2.2 Key Constructs

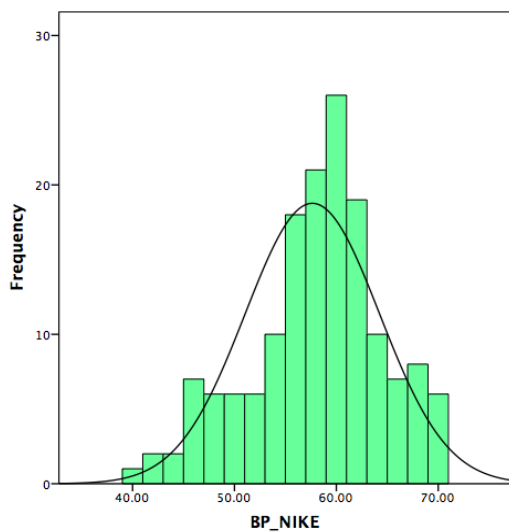
In the following section, the key constructs of Nike were analysed with regard to descriptive statistics. The data were transformed and aggregated; and hence, they could be treated as continuous data. Statistical tests, such as the standard deviation, mean and median were executed. The aggregated score for each construct is presented in Table 6.22 below. A test for Cronbach's Alpha indicated the scale's reliability.

Table 6.22: Statistics Transformed for Key Constructs Nike

		BP_ NIKE	BA_ NIKE	BI_ NIKE	BEQ_ NIKE	BPF_ NIKE	PI_ NIKE	SA_ NIKE
N	Valid	155	155	155	155	155	155	155
	Missing	0	0	0	0	0	0	0
Mean		5.77	5.55	5.50	5.78	4.90	4.70	3.80
Median		5.80	5.75	5.67	5.82	5.00	5.00	3.40
Std. Deviation		0.66	1.21	1.22	0.81	1.64	1.77	1.99
Variance		4.34	5.89	4.45	7.17	10.76	9.43	19.87
Minimum		4.00	2.25	2.67	3.45	1.00	1.00	1.00
Maximum		7.00	7.00	7.00	7.00	7.00	7.00	7.00
Cronbach's Alpha		0.83	0.88	0.85	0.86	0.93	0.95	0.92

- **Brand Personality BP_NIKE**

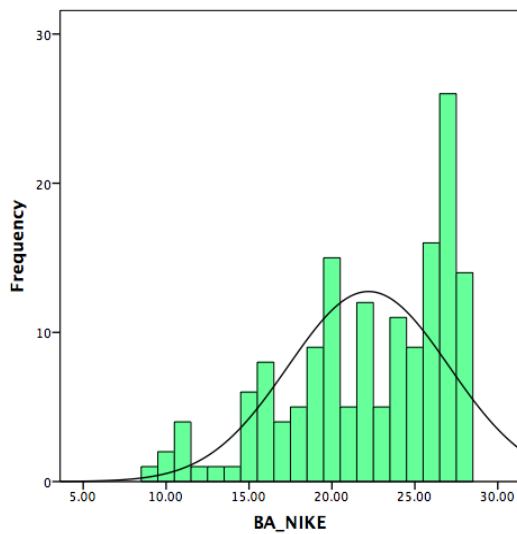
Figure 6.13: Histogram Brand Personality Nike



The construct of *Brand Personality* was operationalised as the summated scale of items 1-10. On average, the respondents were found to either somewhat agree, or to agree with the description of Nike's *Brand Personality*. The value of the mean was 5.77, suggesting categories 4 and 5 on the Likert scale. The standard deviation of 0.66 indicated that the responses demonstrated little spread. Scale reliability considerations diagnosed Cronbach's Alpha values above 0.8 ($\alpha=0.83$).

- **Brand Attitude BA_NIKE**

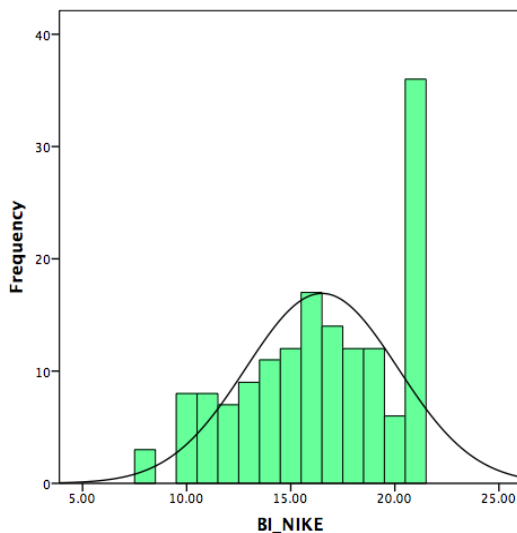
Figure 6.14: Histogram Brand Attitude Nike



The second factor of the conceptual model was the construct of *Brand Attitude*. The extent to which participants had positive or negative emotions towards Nike was operationalised as the summated scale of items 11-14. The reliability test supported the reflective nature of the measurement with $\alpha=0.88$. Examination of the mean indicated that individuals generally had a favourable overall evaluation of Nike (mean=5.55). However, the respondents were not unanimous in this regard. The standard deviation, with a value of 1.21, reflected an amount of variation in the group affected by the outliers (mirrored in Histogram 6.14).

- **Brand Image BI_NIKE**

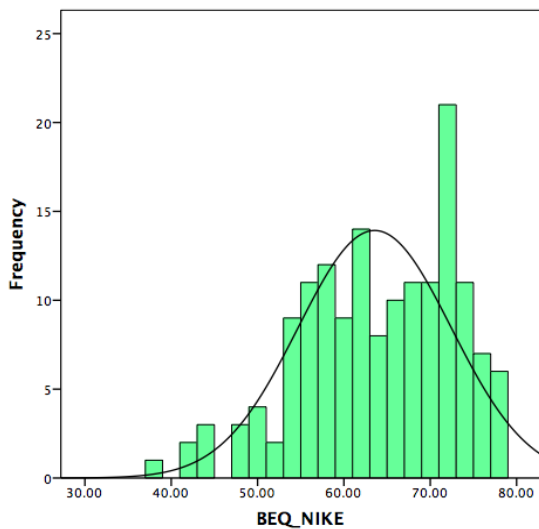
Figure 6.15: Histogram Brand Image Nike



Brand Image was operationalised as scale items 15 through 17. Given the scaling convention, an examination of the mean (mean=5.50) suggested that the respondents were found to be largely in agreement with the statements. Therefore, the respondents had a positive image of Nike. However, concomitant with the subjective construct, a notable spread of responses could be detected (standard deviation=1.22), suggesting that a certain percentage of the respondents showed a strong affirming opinion. The summated scale demonstrated suitable reliability with $\alpha=0.85$.

- **Brand Equity BEQ_NIKE**

Figure 6.16: Histogram Brand Equity Nike

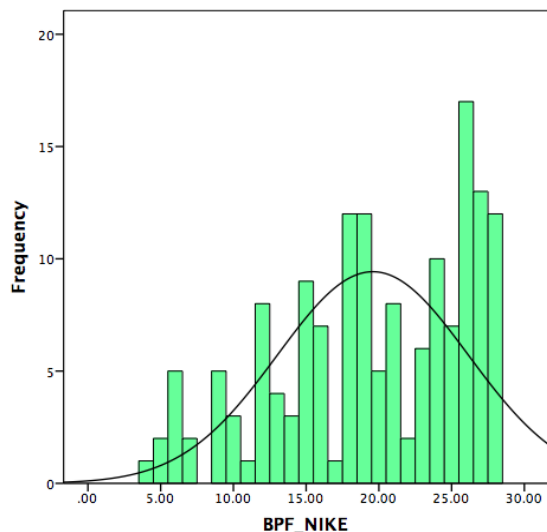


The aforementioned constructs influenced *Brand Equity*, which comprised the scale items 18-28. This 11-item scale probed the extent to which the brand offered added value to the consumer. The final summated scale was concluded to demonstrate an acceptable level of reliability with $\alpha=0.86$. The mean (mean=5.78) of the construct suggested that the respondents were of the opinion that the brand Nike added value to their lives. Relatively little spread of responses was found, which is also highlighted by the Histogram 6.16. The data

was concentrated around the mean (standard deviation=0.81), and thus resulting in the unanimous opinion that Nike is a meaningful and valuable brand.

- **Brand Preference BPF_NIKE**

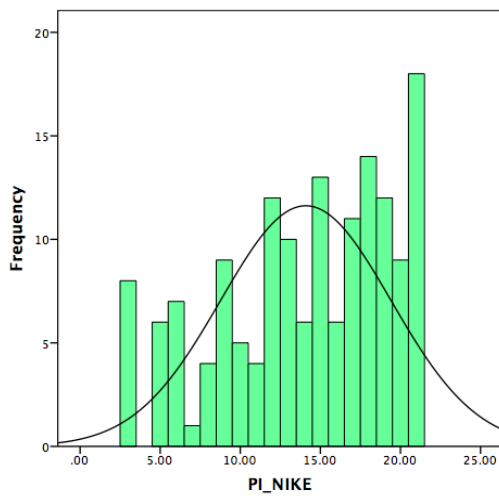
Figure 6.17: Histogram Brand Preference Nike



The construct of *Brand Preference* was operationalised as the summated scale of items 29 through 32. The mean of 4.50 indicated that the individuals tended to report a neutral to slightly affirmative opinion. The standard deviation of 1.64 reflected a large amount of variation in the group. The Histogram 6.17 reflected this number suggesting a non-homogeneous group. Following reliability considerations, all scale items were included in the final summated scale, which achieved high levels of reliability with $\alpha=0.93$.

- **Purchase Intention PI_NIKE**

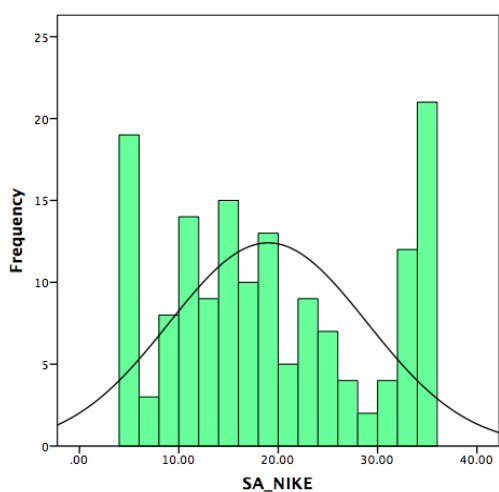
Figure 6.18: Histogram Purchase Intention Nike



An examination of the mean of this construct (scale items 33-35) showed that the participants had a neutral to a somewhat agreeing intention of purchasing Nike running shoes (mean=4.70). However, the respondents were not unanimous in this regard. The standard deviation with a value of 1.77 reflected a large amount of variation in the group. Hence, some individuals would definitely purchase the product, and others would not do so at all. The reliability test supported the reflective nature, and no items had to be removed from the final summated scale ($\alpha=0.95$).

- **Social Acceptance SA_NIKE**

Figure 6.19: Histogram Social Acceptance Nike



Social Acceptance was operationalized as the summated scale of the items 36-40. This scale reported a high level of reliability, with Cronbach's Alpha being 0.92. An interpretation of the mean (mean=3.80) indicated lower levels of socially desirable response and social pressure. The standard deviation of 1.99 reflected a discrepancy in the responses, indicating that individuals were either not affected at all, or strongly affected by *Social Acceptance*.

6.2.3 Summary of Descriptive Statistics

This section focused on the descriptive statistics of the scale items and the constructs. The two brands Asics and Nike were treated separately. When comparing the results, a significant difference was detected. Scale item and construct analysis for Nike achieved higher levels of agreement than Asics. This implied that Nike was perceived as a valuable brand with high brand awareness and a favourable *Brand Image*. The moderator also achieved higher values for Nike than Asics. It may be deduced that Nike is a more fashionable brand than Asics. Apart from sports activities, Nike running shoes

are worn for shopping and going out. Social pressure was more of an issue with the brand Nike than Asics. However, Asics was perceived as being a highly technical and functional brand; and there was agreement on its premium quality.

This Chapter VI concludes by reporting on the inferential statistics. The results of the SmartPLS testing of the proposed theoretical model and its associated hypotheses are presented. In this section, various conclusions on the hypotheses are reached, and assumptions are made.

6.3 PLS-SEM MODEL

The forthcoming section reports the output of the structural equation modelling conducted to assess the hypotheses, and to test the conceptual model. For the Partial Least Squares (PLS) analysis, the software SmartPLS (Ringle *et al.*, 2005) was used as previously stated in the methodology. The measurement model was examined to ensure that the measures were reliable and valid. The results include a presentation and interpretation of the structural model and an assessment of the hypothesised relationships.

6.3.1 Measurement Model Asics

Assessment of the measurement model consists of the reliability of indicators and the validity of factors (Hair *et al.*, 2014; John & Benet-Martinez, 2000). Firstly, the level of reliability is analysed, followed by an examination of the factorial validity.

6.3.1.1 Reliability

Reliability of the measurement model was assessed by testing for internal consistency and reliability, as well as for indicator reliability. This ensures that repeated measures produce consistent results (John & Benet-Martinez, 2000; Malhotra, 2010). Internal consistency and reliability were assessed through the analysis of Cronbach's Alpha ($\alpha > 0.6$) and Composite Reliability ($cr > 0.7$) (Malhotra, 2010; Burgess & Steenkamp, 2006). The results are presented in Table 6.23, and all the values met the criteria. All key constructs demonstrated acceptable levels of reliability, and exceeded the minimum threshold for both Cronbach's Alpha and Composite Reliability. Hence, all constructs were considered internally consistent and reliable.

Table 6.23: Reliability of the Measurement Model Asics

	Composite Reliability	Cronbach's Alpha	Number of Items
BP	0.8719	0.8455	10
BA	0.9329	0.9039	4
BI	0.8747	0.9284	3
BEQ	0.9394	0.9285	11
BPF	0.9606	0.9451	4
PI	0.9687	0.9516	3
SA	0.7619	0.6671	5
BPF*SA	0.8459	0.889	20

Following this examination is an assessment for the reliability of the indicators. Indicator reliability tests the item loadings, and to what extent the indicator's variance can be explained by the respective latent construct (Hair *et al.*, 2014). To demonstrate acceptable reliability, item loadings had to exceed the minimum of 0.7, so that their squared value would be greater than 0.5 (Hair *et al.*, 2014). In this dissertation, the outer loadings were presented in the Appendix D. Most of the factor loadings were in excess of 0.7, but there were exceptions as well. Items bp10 (0.61), bp8 (0.62), beq19 (0.64), beq20 (0.62), bpf32*sa37 (0.61) and sa37 (0.65) returned an item loading that did not meet the criteria. Nevertheless, they were included in the measurement model, as their value was close to the minimum threshold (Petrocelli, 2003; Wong, 2013). Scale items bp4 (0.56), bpf29*sa37 (0.52), bpf30*sa37 (0.55), bpf31*sa37 (0.54), sa36 (0.39) and sa40 (0.44) were retained in the model, as being close to the minimum acceptable level of 0.4 (Henseler *et al.*, 2009; Wong, 2013). However, the items bp1 (0.32), bp3 (0.23), bpf29*sa38 (-0.07), bpf29*sa39 (0.07), bpf30*sa38 (-0.06), bpf30*sa39 (0.17), bpf32*sa38 (0.07) and bpf32*sa39 (0.28) were too low, and therefore not retained in the measurement model (Henseler *et al.*, 2009; Hubona, 2010). With a few exceptions, the items were loaded onto their assigned constructs. Having ascertained the reliability of the measurement scales, the focus was shifted to the validity of the measurement model.

6.3.1.2 Validity

Validity considerations ensure that the measurements actually measured what they were intended to do, and whether these measurements were relevant. This is conducted by analysing how well measured items correlate with the construct (Hair *et al.*, 2014). To ensure that the measurement model is valid, convergent validity and discriminant validity have to be assessed (Hair *et al.*, 2014; John & Benet-Martinez, 2000; Wong, 2013).

Convergent validity examines the correlation of a measurement item with other items of the same construct. For this reason, the Average Variance Extracted (AVE) indicator of the key constructs was consulted, and values must exceed 0.5 (Hair *et al.*, 2014; John & Benet-Martinez, 2000). An AVE that is greater than the minimum threshold indicates that the amount of variance of the common factor in relation to the individual factor is more than 50%, on average. Table 6.24 summarises the AVE figures and scores returned. These all lie well above the minimum. Only *Brand Personality* {AVE(BP)=0.4271} and *Social Acceptance* {AVE(SA)=0.4091} showed values that were marginally below the presupposed minimum. The AVE value of the moderator BPF*SA was very low, with a value of 0.2988. Nevertheless, the convergent validity within the model held for the most part.

Table 6.24: Average Variance Extracted (AVE) Asics

	Average Variance Extracted
BP	0,4271
BA	0,7768
BI	0,8747
BEQ	0,5884
BPF	0,8591
PI	0,9117
SA	0,4091
BPF*SA	0,2988

Discriminant validity is a pattern of loadings of items to their construct. It measures to what extent the constructs do not overlap, and hence do not correlate with each other, so that discriminant validity can be verified (Campbell & Fiske, 1959; John & Benet-Martinez, 2000). Discriminant validity is assessed in two ways: the Fornell-Larcker (1981) criterion – and with cross loadings. Cross or factor loadings determine that the loading of an indicator on its assigned latent factor should be higher than its cross loadings on all the other latent variables (Hair *et al.*, 2014; Malhotra, 2010).

Upon examination, all items, with five exceptions, loaded strongest on their assigned factor (see Appendix E for Cross Loadings Asics). In addition, discriminant validity can be assessed according to the Fornell and Larcker (1981) criterion, which states that a latent variable should better explain the variance of its own indicators than the variance of other constructs in the model. This criterion is calculated by taking the square root of each construct's AVE, and comparing it with the latent variable correlations. In order for validity to be maintained in the model, the \sqrt{AVE} values per construct should be greater than the correlation with all the other constructs. According to Table 6.25, the \sqrt{AVE} values were presented diagonally and highlighted. Except for the constructs of *Brand Equity* (BEQ), *Brand Personality* (BP) and *Brand Preference* (BPF), all construct correlations were less than the associated \sqrt{AVE} values. The results, therefore, indicate that discriminant validity held largely for the model.

Based on the analysis above, it may be seen that the model is compliant with the reliability and validity requirements. In the subsequent section, the focus is on the structural model and hypotheses testing.

Table 6.25: Discriminant Validity Asics: Square of the AVE and Cross Loadings

	BA	BEQ	BI	BP	BPF	BPF * SA	PI	SA
BA	0.8813							
BEQ	0.8668	0.7671						
BI	0.8554	0.8276	0.9353					
BP	0.7879	0.7905	0.7661	0.6535				
BPF	0.8554	0.9037	0.8325	0.7185	0.9269			
BPF * SA	-0.3604	-0.3712	-0.3183	-0.2255	-0.4373	0.6466		
PI	0.838	0.8607	0.8178	0.7138	0.9346	-0.4027	0.9548	
SA	0.4643	0.4982	0.4963	0.3341	0.5522	0.2024	0.554	0.6396

6.3.2 Structural Model Asics

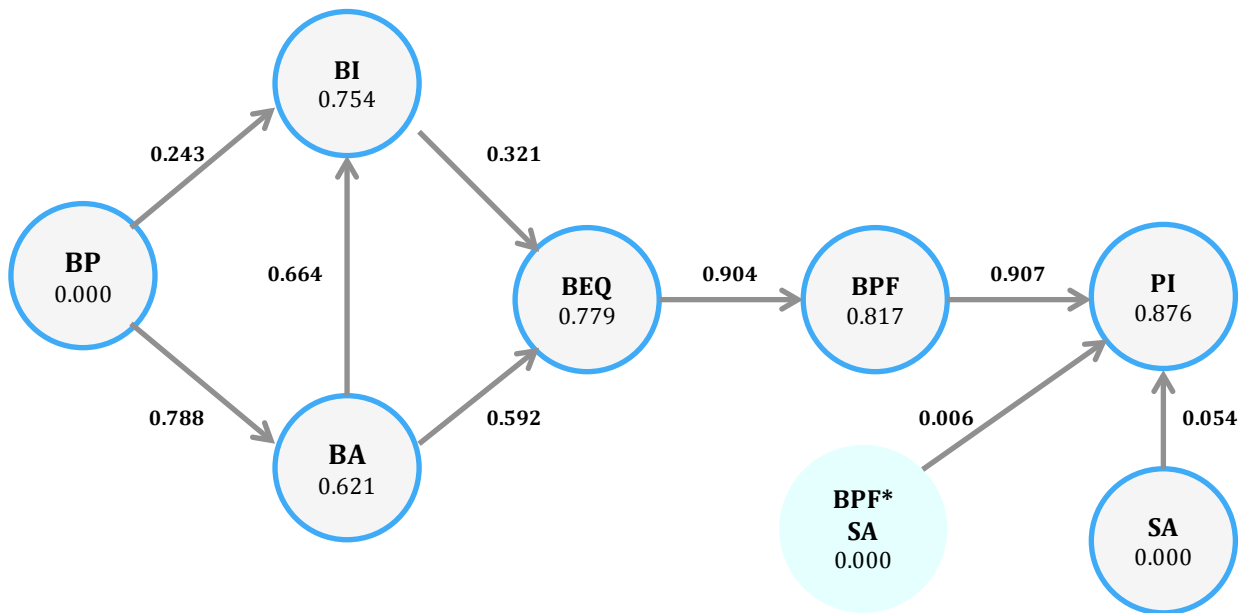
The structural or inner model is an assessment of effects. These are measured with beta values, path coefficients of determination (R^2) of the endogenous variables and the statistical significance (t-values) and size of the relationships (Hair *et al.*, 2014).

Firstly, the final structural model is assessed as a path-modelling estimation (Wong, 2013). The inner model path coefficients are related to each hypothesised relationship and describe the size and nature thereof (Hair *et al.*, 2014). An interpretation of

Figure 6.20 below showed that the path coefficient between *Brand Preference* (BPF) and *Purchase Intention* (PI) was 0.907, which indicated the strongest positive relationship in the structural model. Other strong relationships existed between *Brand Equity* (BEQ) and *Brand Preference* (BPF) with a high positive value of 0.904, *Brand Attitude* (BA) and *Brand Image* (BI) ($\beta=0.664$), as well as *Brand Personality* (BP) and *Brand Attitude* (BA) ($\beta=0.788$). A weak relationship of 0.006 was found between the moderator (BPF*SA) and *Purchase Intention* (PI), and it was considered statistically insignificant (Chin *et al.*, 2003; Wong, 2013). All other constructs showed moderately positive relationships. The hypothesised relationships are further assessed in section 6.3.3.

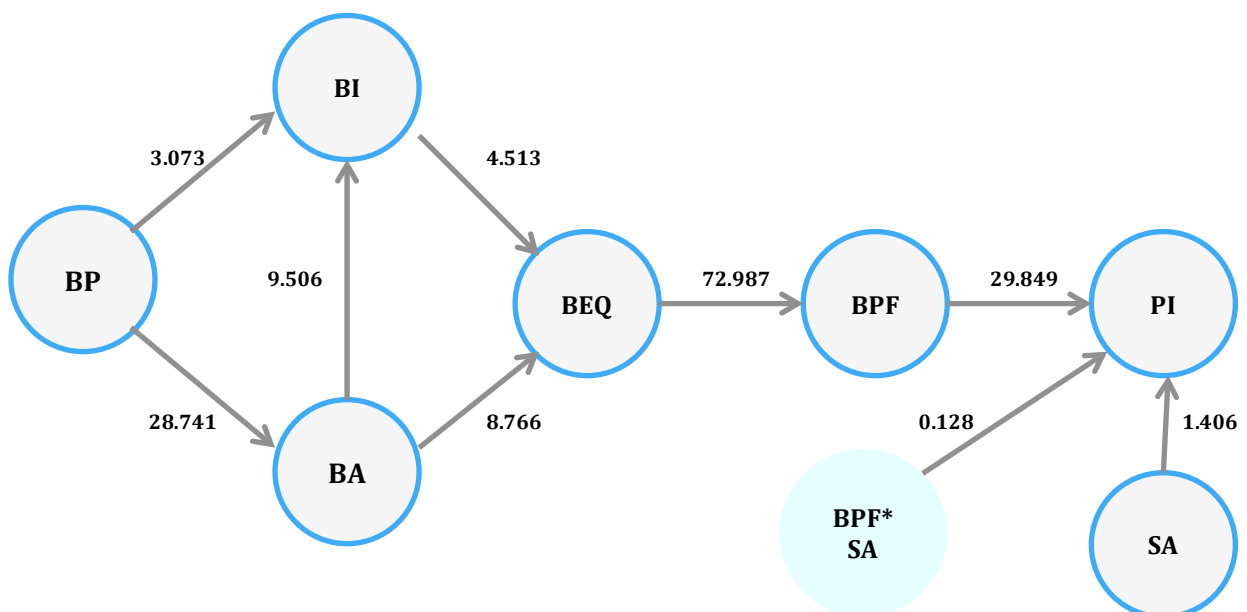
The values within the respective circle represent the coefficient of determination (R^2). The R^2 value (0.876) of the dependent, endogenous variable *Purchase Intention* (PI) indicates that the latent variables (BP, BA, BI, BEQ, BPF, BPF*SA) strongly explained 87.6% of the variance in *Purchase Intention*. *Brand Personality* (BP) explained 62.1% of the variance in BA and 75.4% of the variance in BI. Together, these three latent variables explained 77.9% of the construct BEQ. All these values are considered very high for a PLS-SEM model (Wong, 2013).

Figure 6.20: PLS-SEM Results Asics featuring Path Coefficients



The second consideration regarding the structural model is to interpret the path significance of the hypothesised relationships in Bootstrapping (Hair *et al.*, 2014). For that reason, the relevant t-values were presented in Figure 6.21. In this case, a two-tailed test was conducted at the 5% significance level. It reflected the relationship between two constructs, which were measured at the 95% confidence level (Hair *et al.*, 2014; Wong, 2013). Path coefficients are significant if the t-statistics are larger than 1.96 (Wong, 2013). In this inner model, all the path coefficients were significant ($t > 1.96$) to the five 5% level, except for those constructs applying to the moderator variable.

Figure 6.21: Structural Path Significance Asics featuring t-values



6.3.3 Assessment of Hypotheses Asics

Hypothesis 1a posited a positive and strong correlation between *Brand Personality* and *Brand Attitude* (path coefficient $\beta=0.788$). This hypothesis was supported by a significant t-value of $t=28.741$ at the 5% level.

Hypothesis 2a showed a path coefficient of $\beta=0.243$, indicating that *Brand Personality* correlated positively with *Brand Image* – albeit with a moderate strength. The associated t-value of $t=3.073$ exceeded the critical value of 1.96. Hence, the relationship was deemed to be significant at the 5% level.

Hypothesis 3a posited an interrelationship between *Brand Attitude* and *Brand Image* that was considered positive and strong ($\beta=0.664$), as well as significant ($t=9.506$) at the 5% level.

Hypothesis 4a was accepted, due to a high t-value ($t=4.513$) at the 5% level and a path coefficient stating that the relationship was positive and strong ($\beta=0.321$).

Hypothesis 5a addressed the relationship between *Brand Attitude* and *Brand Equity*. Supported by a high t-value of $t=8.766$ and a path coefficient of $\beta=0.592$, *Brand Attitude* had a significant at the 5% level, positive and strong effect on *Brand Equity*.

Hypothesis 6a posited a highly significant and exceptionally strong correlation between *Brand Equity* and *Brand Preference*. This hypothesis was supported by a t-value ($t=72.987$) greater than the minimum of 1.96 at the 5% level, and a positive path coefficient of $\beta=0.904$.

Hypothesis 7a presented an association between *Brand Preference* and *Purchase Intention*, which was considered significant ($t=28.849$) at the 5% level and strong, supported by a positive path coefficient of $\beta=0.907$.

Hypothesis 8a posited the moderating effect on the relationship between *Brand Preference* and *Purchase Intention*. This addressed directly one of the secondary research objectives of this research. The proposed moderator was presented as the construct BPF*SA. The interaction effect was very weak, according to its beta value of $\beta=0.006$. The t-values of $t=0.128$ did not exceed the critical minimum. Hence, the relationship was found to be weak and insignificant at the 5% level.

6.3.4 Measurement Model Nike

The assessment of the measurement model consists of the reliability of indicators and the validity of factors (Hair *et al.*, 2014; John & Benet-Martinez, 2000).

6.3.4.1 Reliability

Reliability of the measurement model is assessed by testing for internal consistency and reliability, as well as indicator reliability (John & Benet-Martinez, 2000; Malhotra, 2010).

Internal consistency and reliability were assessed through the analysis of Cronbach's Alpha ($\alpha > 0.6$) and Composite Reliability ($cr > 0.7$) (Malhotra, 2010; Burgess & Steenkamp, 2006). The results are presented in Table 6.26; and all key constructs demonstrated acceptable levels of reliability and exceeded the minimum threshold for both Cronbach's Alpha and Composite Reliability. Hence, all the constructs were considered internally consistent and reliable.

Table 6.26: Reliability of the Measurement Model Nike

	Composite Reliability	Cronbach's Alpha	Number of Items
BP	0.8554	0.8323	10
BA	0.9206	0.8842	4
BI	0.9182	0.8662	3
BEQ	0.8934	0.8711	11
BPF	0.9514	0.9316	4
PI	0.968	0.9504	3
SA	0.9394	0.9202	5
BPF*SA	0.9715	0.9692	20?

The assessment of indicator reliability requires item loadings to exceed the minimum of 0.7, so that their squared value would be greater than 0.5 (Hair *et al.*, 2014). In this dissertation, the outer loadings were presented in Appendix F. Most factor loadings were in excess of 0.7, but there were exceptions as well. Items bp7 (0.63), beq18 (0.69), beq24 (0.63) and bpf32*sa36 (0.67) returned an item loading that did not meet the criteria; but yet, they were included in the measurement model, as their value was close to the minimum threshold (Petrocelli, 2003; Wong, 2013). Scale items bp2 (0.49), bp6 (0.41) and beq20 (0.40) were retained in the model being close to the minimum acceptable level of 0.4 (Wong, 2013). However, items bp5 (0.16), bp10 (0.24), beq19 (0.24) and beq21 (0.28) showed values too low. Therefore, they were not retained in the measurement model. Having assured the reliability for most of the measurement scales, the focus was placed on the validity of the measurement model.

6.3.4.2 Validity

Validity considerations were conducted by analysing how well measurement items correlated with the construct (Hair *et al.*, 2014). To ensure that the measurement model is valid, convergent validity and discriminant validity have to be assessed (Hair *et al.*, 2014; John & Benet-Martinez, 2000; Wong, 2013).

Convergent validity examines the correlation of a measurement item with other items of the same construct. For this reason, the Average Variance Extracted (AVE) indicator of the key constructs was consulted, and the values must be in excess of 0.5 (Hair *et al.*, 2014; John & Benet-Martinez, 2000). Table 6.27 summarises the AVE figures. The scores returned lie well above the minimum. However, *Brand Personality* {AVE(BP)=0.4076}

and *Brand Equity* {AVE(BEQ)=0.4596} showed values that were marginally below the presupposed minimum. Yet, convergent validity within the model was confirmed.

Table 6.27: Average Variance Extracted (AVE) Nike

	Average Variance Extracted
BP	0.4076
BA	0.7445
BI	0.7893
BEQ	0.4596
BPF	0.8306
PI	0.9099
SA	0.7561
BPF*SA	0.6314

Discriminant validity is assessed in two ways: The Fornell-Larcker (1981) criterion, and secondly, with cross loadings (Campbell & Fiske, 1959). Cross or factor loadings determine that the loading of an indicator on its assigned latent factor should be higher than its cross loadings on all the other latent variables (Hair *et al.*, 2014; Malhotra, 2010). Upon examination, all the items, apart from two exceptions, loaded strongest on their assigned factor (see Appendix G for Cross Loadings Nike). In addition, discriminant validity is assessed, according to the Fornell and Larcker (1981) criterion. In order for validity to be maintained in the model, the \sqrt{AVE} values per construct should be greater than the correlation with all the other constructs. According to Table 6.28, the \sqrt{AVE} values were presented diagonally and highlighted. Except for the constructs of *Brand Attitude* (BA), *Brand Equity* (BEQ) and *Brand Personality* (BP), all construct correlations were less than the associated \sqrt{AVE} values. The results indicate that discriminant validity held for most of the model.

In the subsequent section, the focus is on the structural model and hypotheses testing.

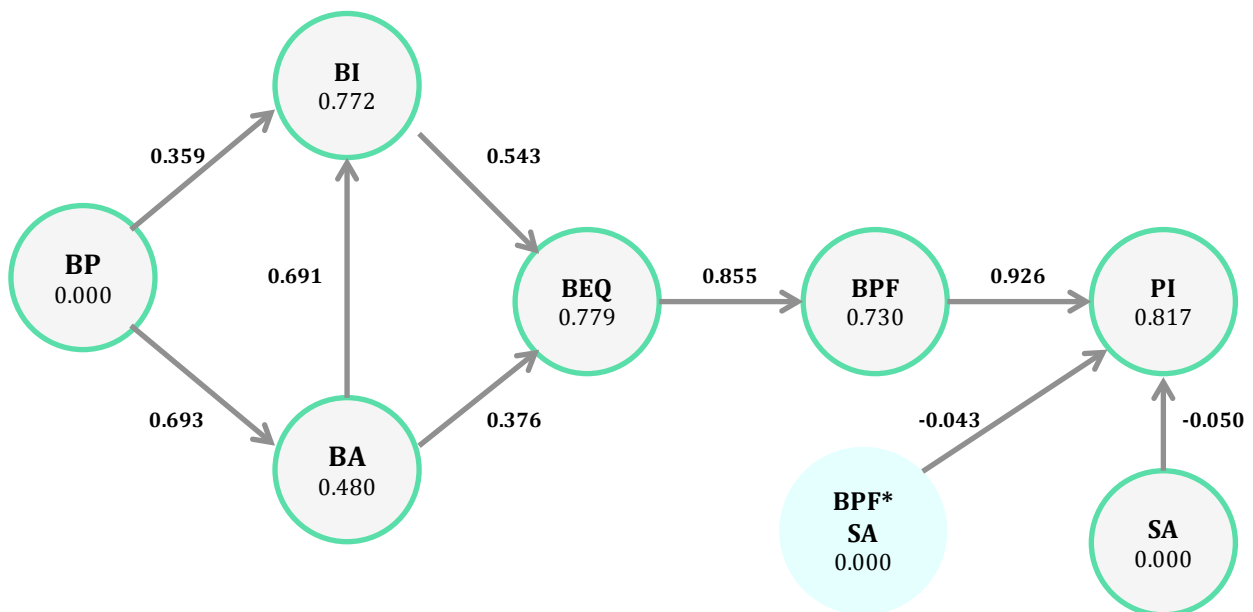
Table 6.28: Discriminant Validity Nike: Square of the AVE and Cross Loadings

	BA	BEQ	BI	BP	BPF	BPF * SA	PI	SA
BA	0.8628							
BEQ	0.832	0.67794						
BI	0.8397	0.8588	0.8884					
BP	0.6928	0.7882	0.7686	0.6384				
BPF	0.8825	0.8546	0.8432	0.7145	0.9114			
BPF * SA	-0.2837	-0.2202	-0.1883	-0.1468	-0.2795	0.7946		
PI	0.824	0.7476	0.7243	0.6396	0.9021	-0.3021	0.9539	
SA	0.747	0.6563	0.7432	0.6187	0.7404	0.0056	0.636	0.8695

6.3.5 Structural Model Nike

The Figure 6.22 below presents the final structural model for path-modelling estimations (Wong, 2013). The inner model path coefficients were interpreted as follows: The beta value of the hypothesised relationship between *Brand Preference* (BPF) and *Purchase Intention* (PI) was the strongest positive one, with a value of 0.926. Other strong relationships existed between *Brand Equity* (BEQ) and *Brand Preference* (BPF) with a positive value of 0.855, for *Brand Attitude* (BA) and *Brand Image* (BI) ($\beta=0.691$), and for *Brand Personality* (BP) and *Brand Attitude* (BA) – with a value of 0.693. A weak negative relationship ($\beta=-0.043$) connected the moderator (BPF*SA) and *Purchase Intention* (PI); and hence, this was considered statistically insignificant (Chin *et al.*, 2003; Wong, 2013). All the other constructs showed moderate positive relationships. Relationships are further assessed in section 6.3.6.

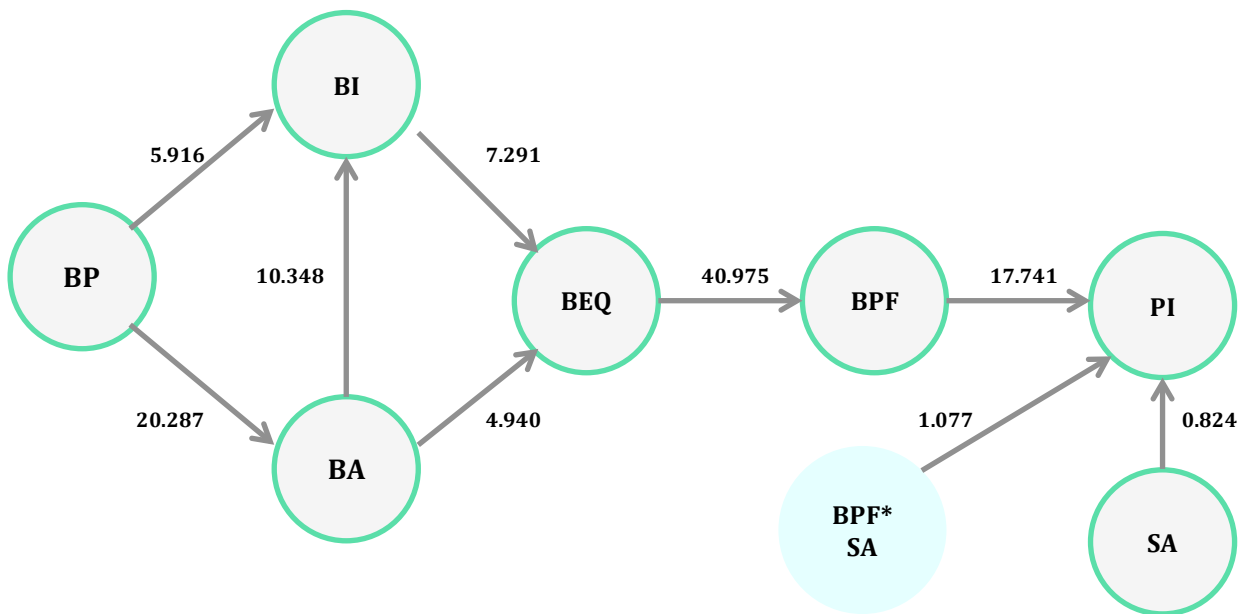
Figure 6.22: PLS-SEM Results Nike featuring Path Coefficients



The R^2 value of 0.817 for the dependent construct *Purchase Intention* (PI) indicated that the latent variables (BP, BA, BI, BEQ, BPF, BPF*SA) strongly explain 81.7% of the variance in *Purchase Intention*. *Brand Personality* (BP) explained 77.2% of the variance in BI, and 48.0% of the variance in BA. Together, these three latent variables explained 77.9% of the construct BEQ. All these values are considered very high for a PLS-SEM model (Wong, 2013).

Regarding the significance of the relationships, a two-tailed test at the 5% significance level was conducted. The path coefficients are significant when t-statistics are larger than 1.96 (Wong, 2013). In this model, all the path coefficients were significant ($t > 1.96$) to the 5% level, except for those constructs applying to the moderator variable.

Figure 6.23: Structural Path Significance Nike featuring t-values



6.3.6 Assessment of Hypotheses Nike

Hypothesis 1b posited an association between *Brand Personality* and *Brand Attitude*. The inter-relationship was supported by a positive and strong correlation (path coefficient $\beta=0.693$). The t-value of $t=20.287$ exceeded the critical minimum, hence classifying it as significant at the 5% level.

Hypothesis 2b posited a moderately strong and positive relationship between *Brand Personality* and *Brand Image* ($\beta=0.359$). This hypothesis was supported by a significant t-value ($t=5.916$) at the 5% level.

Hypothesis 3b showed a path coefficient of $\beta=0.691$, thereby indicating that *Brand Attitude* correlated positively with *Brand Image*. The associated t-value ($t=10.348$) was significant at the 5% level.

Hypothesis 4b posited an interrelationship between *Brand Image* and *Brand Equity* that was considered both positive and strong ($\beta=0.543$), as well as significant ($t=7.291$) at the 5% level.

Hypothesis 5b was accepted, due to a great t-value ($t=4.940$) and a path coefficient stating that the relationship between *Brand Attitude* and *Brand Image* was positive and strong ($\beta=0.376$) at the 5% level.

Hypothesis 6b addressed the relationship between *Brand Equity* and *Brand Preference*. Supported by a high t-value of $t=40.975$ at the 5% level and a path coefficient of $\beta=0.855$, *Brand Equity* had a significant, positive and strong effect on *Brand Preference*.

Hypothesis 7b posited a significant and exceptionally strong correlation between *Brand Preference* and *Purchase Intention* at the 5% level. This hypothesis was supported by a t-value ($t=17.741$) greater than the minimum threshold, and by a positive path coefficient of $\beta=0.926$.

Hypothesis 8b posited the moderating effect of BPF*SA on the relationship between *Brand Preference* and *Purchase Intention*. The interaction effect was very weak and negative, according to its beta value of $\beta=-0.043$. The t-value of $t=1.077$ did not exceed the critical minimum. Hence, the relationship was found to be insignificant at the 5% level; and the hypothesis was rejected.

6.3.7 Measurement Model Combined

The last phase of the analysis assesses the research model with the two sets of data combined, in order to be able to test the generic model and the associated generic hypotheses. For this purpose, the data sets of Asics and Nike were conjoined, resulting in a total sample size of $n=315$. The measurement model is examined accordingly, with regard to reliability and validity considerations.

6.3.7.1 Reliability

Internal consistency and reliability was assessed through the analysis of the Cronbach's Alpha ($\alpha > 0.6$) and Composite Reliability ($cr > 0.7$) (Malhotra, 2010; Burgess & Steenkamp, 2006). Results are presented in Table 6.29. All the key constructs exceeded the minimum threshold for both statistics; and therefore, all the constructs were considered to be internally consistent and reliable.

Table 6.29: Reliability of the Measurement Model Combined

	Composite Reliability	Cronbach's Alpha	Number of Items
BP	0.8661	0.8228	10
BA	0.9224	0.8876	4
BI	0.9423	0.9082	3
BEQ	0.9267	0.9131	11
BPF	0.9559	0.9383	4
PI	0.9685	0.9512	3
SA	0.907	0.8721	5
BPF*SA	0.9584	0.9555	20

The assessment of indicator reliability requires item loadings to exceed the minimum of 0.7, so that their squared value would be greater than 0.5 (Hair *et al.*, 2014). In this model, the outer loadings were presented in Appendix H. Most factor loadings were in excess of 0.7; but there were exceptions as well. Items bp2 (0.61), bp3 (0.64), beq19 (0.58), beq20 (0.56), beq21 (0.61), bpf31*sa38 (0.63) and bpf31*sa39 (0.60) returned an item loading that did not meet the criteria, but yet, were included in the measurement model, as their value was close to the minimum threshold (Petrocelli, 2003; Wong, 2013). Scale items bp5 (0.38) and bp6 (0.40) were retained in the model being close to the minimum acceptance level of 0.4 (Wong, 2013). However, item bp10 (0.24) showed values too low, and therefore, was not retained in the measurement model. Having assured the reliability of measurement scales to a certain extent, the focus was then placed on the validity of the measurement model.

6.3.7.2 Validity

To ensure that the measurement model is valid, convergent validity and discriminant validity have to be assessed (Hair *et al.*, 2014; John & Benet-Martinez, 2000; Wong, 2013).

Convergent validity was examined with the Average Variance Extracted (AVE) indicator of the key constructs (Hair *et al.*, 2014; John & Benet-Martinez, 2000). Table 6.30 summarises the AVE figures. The scores returned all lie well above the minimum of 0.5. Only *Brand Personality* {AVE(BP)=0.4166} showed AVE values that were marginally below the presupposed minimum. Yet, the convergent validity within the model held for the most part.

Table 6.30: Average Variance Extracted (AVE) Combined

	Average Variance Extracted
BP	0.4166
BA	0.7487
BI	0.8449
BEQ	0.5397
BPF	0.8445
PI	0.9111
SA	0.6613
BPF*SA	0.5374

Discriminant validity measures to what extent constructs do not overlap, and hence, do not correlate with each other (Campbell & Fiske, 1959; John & Benet-Martinez, 2000). Discriminant validity is assessed in two ways: The Fornell-Larcker (1981) criterion, and with cross loadings. Cross or factor loadings determine that the loading of an indicator on its assigned latent factor should be higher than its cross loadings on all other latent variables (Hair *et al.*, 2014; Malhotra, 2010). Upon examination, all the items, except four loadings, loaded strongest on their assigned factor (see Appendix I for Cross Loadings Combined). In addition, discriminant validity can be assessed, according to the Fornell and Larcker (1981) criterion. In order for validity to be maintained in the model, the \sqrt{AVE} values per constructs should be greater than the correlation with all the other constructs. According to Table 6.31, except for the constructs of *Brand Equity* (BEQ) and *Brand Personality* (BP), most of the construct correlations presented acceptable levels of validity; and therefore, discriminant validity held for the most part.

Table 6.31: Discriminant Validity Combined: Square of the AVE and Cross Loadings

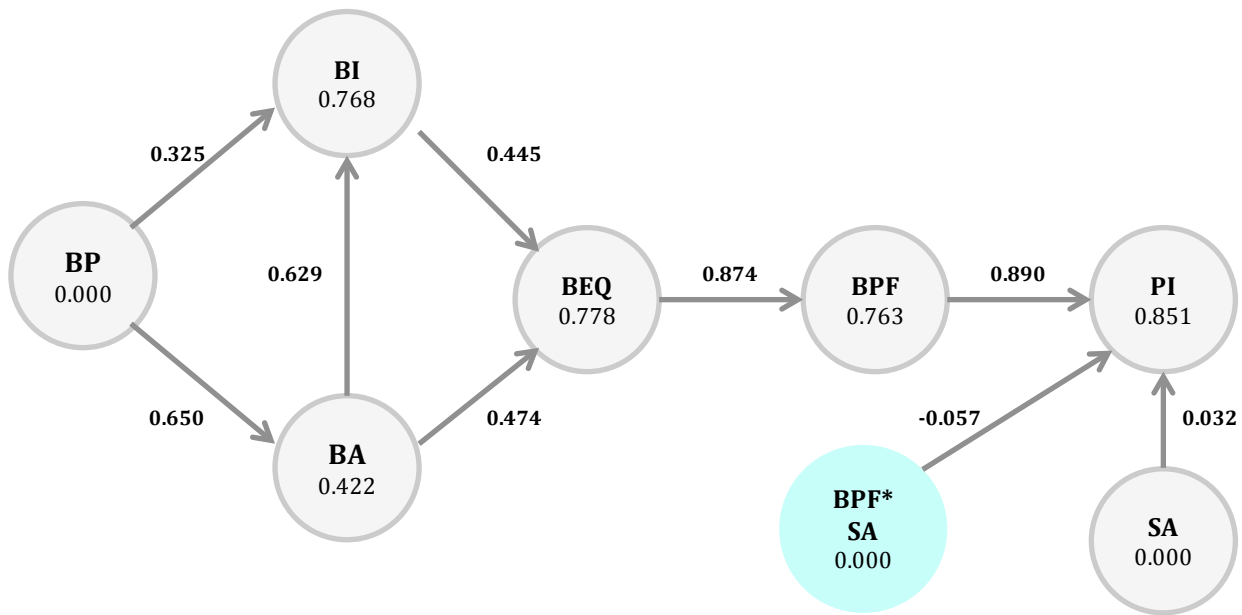
	BA	BEQ	BI	BP	BPF	BPF * SA	PI	SA
BA	0.8653							
BEQ	0.8483	0.7346						
BI	0.8409	0.8437	0.9192					
BP	0.6499	0.7207	0.7344	0.6454				
BPF	0.8691	0.8736	0.8255	0.5963	0.9190			
BPF * SA	-0.1986	-0.178	-0.085	-0.0764	-0.215	0.7331		
PI	0.8341	0.8082	0.7665	0.5849	0.921	-0.2393	0.9545	
SA	0.5655	0.5316	0.6329	0.4446	0.5943	0.2721	0.5455	0.8132

Based on the analysis above, it is ensured that the model is compliant with the reliability and validity requirements. In the subsequent section, the focus is on the structural model and on the hypotheses testing.

6.3.8 Structural Model Combined

The Figure 6.24 below presents the final structural model for the path modelling estimations (Wong, 2013). The inner model path coefficients were interpreted as follows: The relationship between *Brand Preference* (BPF) and *Purchase Intention* (PI) was the strongest positive one ($\beta=0.890$). Other strong relationships existed between *Brand Equity* (BEQ) and *Brand Preference* (BPF), with a positive value of 0.874, *Brand Attitude* (BA) and *Brand Image* (BI) ($\beta=0.629$), and *Brand Personality* (BP) and *Brand Attitude* (BA) ($\beta=0.650$). A weak negative relationship ($\beta=-0.057$) connected the moderator (BPF*SA) and *Purchase Intention* (PI), and hence, was considered to be statistically insignificant (Chin *et al.*, 2003; Wong, 2013). All relationships are further assessed in section 6.3.9.

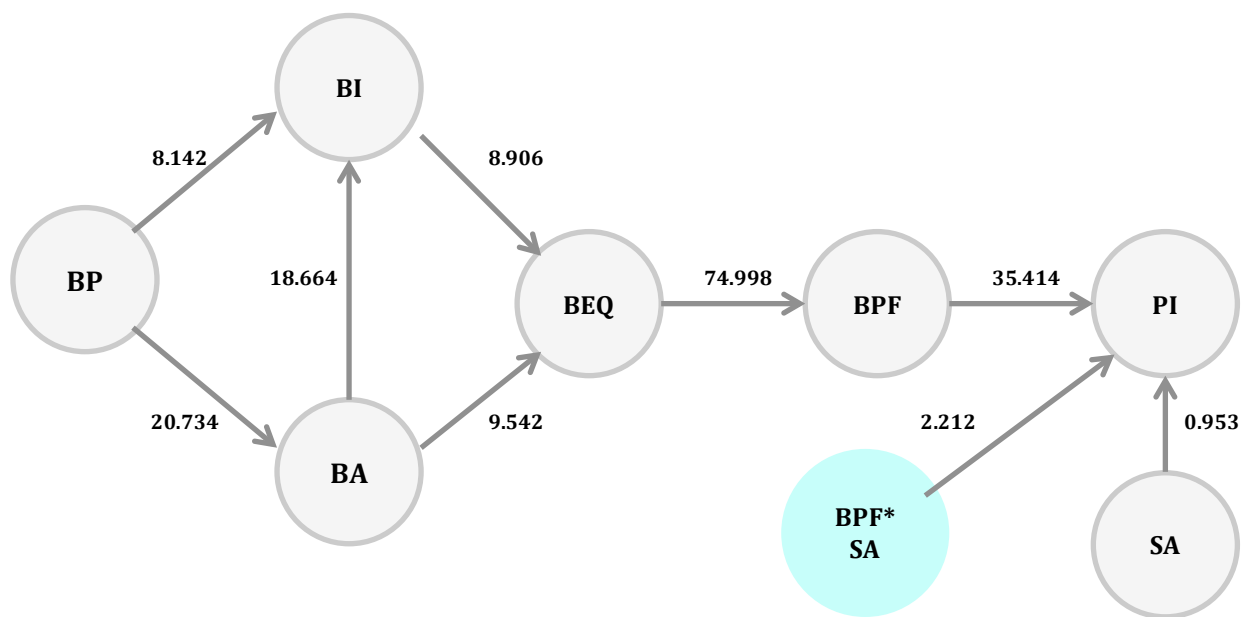
Figure 6.24: PLS-SEM Results Combined featuring Path Coefficients



The R^2 value of 0.851 for the dependent construct *Purchase Intention* (PI) indicated that the latent variables (BP, BA, BI, BEQ, BPF, BPF*SA) strongly explain 85.1% of the variance in *Purchase Intention*. *Brand Personality* (BP) explained 76.8% of the variance in BI and 42.2% of the variance in BA. Together, these three latent variables explained 77.8% of the construct BEQ. All values were considered very high for a PLS-SEM model (Wong, 2013).

Regarding the significance of these relationships, a two-tailed test at the 5% significance level was conducted. The path coefficients were considered significant if the t-statistics were larger than 1.96. In this model, all the path coefficients were found to be significant ($t > 1.96$) to the 5% level; even the t-value for the moderator exceeded the critical minimum.

Figure 6.25: Structural Path Significance Combined featuring t-values



6.3.9 Assessment of Hypotheses Combined

Hypothesis 1 posited a moderately strong and positive relationship between *Brand Personality* and *Brand Attitude* ($\beta=0.650$). This hypothesis was supported by a significant t-value ($t=20.734$) at the 5% level.

Hypothesis 2 posited an association between *Brand Personality* and *Brand Image*. The interrelation was supported by a positive and strong correlation (path coefficient $\beta=0.325$). The t-value of $t=8.142$ exceeded the critical minimum, hence classifying it as significant at the 5% level.

Hypothesis 3 showed a path coefficient of $\beta=0.629$, indicating that *Brand Attitude* correlated positively with *Brand Image*. The associated t-value ($t=18.664$) made the hypothesis highly significant at the 5% level.

Hypothesis 4 was accepted, due to a significant t-value ($t=8.906$) at the 5% level and a path coefficient stating that the relationship between *Brand Image* and *Brand Equity* was positive and strong ($\beta=0.445$).

Hypothesis 5 posited an interrelationship between *Brand Attitude* and *Brand Equity* that was considered positive and strong ($\beta=0.474$), as well as significant ($t=9.542$) at the 5% level.

Hypothesis 6 addressed the relationship between *Brand Equity* and *Brand Preference*. Supported by a high t-value of $t=74.998$ and a path coefficient of $\beta=0.874$, *Brand Equity* had a significant, positive and strong effect on *Brand Preference* at the 5% level.

Hypothesis 7 posited a significant and exceptionally strong correlation between *Brand Preference* and *Purchase Intention* at the 5% level. This hypothesis was supported by a significant t-value ($t=35.414$) and a positive path coefficient of $\beta=0.890$.

Hypothesis 8 posited the moderating effect of the moderator BPF*SA on the relationship between *Brand Preference* and *Purchase Intention*. The interaction effect was very weak and negative, according to its beta value of $\beta=-0.057$. The t-value of $t=2.212$ did exceed the critical minimum; and hence, the relationship was found to be significant at the 5% level, and the hypothesis was accepted.

6.3.10 PLS Multi-Group Analysis

The conceptual model was analysed with SmartPLS with the data set of Asics, followed by Nike; and ultimately, the data sets were combined. Comparing the structural models, differences between the groups/data sets could be detected. In order to find out whether the variation was substantially and significantly different, the t-statistics were assessed to provide evidence. The t-statistics formula, discussed in section 5.9.2.5, compared values of sample size, regression weight and standard error per path for the groups Asics and Nike. Those values were calculated in SmartPLS with bootstrapping (5 000 resamples).

Table 6.32: Group Comparison Asics and Nike

	H1: BP→BA		H2: BP→BI		H3: BA→BI		H4: BI→BEQ	
Brand	Asics	Nike	Asics	Nike	Asics	Nike	Asics	Nike
Sample Size	160	155	160	155	160	155	160	155
Regression Weight	0.7919	0.7014	0.2465	0.3624	0.6613	0.5884	0.3202	0.5408
Standard Error (S.E.)	0.0274	0.0341	0.0801	0.0607	0.0705	0.0571	0.0724	0.0745
T-Statistic	2.082		1.152		0.803		2.131	
p-value (2-tailed)	0.038		0.250		0.422		0.034	

Table 6.33: Group Comparison Asics and Nike

	H5: BA→BEQ		H6: BEQ→BPF		H7: BPF→PI		H8: SA*BPF→PI	
Brands	Asics	Nike	Asics	Nike	Asics	Nike	Asics	Nike
Sample Size	160	155	160	155	160	155	160	155
Regression Weight	0.5943	0.3792	0.9048	0.8563	0.9028	0.9251	0.0003	-0.0478
Standard Error (S.E.)	0.069	0.0761	0.0127	0.0209	0.0309	0.0523	0.0389	0.0395
T-Statistic	2.103		2.004		0.371		0.870	
p-value (2-tailed)	0.036		0.046		0.711		0.385	

T-values at the 95% confidence level were generated. Tables 6.32 and 6.33 provide an overview of the numbers and the calculated results. In fact, not all the differences were significant. The hypothesised relationships H2, H3, H7 and H8 were different between Asics and Nike. However, those differences were not found to be statistically significant, because the t-values did not exceed the critical minimum of 1.96.

Those t-values that exceeded the minimum threshold of 1.96 are highlighted in the tables, and interpreted accordingly:

H1: BP→BA: The t-statistic for the difference between those brands is 2.082. That is significant at the two-tailed 95% confidence level. With 95%, it can be said that the effect between *Brand Personality* and *Brand Attitude* is significantly different for Asics and Nike; so that the effect is stronger for Asics than for Nike.

H4: BI→BEQ: The t-statistic for the difference between Asics and Nike is 2.131. With 95%, it can be stated that the effect is substantially and significantly different between *Brand Image* and *Brand Equity* – in such a way that the effect is stronger for Nike.

H5: BA→BEQ: The t-statistic of 2103 provides evidence for the statistical difference of the effect between the groups at the 95% confidence level. The effect between *Brand Attitude* and *Brand Equity* is significantly different for Asics and Nike, so that the effect is stronger for Asics than for Nike.

H6: BEQ→BPF: The t-statistic for the difference of the group for the hypothesised relationship between *Brand Equity* and *Brand Preference* is significant, exceeding the critical minimum of 1.96 (t=2.004). With 95%, it can be said that the effect is significantly different for Asics and Nike, so that the effect is stronger for Asics.

To briefly summarise the findings, Asics had a stronger influence on the majority of relationships, namely H1, H5, H6; whereas the effect was stronger for Nike in H4.

6.4 CONCLUSION

This chapter commenced by reproducing the final conceptual model and its associated hypotheses. The descriptive statistics discussed the composition of the sample with regard to its suitability for the study in relation to the target outlined in the methodology chapter. Hereafter, the descriptive statistics for the key constructs and their scale items were presented, treating the brands Asics and Nike separately. With reference to the reliability of the summated scales, they furnished evidence of their adequacy.

Subsequently, the results of the PLS-SEM analysis were reported. In this context, the analysis was separately conducted for Asics and Nike; and thereafter, the models were combined. As was the case with Asics, all the relationships were found to be significant, with the exception of the moderating interaction. For Nike, the results were found to be similar, and the moderating effect was not significant as well. Only in the combined model, was the interaction effect of the moderator found to be statistically significant. Hence, all the hypotheses in the combined model were accepted. For this purpose, the data sets of Asics and Nike were combined, resulting in a total sample size of n=315.

Reliability and validity tests of the measurement models were presented for all three data sets. According to the PLS results, the general theoretical model strongly explained the constructs of *Brand Equity*, *Brand Preference* and *Purchase Intention* (refer to section 6.1). All relationships of the final conceptual model were supported at the 5% significance level. Support was found for all the primary and secondary research objectives, as stated in sections 1.3 and 5.2 of this dissertation. Thus, *Brand Personality*, *Brand Attitude* and *Brand Image* formed *Brand Equity* in a direct and indirect way. *Brand Equity* had a significant impact on *Brand Preference* and *Purchase Intention*. *Social Acceptance*, functioning as a moderator, influenced the relationship between *Brand Preference* and *Purchase Intention* marginally.

In a multi-group analysis, the differences between the groups of Asics and Nike were assessed; and the effects were found to be substantially and significantly different for a number of hypothesised relationships. In this context, the Asics model had a stronger influence on the majority of the relationships (H1, H5, H6), whereas the effect was stronger for the Nike model in hypothesis 4.

The concluding Chapter seven of this dissertation discusses the findings of the empirical research in depth. Recommendations and conclusions are drawn, followed by future research possibilities.

CHAPTER VII DISCUSSION AND CONCLUSION

7.1 INTRODUCTION

This research elaborated the construct of *Brand Equity*, which is a recurrent phenomenon in marketing research. The influencing factors of *Brand Equity* are fundamental; and the interplay between the different antecedents and consequences of *Brand Equity* were analysed (Cobb-Walgren *et al.*, 1995; Faircloth *et al.*, 2001; Chang & Liu, 2009; Branaghan & Hildebrand, 2011; Sääksjärvi & Samiee, 2011). Serving as a basis was an integrated framework of the antecedents (*Brand Preference, Brand Attitude and Brand Image*) and the consequences (*Brand Preference, Purchase Intention*) of *Brand Equity* from a consumer's perspective. A moderator was added, in order to reveal the interaction effect of *Social Acceptance* in the South African running shoe market. For practical relevance, two brands, Nike and Asics, were compared on the basis of their marketing strategies. This study aimed to provide valuable marketing research by assessing the differences between the single models, as well as offering predictive accuracy on the measures. Consequently, the undertaking furnished implications of academic and professional importance.

This final chapter sets forth the interpretation of the results presented in the previous Chapter VI. It commences by giving a brief summary and a consolidated revision of the dissertation to bring the full scope back to the reader's mind. Primary and secondary research objectives and their attainment are discussed. Following this, a holistic approach to the research questions, and the consequential managerial implications are put forward for each brand. The last section discusses the limitations of the study and possible future research opportunities.

7.2 OVERVIEW OF DISSERTATION

This research was conducted to analyse the constructs affecting *Brand Equity* and, in turn, *Brand Preference* and *Purchase Intention* – with reference to the South African market for running shoes. Direct and indirect effects were measured, with due regard for the possibility of a moderating interaction.

Subsequent to the introductory Chapter I, the theoretical foundation of the research was discussed in the Chapters II, III and IV.

Chapter II set forth the fundamentals of branding. With de Chernatony's (2011) Atomic Model of the Brand, an overview of brand benefits was established, leading into a comprehensive discussion of the brand's meaning from a company's and a consumer's perspective. Brand Associations, being the key factor of communication in consumer behaviour and the foundation of the study's theoretical model, were laid out in great detail. In order for a brand to become strong, associations need to be created that address and communicate the functional and symbolic benefits. Through associations,

by creating positive images, attitudes, responses, and eliciting positive feelings towards the brand, consumer behaviour can be positively influenced.

Chapter III offered a significant insight into the underlying theoretical background of *Brand Equity*, its antecedents and consequences. The conceptual paradigm presented in the first section served as an overview of the utilised theories and constructs, with the intention of developing a synthesised model thereafter. The status quo of the academic literature relevant to the constructs of the model was depicted. The wide scope of *Brand Equity* was taken into consideration; and therefore, constructs and their relationships were defined, characterised and explained in great detail, in order to provide a comprehensive overview. *Brand Equity* was described as the differential effect marketing activities have on the consumer's brand knowledge and his perceptions of the brand (Paproski, 2011). A positive *Brand Personality*, *Brand Attitude* and *Brand Image* are crucial contributors to *Brand Equity* (Chang & Chieng, 2006; Branaghan & Hildebrand, 2011; Kapferer, 2012; Keller, 2013; Myers, 2003).

By promoting brand values through meaningful marketing, the long-standing objective to attach consumers emotionally to the brand can be accomplished, thereby resulting in a preference for the brand and a higher *Purchase Intention* (Kim *et al.*, 2005). Special attention was paid to the importance of the consumer-brand relationship in this research, for it is the driving force and power of a strong brand (Chang & Liu, 2009; Keller, 2013; Rajagopal, 2010). The moderator, *Social Acceptance*, stressed the fact that consumers were not only influenced by the brand's marketing itself, but also by the pressure of other consumers and consumer groups.

Chapter IV was the last theory chapter and delineated the research context. It led the reader to the final theoretical model of the dissertation and its hypotheses. Having analysed several concepts and approaches, which describe the concepts of *Brand Equity*, a synthesis of the theories was generated. The final conceptual model, which represented the interplay of constructs comprising *Brand Equity*, served as the leitmotif of this dissertation. It was formed by a synthesis of the model of Faircloth *et al.* (2001) (A) and that of Cobb-Walgren *et al.* (1995) (B), based on the general structure of the work of Chang and Liu (2009). The conceptual framework outlined the research context within which the stated hypotheses were assessed. The model combined the examination of the consumer's perceptions, emotions and situational influencing factors, such as *Social Acceptance*.

Led by the research objectives, Chapter V focused on deduction (hypotheses testing) and methodology. Methods to test the final theoretical model were outlined. The conclusive research approach was detailed and the electronic questionnaire was discussed as a method for the survey. Following this, the research phases (pilot and main study) of the dissertation were elaborated. The subsequent section focused on sampling methods. In particular, quota sampling was used to reach a final sample size of n=315. Quota control characteristics were described; and the different age groups were calculated, based on the Community Survey of Statistics South Africa (2007). The design of the questionnaire

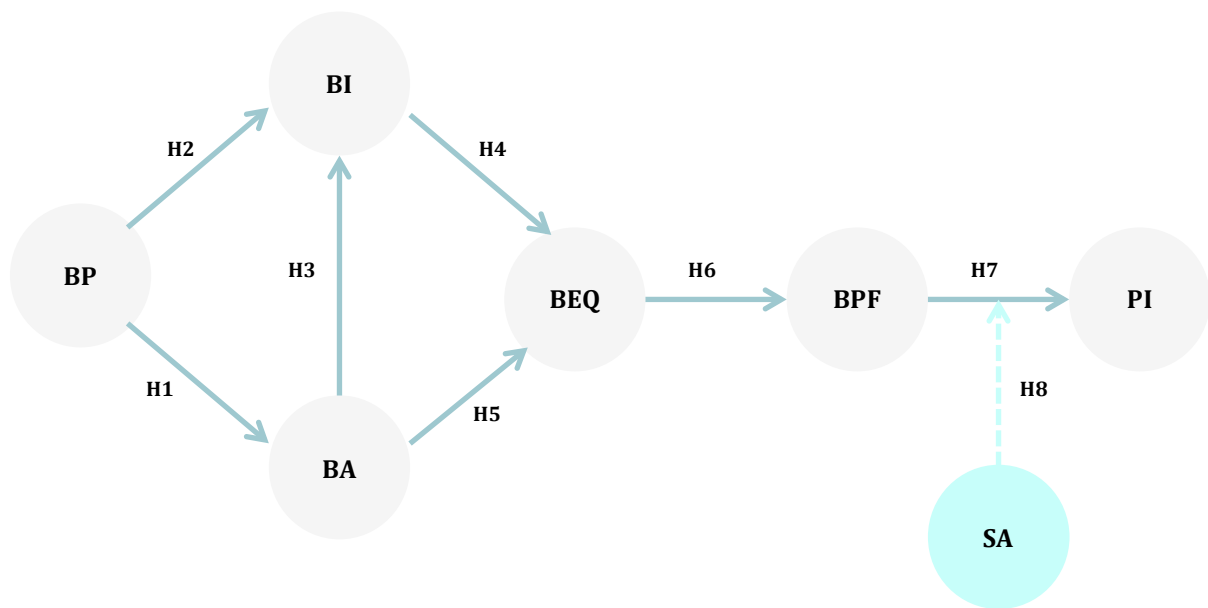
and the procedural method for the researcher's conduct were subsequently determined. A seven-point Likert scale was used to measure the key constructs of the model. The practices of data collection and processing, as well as statistical analysis were discussed. Before proceeding to the data analysis plan, the data collection and preparation process were outlined. Regarding the data analysis, descriptive statistics were summarised that would complement the results of the inferential statistics. A thorough discussion provided justification for the application of the Partial Least Squares Structural Equations Modelling (PLS-SEM).

Chapter VI reported on the results obtained from the descriptive and inferential analysis of the data sets. The sample size (with n=315) exceeded the preconditions and represented the target population accordingly (section 6.2.1). The brands Asics (n=160) and Nike (n=155) were treated separately throughout the analysis. The descriptive statistics for scale items were examined, followed by the analysis of the constructs, for which, the data had to be aggregated. Subsequently, the focus was drawn to the examination of the PLS-SEM results. In this context, the analysis was conducted for three models, namely Asics, Nike and thereafter, as a third model, the combination of Asics and Nike. After analysing the scales with regard to reliability and validity, hypotheses were tested at the 5% significance level. As was the case with Asics and Nike, all hypotheses (H1-H7) were accepted – with the exception of the moderating interaction (H8 was not supported). Only in the combined model was the interaction effect of the moderator found to be statistically significant; and all the hypotheses were consequently accepted. To further emphasise the difference between the two brands, and obtain the significance of variations, a multi-group analysis was conducted.

7.3 THEORETICAL IMPLICATIONS

The theoretical model was first introduced in Chapter III, and then finalised in Chapter IV, in which the research context of the dissertation was demarcated and the hypotheses were formulated. For ease of reference, the final conceptual model is referred to as Figure 7.1 in the following discussion.

Figure 7.1: The Final Conceptual Model



BP=Brand Personality, BA=Brand Attitude, BI=Brand Image, BEQ=Brand Equity, BPF=Brand Preference, PI=Purchase Intention, SA=Social Acceptance

The purpose of this study was to provide a comprehensive and contemporary approach to the analysis of consumer behaviour by means of *Brand Equity*, its input and outcome. Within the context of the South African running shoe market, the research addressed the following primary objectives, as set forth in the introductory chapter (refer to section 1.3):

- (1) To determine the influence of *Brand Equity* on *Brand Preference* and, in turn, *Purchase Intention* (H6, H7).
- (2) To determine the influence of *Brand Image* and *Brand Attitude* on *Brand Equity* (H4, H5).

In addition to the key constructs of the model, the secondary objectives were forwarded, so as to analyse the antecedents of *Brand Equity* and the moderating effect on the consumer's final decision-making process. In this way, a broad understanding of the research model was imparted. The secondary objectives were outlined as follows:

- (1) To determine if *Brand Personality* has an influence on *Brand Attitude* and *Brand Image* (H1, H2).
- (2) To determine the influence of *Brand Attitude* on *Brand Image* (H3).
- (3) To determine whether situational factors have a moderating effect on the relationship between *Brand Preference* and the intention to purchase the brand (H8).
- (4) To provide recommendations for marketing approaches to strengthen the brands of running shoes in South Africa

7.3.1 Primary Research Objectives

The primary research objectives were assessed for the three models, namely Asics, Nike and the combined model (full data set). Table 7.1 provides an overview of the research objectives, and whether the posited hypotheses were supported by the research findings, or not. Subsequent to the substantiation of the assertions is the derivation of the theoretical implications.

Table 7.1: The Primary Research Objectives

Primary Research Objectives	Model Asics	Model Nike	Model Combined
(1) Consequences of <i>Brand Equity</i>	Supported H6, H7	Supported H6, H7	Supported H6, H7
(2) Antecedents of <i>Brand Equity</i>	Supported H4, H5	Supported H4, H5	Supported H4, H5

7.3.1.1 Consequences of Brand Equity

The first primary objective of this dissertation addressed the consequences of *Brand Equity* (1), in other words, the constructs influenced by *Brand Equity*. Those were *Brand Preference*, and, in turn, *Purchase Intention*, as previously depicted in Figure 7.1. To justify this proposition, several theories were drawn upon. In Chapter III, the said constructs were elaborated, and their relationship affirmed in many studies (de Chernatony *et al.*, 2004; Kapferer, 2012; Kim *et al.*, 2005; Myers, 2003). Consequently, *Brand Equity* was concluded to be a main contributor to *Brand Preference*; and there was proven to be a causal link between *Brand Preference* and the willingness to buy a brand (Cobb-Walgren *et al.*, 1995; Hellier *et al.*, 2003).

For each model, that objective was met. The data analysis in Chapter VI provided evidence for the associated hypotheses H6 and H7 that addressed the first primary research objective. Referring to the PLS-SEM results in section 6.3, hypothesis 6 posited a highly significant and exceptionally strong correlation between *Brand Equity* and *Brand Preference* for all three models. Hypothesis 7 was supported by significant t-values and positive path coefficients for all three models. Support was found that *Brand Equity* has a positive influence on *Brand Preference*, indicating that an increased perceived brand value strengthens a consumer's preference towards the brand, thus resulting in a stronger intention to actually purchase the brand. High values ($R^2 > 0.70$) for the explained variance were achieved in all three models; and these gave further credibility to the theoretical assumptions. According to Hair *et al.* (2014) and Wong (2013), such values are considered very high for a PLS-SEM model. In the Asics model, the highest coefficient of determination (R^2) was reached. *Brand Equity* accounted for 81.7% of the variance in *Brand Preference*. The antecedents of *Purchase Intention*

collectively explained 87.6% of its variance (refer to section 6.3.1 to 6.3.3 for the statistical analysis of Asics).

Hence, the first primary research objective was met; and the theory was supported sufficiently by the data analysis. This led to the conclusion that there was indeed a significant and strong correlation between *Brand Equity*, *Brand Preference* and *Purchase Intention*.

7.3.1.2 Antecedents of Brand Equity

The second primary objective of this dissertation addressed the antecedents of *Brand Equity* (2). As discussed in Chapter III, and further outlined in section 4.2.3, *Brand Attitude* and *Brand Image* were defined as components of *Brand Equity*. The preceding literature holds the view that a positive *Brand Attitude* and a positive *Brand Image* enhance the development of *Brand Equity* (Aaker, 1991; Chang & Chieng, 2006; Chang & Liu, 2009; Cobb-Walgren *et al.*, 1995; Faircloth *et al.*, 2001; Hellier *et al.*, 2003; Keller, 1993; 2013).

In this dissertation, *Brand Attitude* was delineated as the evaluation of the brand, and *Brand Image* defined as the brand-related perceptions. Being constructs of information processing and brand knowledge, they affect *Brand Equity*, which is the biased action of a consumer towards a brand (Keller, 1993; 2013).

The posited associations were supported in all three models. Hypotheses H4 and H5 addressed the stated relationships (see Figure 7.1). Referring to the PLS-SEM results in section 6.3, hypothesis 4 posited a significant, strong and positive relationship between *Brand Image* and *Brand Equity* for all three models. The Nike model achieved the highest results of all, with a t-value of $t=7.291$, and a path coefficient of $\beta=0.543$. Hypothesis 5 addressed the relationship between *Brand Attitude* and *Brand Equity*. Support for all three models was found at the 5% significance level (refer to PLS-SEM results in section 6.3). At this high level of statistical certainty, the Asics model, in particular, showed a high beta value ($\beta=0.592$) and a t-value ($t=8.766$) that represented the relevant, strong and positive effect that *Brand Attitude* has on *Brand Equity*.

When interpreting these findings, it can be stated that *Brand Attitude* and *Brand Image* both had a positive influence on *Brand Equity*. The processed *Brand Image* would bias a consumer's behaviour towards a major equity (added value) of the brand. A positive evaluation of the brand, deriving from *Brand Attitude*, had a direct effect on *Brand Equity*. The explained variance ($R^2 > 0.77$) gave further credibility to the primary research objective. The antecedents of *Brand Equity* explained 77.9% of the construct (refer to section 6.3.2 for the results of Asics).

The second primary research objective was supported by the literature review, as well as the analysis of the data in Chapter VI. The facts showed that there was a positive influence of *Brand Image* and *Brand Attitude* on *Brand Equity*. When comparing the antecedents, *Brand Attitude* had a bigger impact on *Brand Equity* than did *Brand Image*.

Contrary to the research by Faircloth *et al.* (2001), it was found that *Brand Attitude* significantly and positively influenced *Brand Equity* in a direct way (cf. section 4.2.3).

For marketers, it is essential to initiate brand associations, when assessing *Brand Equity* and its antecedents. This leads to a discussion of the secondary objectives in the subsequent section.

7.3.2 Secondary Research Objectives

The secondary research objectives were assessed for the models Asics, Nike and the combined model (full data set). Table 7.2 provides an overview of the research objectives and their associated hypotheses.

Table 7.2: Secondary Research Objectives

Secondary Research Objectives	Model Asics	Model Nike	Model Combined
(1) Impact of <i>Brand Personality</i> on <i>Brand Attitude</i> and <i>Brand Image</i>	Supported H1, H2	Supported H1, H2	Supported H1, H2
(2) Relationship <i>Brand Attitude</i> and <i>Brand Image</i>	Supported H3	Supported H3	Supported H3
(3) <i>Social Acceptance</i> as Moderating Effect	Not supported H8	Not supported H8	Supported H8
(4) Managerial Implications	Addressed in section 7.4		

7.3.2.1 Impact of Brand Personality on Brand Attitude and Brand Image

The first secondary research objective of this dissertation suggested that *Brand Personality* has a significant influence on *Brand Attitude* and *Brand Image* (1). Outlined in Chapter III and section 4.2.1, *Brand Attitude* is generated by the *Brand Personality* attributes, which are evoked by associations (Dick & Basu, 1994; Keller, 1998; Kotler & Armstrong, 1996). If these *Brand Personality* attributes fulfil the features of being salient, favourable, strong and unique associations, they form a positive image of the brand in the consumer's mind (Fishbein & Ajzen, 1975; Keller, 1993). Formally defined, *Brand Image* is a subjective concept that is based on beliefs. These derive from the consumer's perception of the brand, as reflected by his/her associations (Aaker, 1991; Faircloth *et al.*, 2001; Kapferer, 2012; Lee, 2009).

Having established the causal link theoretically, support for the posited associations was found in this research as well. For each model, the research objective was met. The data analysis in Chapter VI provided evidence for the associated hypotheses H1 and H2 that addressed the first secondary research objective. Referring to the PLS-SEM results in

section 6.3, hypothesis 1 posited a positive and strong correlation between *Brand Personality* and *Brand Attitude* (results for Asics model highest: $\beta=0.788$; $t=28.741$).

Hypothesis 2 was supported, thereby indicating that *Brand Personality* correlated positively with *Brand Image*, albeit with a moderate strength (Nike achieved the highest results, e.g.: $\beta=0.359$; $t=5.916$). In this dissertation, in particular when examining the Asics model, *Brand Personality* explained 62.1% of the variance in *Brand Attitude*. The highest coefficient of determination for *Brand Image* ($R^2 = 76.8\%$) was reached in the combined model.

The first secondary research objective was met, and the theory was supported by the data analysis. Therefore, it may be assumed that *Brand Personality* positively influences the subjective concepts of *Brand Attitude* and *Brand Image*. Both are based on perceptions, beliefs and emotions, with brand associations being the foundation. Managerial implications are explored fully in the relevant section 7.4.

7.3.2.2 Relationship Brand Attitude and Brand Image

Research has scarcely dealt with the relationship between *Brand Attitude* and *Brand Image* (2). However, Keller (1993; 1998) conceives *Brand Attitude* as a constituent of *Brand Image*. It is a combination of associations and beliefs held about a brand (Na *et al.*, 1999; Faircloth *et al.*, 2001).

Support for the associated relationship was found in the final model that was analysed in Chapter VI. The results revealed that *Brand Attitude* in fact correlates positively with *Brand Image*. The hypothesised relationship H3 was positive, strong and significant for all three models. The relationship was strongest in the Nike model, with a beta value of $\beta=0.691$ and t-value of $t=10.348$ at the 5% significance level (refer to section 6.3.4 to 6.3.6 for the statistical analysis of Nike).

7.3.2.3 Social Acceptance as Moderating Effect

The third secondary research objective addressed the moderating effect on the relationship between *Brand Preference* and *Purchase Intention* (3). To justify including the moderating construct, the researcher drew on several theories. According to the literature review, in particular section 3.7, the moderator of *Social Acceptance* influences the consumer's decision-making process, and can explain divergence in consumer behaviour in varying consumption situations (Paproski, 2011; Rajagopal, 2010). *Social Acceptance* comprises brand stimuli, word-of-mouth reports, fashion trends, the consumer's social network and reference groups (Ballantyne *et al.*, 2006; Maehle & Supphellen, 2011; Paproski, 2011; Rajagopal, 2010; Wysong *et al.*, 2012). This dissertation exemplarily focused on the dimensions of socially desirable response and social pressure.

The research effort aimed to test the final conceptual model for the moderating effect. However, the data analysis supported the associated hypothesis H8 only to a limited

extent. In the PLS-SEM results in section 6.3, the moderator was displayed as BPF*SA. For the Asics and Nike models, the t-values did not exceed the critical minimum; and therefore, the relationship was found to be insignificant, contradicting any prior analysis found in the literature (Gilbreath, 2010; Rajagopal, 2010; Sirgy *et al.*, 2000; Wysong *et al.*, 2012).

The model for the two data sets combined, however, reached a t-value ($t=2.212$) that exceeded the threshold of 1.96 at the 5% significance level. The relationship was considered statistically significant; and the hypothesis was thus verified. According to its beta value of $\beta=-0.057$, the relationship was not only weak, but also negative. This indicated that social acceptance did not have the influence on the relationship between *Brand Preference* and *Purchase Intention* that was expected, on the basis of the existing literature. Taking the results of the descriptive analysis into account (discussed in section 6.2.2), it is noticeable that consumers were influenced in terms of those situational circumstances in which they would wear running shoes (especially for the brand Nike), but were only marginally affected by social pressure.

Based on these findings, the following conclusion was drawn: A moderating effect that influences consumers in their decision-making process might exist in certain circumstances. As a very mild moderation effect was found to exist in this research project, in certain circumstances, further exploration is advised for future studies.

7.3.3 Summary of Theoretical Implications

Interpreting the results of the hypotheses testing in a holistic way, support was found for the conceptual model and its primary and secondary research objectives. Therefore, the final conceptual model was found to be a conclusive graphical illustration of the consumer's decision-making process with regard to *Brand Equity*, its antecedents and its consequences. Overall, the majority of the hypotheses were corroborated.

Generally speaking, the model of *Brand Equity* describes a consumer's decision-making process comprehensively. It explains how consumers tend to simplify the complexity of the purchase situation by making use of patterns that minimise their cognitive effort. According to the theoretical model, these patterns include making use of a *Brand Personality*, forming a *Brand Attitude* and *Brand Image*, as well as perceiving the brand's equity. The way a brand is perceived and evaluated is stored in the memory in a simplified manner, resulting in *Brand Preference*, which, in turn, leads to *Purchase Intention*.

The assessed models for Asics and Nike showed similar results. This research study did not support the moderating effect H8 for both the brand model iterations. However, regarding all other hypothesised relationships, it may be stated that H1-H7 were supported in each model. Concerning the analysis of the combined model (the data sets of Asics and Nike), results were achieved that allowed the researcher to draw the following conclusion: The added moderating variable H8 was considered valid; and

therefore, it did indeed influence the consumer in his/her preference and intention to purchase a branded product. Caution was paid to the fact that the moderator, although statistically significant, was weak and the beta coefficient was negative.

Nevertheless, the theories discussed in the literature review give cause to further pursue the moderating interaction and other stimulating variables that influence the consumer in his/her purchase situation.

This dissertation yields valuable implications and insights for academia and professionals – to create and manage *Brand Equity*, in the context of the South African running shoe market, in order to improve the efficiency of marketing strategies. The managerial implications are outlined in the subsequent section.

7.4 PROFESSIONAL IMPLICATIONS

The aim of marketers, especially those in charge of marketing strategies to create strong and successful brands, is to increase the brand's value for consumers. With the integrated framework of this dissertation and its results, it is possible to improve the accuracy and efficiency of their prospective branding efforts.

In order to increase the value of the brand, attention should be paid particularly to the construct of *Brand Equity*, addressing the subject in a holistic approach, by taking the antecedents and consequences into account. The consumer-brand relationship in this context is the driving force of a strong brand, and is important when creating and managing *Brand Equity*. Practical and more efficient solutions can be deduced from understanding the interplay of the antecedents to *Brand Equity* and their impact.

To establish and sustainably advance *Brand Equity*, it is crucial to communicate a clear and precise brand message to consumers to ensure that the brand's marketing is understood correctly and is internalised. This dynamic process commences with *Brand Personality* profiles to ensure that consumers conceive what the brand offers (e.g. performance), and what the brand stands for (e.g. brand meaning). *Brand Personality* positively influences the subjective concepts of *Brand Attitude* and *Brand Image*. Both are based on perceptions, beliefs and emotions, with brand associations being the foundation. For that reason, it is advisable to harmonise brand signals, in order to influence the consumer's perception of the brand.

The objective of the branding strategy is to create a set of associations that is salient, favourable, strong and unique for it to influence the consumer's overall evaluation and liking of the brand, known as *Brand Attitude* (Bass & Talarzyk, 1972; Chang & Liu, 2009; Helgeson & Supphellen, 2004). When considering the brand's message and its identity, consumers appear to play an active role in the brand interpretation process. This implies that if marketers develop a positive attitude, it would evoke a positive *Brand Image* and bias a consumer's perception in favour of maximising the brand's value. The development of a distinct *Brand Image* is influenced by individual perceptions, emotions

and motives role. Marketers should take into account all the factors mentioned above, and be aware of their consumers' likes and dislikes.

Brand Equity should receive central importance of marketers, being the driving force of *Brand Preference* and *Purchase Intention*. For that reason, creating additional value would increase the probability of a long-term relationship between the customer and the brand, resulting in (repeated) purchases. Marketers take a step towards the brand's success, when the constructs of *Brand Equity* are managed and controlled in line with strategic marketing objectives. Those constructs are *Brand Personality*, *Brand Attitude* and *Brand Image*.

The social environment can have an impact on the consumer's behaviour and brand choice as well. Since brand personalities also reflect the consumer's personality, marketers would be advised to consider their target groups and their involvement in socialisation and impression processes, in order to establish self-identity and fulfilment.

The underlying theory of the model was supported by the analysis of the data. In order to understand and predict a consumer's choice of brand, the relationships between the research constructs and the situational circumstances were taken into account. For marketers, it is necessary to define realistic and convincing approaches (depth and breadth) to address consumers, so that their brand evaluations lead to the actual purchase of the brand.

Particularly in South Africa, several factors extensively influence the development of a niche and a mass brand. For instance, the prevalence of brands in rural and urban areas, in terms of the accessibility of running shoe brands through retail channels (Hattingh *et al.*, 2012). In addition, consumer preferences and other socio-cultural factors were discussed in this context. According to a survey by Hattingh *et al.* (2012), quality and brands matter to young South Africans, who are fashionable and interested in the latest trends (Hattingh *et al.*, 2012). In the major urban areas (Johannesburg and Cape Town), international brands such as Asics and Nike are most prevalent and can be bought at any sports stores. In this dissertation, focus was on those urban areas. Regarding the results of the study, implications for each brand are elaborated below.

7.4.1 Implications for Asics

Regarding the findings of this study, Asics' products were rated among core runners as leading running shoes in terms of premium quality. Participants consent that Asics running shoes are highly functional. Addressing *Brand Personality*, Asics was perceived as "technical, reliable and outdoorsy" (refer to section 5.4.2 and 6.2.2.1.1) brand. Although individuals did not favour the brand, they also indicated that they had no negative opinions towards the brand. However, Asics' brand awareness in general was relatively low. A considerable proportion of this study's participants, especially those who were not running enthusiasts, or interested in competing in a marathon, were not even aware of the brand and its logo. They had difficulty imagining the brand in their

minds. In addition, participants of the survey could not identify themselves with the brand. Accordingly, *Brand Preference* and the actual *Purchase Intention* were low, indicating that consumers were not considering and/or willing to buy Asics running shoes.

To approach these results, it would be advisable for marketers to invigorate and maximise the efficiency of Asics' marketing strategy – not only in the South African market, but also on a global level. Taking Asics' *Brand Personality* as technical, outdoorsy and reliable brand into account, marketers could build on its reputation as innovative and high quality brand their consumers can rely on (Elliott, 2015). The brand differentiates itself from that of competitors by promising consumers an outdoorsy running experience on a professional level. Asics stands for technically advanced running shoes suitable for any running style and terrain. The strategic objective should be to draw consumers' attention to this brand identity. There is need for the implementation of an awareness initiative consisting of traditional, digital, social and experiential features, so that consumers would recognise Asics, and internalise Asics's *Brand Personality* and image. Moving towards building up a virtual community, through Twitter, Facebook and Instagram, may be the key element for marketers to increase brand awareness and interest in the brand. Marketers would create content that appeals to Asics's target group. For example, sharing experience regarding preparation for a marathon or competitions to win a ticket to the Asics' New York marathon. Promoting the added value of Asics would be a step towards the brand's success. In order to achieve this, it would be advisable to involve the brand Asics in numerous events, such as big city marathons and themed races, where the marketing team could connect with prospective consumers directly and gain inside knowledge of their preferences and expectations.

Moreover, growth momentum could be achieved by marketing Asics not only as a brand for performance sports, such as running, but also to include the lifestyle orientation, by offering iconic sneakers – besides apparel for endurance sport. National and global advertising campaigns could possibly focus on all kinds of sports enthusiasts and core runners. Asics is a strong sports brand and a leader in performance running (Elliott, 2015). The brand sets benchmarks for the running footwear market, and it has built up a good reputation among elite athletes (Elliott, 2015). It would be advisable for marketers to remain true to the brand's message of "A Sound Mind in a Sound Body" (Anima Sana in Corpore Sano) and constantly convince consumers with new innovations and technologies. In this way, Asics, as a niche brand, could be a potential challenger to the market leaders, such as Nike and Adidas in the running shoe industry.

7.4.2 Implications for Nike

According to the survey, the brand Nike was strongly related to the consumer's self-imagery and the ideal, aspirational self. Participants stated that the brand was very desirable, and were favourable to Nike. South African consumers were well aware of the brand and their interest in and preference for Nike was high. Nike's *Brand Personality*

was perceived as “trendy, successful and confident” (refer to section 5.4.2 and 6.2.2.2.1). The participants in the survey indicated that the situation in which they wore running shoes was rather important to them. This concludes that Nike has established itself not only in the sports equipment sector, but is also perceived as a fashion brand. For Nike, it is not only the product’s functional features that sell the product. They sell a feeling, an image, and people want to be part of that vibe.

To further expand its successful position as the world’s leading brand in sportswear, it would be advisable for marketers to focus on the consistency and cohesiveness of Nike’s *Brand Identity* (Sanusi *et al.*, 2014). Marketers could further invest in an effective emotional branding strategy on a local and global level. Nike’s products are associated with famous athletes; and it is hoped that favourable associations and the consumer’s emotional attachment would be transferred from the athlete to the product. The strategy could possibly be to win consumers’ hearts with the stimulus of being a trendy, confident and up-to-date brand. In this way, a unique selling proposition can be attained, thereby increasing brand loyalty and purchasing probability.

The social media, such as Twitter, Facebook and Instagram, plays a major role for Nike, being the platform to spread Nike’s *Brand Image*, and to create and follow trends. Opportunities for marketing strategists are opened: They have the possibility to interact with their clients, and get to know them in greater detail. With that inside knowledge, products and marketing campaigns could be specially tailored to their consumers’ preferences and likes, for athletes of all kinds and both genders. In order for Nike to establish and nourish that intimate relationship in the future, marketers could offer additional services to their consumers through co-operation with other popular and well-known brands (e.g. Apple and the Nike + FuelBand). Additional high-tech solutions that enable the consumer to improve his/her personal fitness goals, by offering new ways of motivation and driving force, could support Nike’s “Just do it” branding strategy (Sanusi *et al.*, 2014).

7.5 LIMITATIONS AND FUTURE RESEARCH

The purpose of this study was to provide a comprehensive and contemporary approach to the analysis of consumer behaviour, by providing researchers with a framework to study *Brand Equity*. A conceptual framework, taking all aspects of the branding process from the consumer’s perspective into account, was developed as a synthesis of the underlying theories of Cobb-Walgren *et al.* (1995), Faircloth *et al.* (2001), as well as Chang and Liu (2009). Several limitations of this study were found, and will be discussed in this chapter, in order to provide recommendations for future studies.

The first potential limitation of this research is methodological in nature, and affects the generalisability of this study’s findings. Since non-probability sampling was utilised, the selection procedure was based on the researcher’s personal judgement and convenience (section 5.5.3). Although quota controls were implemented to maximise the representativeness of the sample, it cannot unambiguously be assured that drawn

inferences about the population are precise and objective (Berndt & Petzer, 2011; Malhotra, 2010). That concern was mitigated, since the final sample represented similar characteristics as those of the national population (refer to the composition of the sample in section 6.2.1). There was a slight bias towards female respondents, which was attributed to the fact that females are more involved in sporting activities (cf. Figures 6.2, 6.3 and 6.4). Accordingly, the statistical inferences as to the population characteristics and implications are justified in this research.

Regarding the sample, future research effort would benefit from an expansion of the geographical scope, especially to continents and countries, where running, in particular marathon running, is a popular sport, for instance, in Russia and China (Carter, 2015). Moreover, further research could investigate how results differ when utilising a qualitative approach, as compared to the quantitative method applied in this study. With qualitative research methods, deeper insights can be achieved (Richards, 2015). Consumer behaviour is analysed through direct interaction with individuals in the form of interviews, observations, focus groups and action research (Richards, 2015). Being time consuming and more expensive, data is collected from a smaller sample making it difficult to draw inferences about the entire South African population (Richards, 2015). Considering these drawbacks, the quantitative approach seemed appropriate.

Future research could explore the extent to which demographic characteristics, consumer segments and group affiliations can differ. Classification information consisting of demographic and socio-economic data functions as segments of the respondents and analysed groups. The way brands are perceived may differ between female and male consumers resulting in different buying behaviours in sports goods. Due to time and length constraints, this aspect of the analysis was not comprehensively explored.

A further limitation of this dissertation was the configuration of the moderating effect of *Social Acceptance*. The scale did not perform as well as expected. The interaction effect was considered statistically insignificant for the Asics and Nike model. Only the model with the combined dataset achieved a t-value that exceeded the threshold, yet the relationship was weak. Reliability and validity testing in PLS-SEM reported unsatisfactory results. Although the researcher performed the required adjustments, the measure continued to produce weak results. The moderating effect of the relationship between *Brand Personality* and *Purchase Intention* remains an interesting addition to the model. Are consumers influenced at the point and time of sale? Do consumers seek brands that assure them of approval and a desirable response from their peer group? Do consumers only interpret brands, based on marketing communication, or can this take place also through interaction with peer groups/others? Perhaps this effect should also be considered as a direct effect in the model.

In order to answer these questions, the researcher suggests testing the model, including the moderating effect, with a different range of products. Since the moderating effect was successfully tested before (Maehle & Supphellen, 2011; Kim *et al.*, 2001; Wysong *et*

al., 2012), it is recommended to employ a precise selection of products from a different industry (e.g. perfumes, cars, watches, jeans, hotels, beers). The mentioned product categories involve increased self-brand congruity, and therefore, may be more suitable for the assessment of the moderator interaction (Ramaseshan & Tsao, 2007; Wysong *et al.*, 2012).

7.6 CONCLUSION

In order to define a consistent branding strategy, it is inevitable that companies are aware of their current and prospective consumers' thoughts and behaviour (Low & Lamb, 2000). Especially when evaluating and experiencing a brand, consumers store brand associations, favourable and unfavourable, in their minds, thereby influencing future decisions in purchase situations. *Brand Equity* plays a significant role in this process, providing brands with a higher meaning, and adding value to consumers' lives. Brands with functional, experiential and symbolic features for consumers are an increasingly relevant subject that is being widely covered in the literature, and was included in this framework. It is important to create additional value and increased attractiveness that consumers can perceive. Practical and more efficient solutions could be deduced from understanding the interplay of the antecedents on *Brand Equity* and their impact.

The conceptual model of this dissertation combined the examination of consumers' perceptions, emotions and situational influencing factors, in order to study the interaction and moderation of constructs. This study intended to answer the research question on whether *Brand Equity* could be assessed in a holistic approach by synthesising several models, and creating a single integrated framework that considered the entire branding process from the consumer's perspective. For that reason, the subject of *Brand Equity* was approached in a comprehensive way, by taking the antecedents and consequences into account. The results of the data analysis supported the theoretical model, and hence provided profound insight into the process of the consumer's brand evaluation and decision-making on brands. It was found that

Brand Personality, *Brand Image* and *Brand Attitude* determined the development of *Brand Equity*. In this process, opinions, the overall impression of the brand, as well as self-congruity considerations, were important factors contributing to *Brand Equity*. Brand awareness, loyalty and perceived quality eventually formed *Brand Preference*. If the preference for the brand was positive, then it most probably resulted in an increased intention to purchase the brand. The moderator *Social Acceptance* had a weak influence on the consumer's preference and actual buying intention, and therefore, remains an interesting addition for future research questions. It was pointed out that this research was not conclusive; and therefore, this chapter outlined some possible research ideas to further develop the central theory of *Brand Equity* in the field of consumer behaviour.

Thereafter, the theoretical and managerial implications were stated, taking the research findings and the literature review into account. Implications for marketers addressed both brands, Asics and Nike. The aim was to provide recommendations for an accurate, efficient and, most of all, meaningful marketing strategy, in order to generate a successful and strong brand.

Nike is the global leader in the sportswear industry and has succeeded in attaining a unique selling proposition (Sanusi *et al.*, 2014). Nike achieved this due to its attractive, unique and salient *Brand Personality* and image. According to this research study, Nike was perceived as trendy, successful and confident brand; and the consumers identified themselves with the brand. Results of the analysis showed that the overall liking of the brand Nike was high. To further spread/communicate Nike's desirable *Brand Image*, it would be advisable to make use of social media to connect with consumers, in particular the consumer group of women, which is gaining in importance. Getting to know consumers in greater detail, their likes and expectations, would enable marketers to offer products that come with an additional service for the consumer, in order to motivate them and inspire them to adhere to Nike's "Just do it" mentality.

On the contrary, the brand Asics exhibited relatively low levels of awareness amongst participants, with recall of the brand and its logo posing a challenge to these participants. Yet, Asics was perceived as brand of premium quality, and especially among core runners the brand was cherished as leader in performance running (Elliott, 2015). To increase brand awareness and make it more attractive to a broader target group, it would be advisable to sponsor themed runs and big city marathons to create attention. Such an awareness campaign would be accompanied by social media marketing to expedite a virtual community. In this way, Asics could communicate on a closer level with its clientele, and influence the development of a meaningful consumer-brand relationship. Marketers could expand Asics' strong and unique *Brand Personality* as a technical, outdoorsy and reliable brand and build on its high quality reputation.

To conclude, this study brought to light a multitude of interesting results; the findings of which may be used as a further building block in the literature, regarding the influence and prediction of consumer behaviour. Although contextualised by the running shoe market in South Africa, branding is not exclusive to product brands; and these findings may therefore also be beneficial to service marketing industries. Moreover, it is hoped that this research will stimulate other such studies to advance the literature, with a focus on developing new theories and applications in South Africa.

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APPENDIX A – SUMMARY OF SUPPORTING PUBLICATIONS

Summary of current literature on research concepts: The antecedents of *Brand Equity*

Research Constructs	Supporting Publications
Brand Personality	Aaker (1996; 2011), Aaker (1997; 1999), Achouri and Bouslama (2010), Ballantyne <i>et al.</i> (2006), Batra <i>et al.</i> (1993), Biel (1992; 1993), Branaghan and Hildebrand (2011), Chang and Chieng (2006), Dolich, (1969), Freling <i>et al.</i> (2011), Ginman (2010), Goldberg (1992), Govers and Schoormans (2005), Guido <i>et al.</i> (2010), Halonen (2013), Helgeson and Supphellen (2004), Hooper <i>et al.</i> (2011), Keller (1993; 1998; 2013), Kilambi <i>et al.</i> (2013), Kim <i>et al.</i> (2001), Kim <i>et al.</i> (2005), Lee (2009), Maehle and Supphellen (2011), Maehle <i>et al.</i> (2011), Möller and Herm (2011), Neiderhauser (2013), Ogilvy (2004), Ouwersloot and Tudorica (2001), Paproski (2011), Park and John (2010), Park <i>et al.</i> (1986), Parker (2005), Plummer (1985; 2000), Rajagopal (2010), Ramaseshan and Tsao (2007), Sirgy (1982), Sirgy <i>et al.</i> (1997; 2000), Van Hoecke <i>et al.</i> (2000), Wong (2001), Wysong <i>et al.</i> (2012)
Brand Attitude	Aaker (1991; 1996; 2011), Aaker (1997), Achouri and Bouslama (2010), Ballantyne <i>et al.</i> (2006), Bass and Talarzyk (1972), Berger and Mitchell (1989), Branaghan and Hildebrand (2011), Chang and Chieng (2006), Chang and Liu (2009), Dick and Basu (1994), Farquhar (1989), Faircloth <i>et al.</i> (2001), Fishbein and Ajzen (1975), Guido <i>et al.</i> (2010), Hastak and Olson (1989), Helgeson and Supphellen (2004), Hellier <i>et al.</i> (2003), Hooper <i>et al.</i> (2011), Keller (1993; 1998), Kilambi <i>et al.</i> (2013), Kotler and Armstrong (1996; 2015), Low and Lamb (2000), Na <i>et al.</i> (1999), Paproski (2011), Park <i>et al.</i> (2010), Phelps and Thorson (1991), Sallam and Wahid (2012), Smith and Swinyard (1983), Wong (2001)
Brand Image	Aaker (1991; 1996; 2011), Aaker (1997), Achouri and Bouslama (2010), Ballantyne <i>et al.</i> (2006), Biel (1992; 1993), Chang and Chieng (2006), Chang and Liu (2009), Dolich (1969), Faircloth <i>et al.</i> , (2001), Fishbein and Ajzen (1975), Govers and Schoormans (2005), Guido <i>et al.</i> (2010), Halonen (2013), Helgeson and Supphellen (2004), Hooper <i>et al.</i> (2011), Hsieh (2002), Kapferer (2012), Keller (1993; 1998; 2013), Kim <i>et al.</i> (2001), Lee (2009), Low and Lamb (2000), Meenaghan (1995), Na <i>et al.</i> (1999), Neiderhauser (2013), Ouwersloot and Tudorica (2001), Paproski (2011), Park and John (2010), Parker (2005), Park <i>et al.</i> (1986), Plummer (1985; 2000), Rajagopal (2010), Ramaseshan and Tsao (2007), Sääksjärvi and Samiee (2011), Sirgy (1982), Sirgy and Danes (1982), Sirgy <i>et al.</i> (1997; 2000), Wysong <i>et al.</i> (2012)

Summary of current literature on research concepts: *Brand Equity* and its consequences

Research Constructs	Supporting Publications
<p>Brand Equity</p>	<p>Aaker (1991; 1996; 2011), Aaker and Biel (1993), Biel (1992; 1993), Branaghan and Hildebrand (2011), Chang and Chieng (2006), Chang and Liu (2009), Cobb-Walgren <i>et al.</i> (1995), de Chernatony <i>et al.</i> (2004), Faircloth <i>et al.</i> (2001), Farquhar (1989), Gilbreath (2010), Govers and Schoormans (2005), Hellier <i>et al.</i> (2003), Kapferer (2012), Keller (1993; 2013), Kim <i>et al.</i> (2001), Kim <i>et al.</i> (2005), Kotler & Armstrong (2015), Myers (2003), Ouwersloot and Tudorica (2001), Paproski (2011), Rajagopal (2010), Redrup (2013), Sääksjärvi and Samiee (2011), Simon and Sullivan (1993), Xenopoulos (2013)</p>
<p>Brand Preference</p>	<p>Aaker (1997), Aaker (2011), Achouri and Bouslama (2010), Ballantyne <i>et al.</i> (2006), Bass and Talarzyk (1972), Branaghan and Hildebrand (2011), Chang and Liu (2009), Cobb-Walgren <i>et al.</i> (1995), de Chernatony <i>et al.</i> (2004), Govers and Schoormans (2005), Guido <i>et al.</i> (2010), Hellier <i>et al.</i> (2003), Hooper <i>et al.</i> (2011), Keller (1993; 2013), Möller and Herm (2011), Myers (2003), Paproski (2011), Rajagopal (2010), Ramaseshan and Tsao (2007), Sääksjärvi and Samiee (2011), Sirgy and Danes (1982)</p>
<p>Purchase Intention</p>	<p>Aaker (2011), Ballantyne <i>et al.</i> (2006), Chang and Liu (2009), Cobb-Walgren <i>et al.</i> (1995), de Chernatony <i>et al.</i> (2004), Erdem and Swait (2004), Guido <i>et al.</i> (2010), Hellier <i>et al.</i> (2003), Freling <i>et al.</i> (2011), Keller (1993; 2013), Kim <i>et al.</i> (2001), Low and Lamb (2000), Myers (2003), Paproski (2011), Salisbury and Feinberg (2012), Sallam and Wahid (2012), Sirgy <i>et al.</i> (2000)</p>

Summary of current literature on research concepts: Moderator *Social Acceptance*

Moderator	Supporting Publications
Social Acceptance	Aaker (1999), Ajzen (1991), Badaly <i>et al.</i> (2012), Ballantyne <i>et al.</i> (2006), Dick and Basu (1994), Gilbreath (2010), Guido <i>et al.</i> (2010), Helgeson and Supphellen (2004), Keller (1993), Kim <i>et al.</i> (2001), Kim <i>et al.</i> (2005), Kostanski and Sallechia (2003), Maehle and Supphellen (2011), Nikitin <i>et al.</i> (2014), Ouwersloot and Tudorica (2001), Paproski (2011), Potochnik <i>et al.</i> (2012), Rajagopal (2010), Sheldon (2010), Siegel (2013), Sirgy <i>et al.</i> (2000), Smith and Swinyard (1983), Tian <i>et al.</i> (2001), Wysong <i>et al.</i> (2012), Zaichkowsky (1985)

APPENDIX B - MEASUREMENT INSTRUMENT



Dear Sir/Madam

Research on the South African Running Shoe Market
MAIN STUDY Asics

I am a Master's student in the Faculty of Commerce at UCT. I am conducting an academic study on the antecedents and consequences of Brand Equity in the South African running shoe market. The data from the study will be used to better understand consumer behaviour towards marketing strategies.

This research has been approved by the Commerce Faculty Ethics in Research Committee. You will not be requested to supply any identifiable information, ensuring anonymity of your responses. Your participation is entirely voluntary and you may choose to withdraw from the research at any time. The questionnaire will take approximately **5-10** minutes to complete. Your participation is greatly appreciated.

Should you have any questions regarding the research, please feel free to contact the researcher: Julia Bastian – JCM.Bastian@gmail.com

A. Are you over the age of 16? (If you are between the ages of 16 and 18 please ensure to have parental consent to continue.)

Yes No *If yes, please continue...*

If no, thank you for your participation.

B. After paying your bills (rent, groceries, insurance, etc.) – Do you have more than R 1 500 that you can spend on clothes, luxury items and leisure activities?

Yes No *If yes, please continue...*

If no, thank you for your participation.

BRAND PERSONALITY Asics

Please be so kind and take a moment to have a look at the picture of **Asics**. Then think of this brand as if it was a person.

The adjectives listed below describe the brand **Asics**. Use the following scale and mark each number for your level of agreement.



Strongly disagree

Disagree

Somewhat disagree

Neutral

Somewhat agree

Agree

Strongly agree

1

2

3

4

5

6

7

The brand Asics can be described as...

Strongly Disagree

Strongly Agree

	1	2	3	4	5	6	7
1. Trendy	1	2	3	4	5	6	7
2. Reliable	1	2	3	4	5	6	7
3. Cool	1	2	3	4	5	6	7
4. Up-to-date	1	2	3	4	5	6	7
5. Independent	1	2	3	4	5	6	7
6. Technical	1	2	3	4	5	6	7
7. Successful	1	2	3	4	5	6	7
8. Leader	1	2	3	4	5	6	7
9. Confident	1	2	3	4	5	6	7
10. Outdoorsy	1	2	3	4	5	6	7

BRAND ATTITUDE Asics

Brand Attitude Asics	Strongly Disagree				Strongly Agree		
	1	2	3	4	5	6	7
11. I am favourable to Asics.	1	2	3	4	5	6	7
12. I do not like Asics.	1	2	3	4	5	6	7
13. Asics can satisfy my needs.	1	2	3	4	5	6	7
14. I have negative opinions towards Asics.	1	2	3	4	5	6	7

BRAND IMAGE Asics

Brand Image Asics	Strongly Disagree				Strongly Agree		
	1	2	3	4	5	6	7
15. Overall, the brand Asics is very desirable.	1	2	3	4	5	6	7
16. My overall impression of the brand Asics is favourable.	1	2	3	4	5	6	7
17. The typical user of the brand Asics is consistent with how I like to see myself.	1	2	3	4	5	6	7

BRAND EQUITY Asics

Brand Awareness Asics	Strongly Disagree						Strongly Agree
	1	2	3	4	5	6	7
18. Asics is a comparatively recallable brand to me.	1	2	3	4	5	6	7
19. I am not aware of Asics.	1	2	3	4	5	6	7
20. I can quickly recall the symbol or logo of Asics.	1	2	3	4	5	6	7
21. I have difficulty in imagining Asics in my mind.	1	2	3	4	5	6	7

Brand Loyalty Asics	Strongly Disagree					Strongly Agree	
	1	2	3	4	5	6	7
22. I consider myself to be loyal to Asics.	1	2	3	4	5	6	7
23. Asics would not be my first choice at all.	1	2	3	4	5	6	7
24. I will recommend Asics to others.	1	2	3	4	5	6	7

Perceived Quality Asics	Strongly Disagree					Strongly Agree	
	1	2	3	4	5	6	7
25. Asics is of premium quality.	1	2	3	4	5	6	7
26. The likelihood that Asics would be functional is very high.	1	2	3	4	5	6	7
27. The likely quality of Asics is extremely high.	1	2	3	4	5	6	7
28. Asics appears to be of very poor quality.	1	2	3	4	5	6	7

BRAND PREFERENCE Asics

Brand Preference Asics	Strongly Disagree							Strongly Agree
	1	2	3	4	5	6	7	
29. I think Asics is superior to other competing brands.	1	2	3	4	5	6	7	
30. I prefer Asics .	1	2	3	4	5	6	7	
31. When considering purchasing a running shoe, I would consider Asics first.	1	2	3	4	5	6	7	
32. I am interested in trying Asics running shoes.	1	2	3	4	5	6	7	

PURCHASE INTENTION Asics

Purchase Intention Asics	Strongly Disagree							Strongly Agree
	1	2	3	4	5	6	7	
33. I would strongly consider purchasing Asics running shoes.	1	2	3	4	5	6	7	
34. I will purchase Asics running shoes.	1	2	3	4	5	6	7	
35. I intend to buy Asics running shoes in the near future.	1	2	3	4	5	6	7	

SOCIAL INFLUENCES Asics

Social Acceptance Asics	Strongly Disagree							Strongly Agree						
	1	2	3	4	5	6	7	1	2	3	4	5	6	7
36. I would wear Asics running shoes when going out with friends.	1	2	3	4	5	6	7							
37. I would wear Asics running shoes when going shopping.	1	2	3	4	5	6	7							
38. I often feel pressured to purchase Asics running shoes, because some of my friends have recently bought them .	1	2	3	4	5	6	7							
39. I buy Asics running shoes to fit in.	1	2	3	4	5	6	7							
40. I wear Asics running shoes to be trendy.	1	2	3	4	5	6	7							

DEMOGRAPHIC STATISTICS

C. Please indicate the category that best describes your age.

- 16 -20
 21 - 30
 31 - 40
 41 - 50
 50+

D. Please indicate your gender.

- Male
 Female

E. Please indicate which city you live in.

- Cape Town
 Johannesburg
 Pretoria
 Durban
 Port Elisabeth
 Other

F. Please indicate your hobbies.

- I am member of a gym.
- I exercise regularly.
- I enjoy running.
- I have competed in a marathon.
- None

Thank you!



Done! Your information was sent perfectly.
Thank you for your time and effort.
You are a valuable resource!

Spread the survey.





Dear Sir/Madam

Research on the South African Running Shoe Market
MAIN STUDY Nike

I am a Master's student in the Faculty of Commerce at UCT. I am conducting an academic study on the antecedents and consequences of Brand Equity in the South African running shoe market. The data from the study will be used to better understand consumer behaviour towards marketing strategies.

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A. Are you over the age of 16? (If you are between the ages of 16 and 18 please ensure to have parental consent to continue.)

Yes No *If yes, please continue...*

If no, thank you for your participation.

B. After paying your bills (rent, groceries, insurance, etc.) – Do you have more than R 1 500 that you can spend on clothes, luxury items and leisure activities?

Yes No *If yes, please continue...*

If no, thank you for your participation.

BRAND PERSONALITY Nike

Please be so kind and take a moment to have a look at the picture of Nike. Then think of this brand as if it was a person.

The adjectives listed below describe the brand Nike. Use the following scale and mark each number for your level of agreement.



Strongly disagree	Disagree	Somewhat disagree	Neutral	Somewhat agree	Agree	Strongly agree
1	2	3	4	5	6	7

The brand Nike can be described as...	Strongly Disagree				Strongly Agree		
	1	2	3	4	5	6	7
1. Trendy	1	2	3	4	5	6	7
2. Reliable	1	2	3	4	5	6	7
3. Cool	1	2	3	4	5	6	7
4. Up-to-date	1	2	3	4	5	6	7
5. Independent	1	2	3	4	5	6	7
6. Technical	1	2	3	4	5	6	7
7. Successful	1	2	3	4	5	6	7
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9. Confident	1	2	3	4	5	6	7
10. Outdoorsy	1	2	3	4	5	6	7

BRAND ATTITUDE Nike

Brand Attitude Nike	Strongly Disagree				Strongly Agree		
	1	2	3	4	5	6	7
11. I am favourable to Nike .	1	2	3	4	5	6	7
12. I do not like Nike .	1	2	3	4	5	6	7
13. Nike can satisfy my needs.	1	2	3	4	5	6	7
14. I have negative opinions towards Nike .	1	2	3	4	5	6	7

BRAND IMAGE Nike

Brand Image Nike	Strongly Disagree				Strongly Agree		
	1	2	3	4	5	6	7
15. Overall, the brand Nike is very desirable.	1	2	3	4	5	6	7
16. My overall impression of the brand Nike is favourable.	1	2	3	4	5	6	7
17. The typical user of the brand Nike is consistent with how I like to see myself.	1	2	3	4	5	6	7

BRAND EQUITY Nike

Brand Awareness Nike	Strongly Disagree				Strongly Agree		
	1	2	3	4	5	6	7
18. Nike is a comparatively recallable brand to me.	1	2	3	4	5	6	7
19. I am not aware of Nike.	1	2	3	4	5	6	7
20. I can quickly recall the symbol or logo of Nike.	1	2	3	4	5	6	7
21. I have difficulty in imagining Nike in my mind.	1	2	3	4	5	6	7

Brand Loyalty Nike	Strongly Disagree				Strongly Agree		
	1	2	3	4	5	6	7
22. I consider myself to be loyal to Nike.	1	2	3	4	5	6	7
23. Nike would not be my first choice at all.	1	2	3	4	5	6	7
24. I will recommend Nike to others.	1	2	3	4	5	6	7

Perceived Quality Nike	Strongly Disagree				Strongly Agree		
	1	2	3	4	5	6	7
25. Nike is of premium quality.	1	2	3	4	5	6	7
26. The likelihood that Nike would be functional is very high.	1	2	3	4	5	6	7
27. The likely quality of Nike is extremely high.	1	2	3	4	5	6	7
28. Nike appears to be of very poor quality.	1	2	3	4	5	6	7

BRAND PREFERENCE Nike

Brand Preference Nike	Strongly Disagree				Strongly Agree		
	1	2	3	4	5	6	7
29. I think Nike is superior to other competing brands.	1	2	3	4	5	6	7
30. I prefer Nike .	1	2	3	4	5	6	7
31. When considering purchasing a running shoe, I would consider Nike first.	1	2	3	4	5	6	7
32. I am interested in trying Nike running shoes.	1	2	3	4	5	6	7

PURCHASE INTENTION Nike

Purchase Intention Nike	Strongly Disagree				Strongly Agree		
	1	2	3	4	5	6	7
33. I would strongly consider purchasing Nike running shoes.	1	2	3	4	5	6	7
34. I will purchase Nike running shoes.	1	2	3	4	5	6	7
35. I intend to buy Nike running shoes in the near future.	1	2	3	4	5	6	7

SOCIAL INFLUENCES Nike

Social Acceptance Nike	Strongly Disagree							Strongly Agree						
	1	2	3	4	5	6	7	1	2	3	4	5	6	7
36. I would wear Nike running shoes when going out with friends.	1	2	3	4	5	6	7							
37. I would wear Nike running shoes when going shopping.	1	2	3	4	5	6	7							
38. I often feel pressured to purchase Nike running shoes, because some of my friends have recently bought them .	1	2	3	4	5	6	7							
39. I buy Nike running shoes to fit in.	1	2	3	4	5	6	7							
40. I wear Nike running shoes to be trendy.	1	2	3	4	5	6	7							

DEMOGRAPHIC STATISTICS

C. Please indicate the category that best describes your age.

- 16 -20
 21 - 30
 31 - 40
 41 - 50
 50+

D. Please indicate your gender.

- Male
 Female

E. Please indicate which city you live in.

- Cape Town
 Johannesburg
 Pretoria
 Durban
 Port Elisabeth
 Other

F. Please indicate your hobbies.

- I am member of a gym.
- I exercise regularly.
- I enjoy running.
- I have competed in a marathon.
- None



Thank you!

Done! Your information was sent perfectly.
Thank you for your time and effort.
You are a valuable resource!

Spread the survey.



APPENDIX C – STATISTICS SOUTH AFRICA 2007

SOUTH AFRICA			
Table 1.1: Population distribution by 5-year age groups and sex (Census 1996)			
Age group	Male	Female	Total
0-4	2 216 763	2 226 858	4 443 621
5-9	2 333 563	2 335 160	4 668 723
10-14	2 308 759	2 345 341	4 654 100
15-19	2 050 213	2 130 503	4 180 716
20-24	1 917 918	2 064 435	3 982 353
25-29	1 663 064	1 792 664	3 455 728
30-34	1 463 499	1 610 702	3 074 201
35-39	1 284 955	1 368 800	2 653 755
40-44	1 030 597	1 108 028	2 138 625
45-49	813 816	863 710	1 677 526
50-54	600 477	668 418	1 268 895
55-59	483 678	586 258	1 069 936
60-64	352 053	538 483	890 536
65-69	304 013	454 874	758 887
70-74	195 119	287 044	482 163
75-79	141 844	235 583	377 427
80-84	62 072	116 831	178 903
85+	43 230	94 054	137 284
Unspecified	255 253	234 941	490 194
Total	19 520 886	21 062 687	40 583 573
Table 1.2: Population distribution by 5-year age groups and sex (Census 2001)			
Age group	Male	Female	Total
0-4	2 223 731	2 226 085	4 449 816
5-9	2 425 804	2 427 751	4 853 555
10-14	2 518 956	2 542 961	5 061 917
15-19	2 453 079	2 528 642	4 981 721
20-24	2 099 293	2 195 230	4 294 523
25-29	1 899 124	2 035 814	3 934 939
30-34	1 594 488	1 746 412	3 340 901
35-39	1 441 507	1 630 264	3 071 770
40-44	1 233 632	1 385 832	2 619 465
45-49	967 604	1 119 776	2 087 380
50-54	769 499	868 521	1 638 020
55-59	552 323	652 943	1 205 266
60-64	444 510	620 784	1 065 294
65-69	304 763	483 164	787 927
70-74	232 547	398 922	631 469
75-79	136 436	231 101	367 537
80-84	90 835	180 111	270 945
85+	45 907	111 425	157 333
Total	21 434 040	23 385 737	44 819 778
Table 1.3: Population distribution by 5-year age groups and sex (CS 2007)			
Age group	Male	Female	Total
0-4	2 503 035	2 482 142	4 985 176
5-9	2 564 274	2 552 539	5 116 814
10-14	2 456 503	2 490 499	4 947 002
15-19	2 560 000	2 533 139	5 093 139
20-24	2 371 767	2 420 041	4 791 808
25-29	2 042 480	2 022 313	4 064 793
30-34	1 884 867	1 853 621	3 738 488
35-39	1 553 069	1 664 562	3 217 631
40-44	1 310 880	1 524 418	2 835 298
45-49	1 109 868	1 298 414	2 408 282
50-54	891 687	1 075 698	1 967 385
55-59	711 156	854 997	1 566 153
60-64	494 016	663 670	1 157 685
65-69	395 074	567 121	962 196
70-74	241 884	423 211	665 095
75-79	163 118	316 968	480 086
80-84	87 683	176 113	263 796
85+	70 704	170 533	241 237
Total	23 412 064	25 089 999	48 502 063

Source: Statistics South Africa, 2007, p. 62

APPENDIX D – INDICATOR RELIABILITY ASICS

Outer Loadings Asics

	BA	BEQ	BI	BP	BPF	BPF * SA	PI	SA
ba11	0,917							
ba12	0,8919							
ba13	0,8414							
ba14	0,8734							
beq18		0,7203						
beq19		0,6446						
beq20		0,6249						
beq21		0,6915						
beq22		0,8157						
beq23		0,7864						
beq24		0,8391						
beq25		0,877						
beq26		0,8056						
beq27		0,8931						
beq28		0,6825						
bi15			0,9487					
bi16			0,9444					
bi17			0,9123					
bp1				0,3228				
bp10				0,6126				
bp2				0,7619				
bp3				0,2318				
bp4				0,5635				
bp5				0,763				
bp6				0,7768				
bp7				0,7696				
bp8				0,6175				
bp9				0,8247				
bpf29					0,9082			
bpf29*sa36						0,6859		
bpf29*sa37						0,5167		
bpf29*sa38						-0,0733		
bpf29*sa39						0,0748		
bpf29*sa40						0,7382		
bpf30					0,9523			
bpf30*sa36						0,755		
bpf30*sa37						0,5548		
bpf30*sa38						-0,0863		
bpf30*sa39						0,1369		
bpf30*sa40						0,8089		
bpf31					0,9504			

bpf31*sa36						0,7462		
bpf31*sa37						0,5395		
bpf31*sa38						-0,0643		
bpf31*sa39						0,1663		
bpf31*sa40						0,7665		
bpf32					0,8953			
bpf32*sa36						0,7568		
bpf32*sa37						0,6089		
bpf32*sa38						0,0663		
bpf32*sa39						0,2822		
bpf32*sa40						0,794		
pi33							0,9501	
pi34							0,9635	
pi35							0,9509	
sa36								0,3863
sa37								0,6513
sa38								0,7806
sa39								0,8193
sa40								0,4373

APPENDIX E –DISCRIMINANT VALIDYT ASICS

Cross Loadings Asics

	BA	BEQ	BI	BP	BPF	BPF * SA	PI	SA
ba11	0,917	0,823	0,8429	0,7611	0,8383	-0,3582	0,8169	0,4758
ba12	0,8919	0,727	0,7371	0,6756	0,7442	-0,3111	0,7201	0,3974
ba13	0,8414	0,7539	0,7411	0,6669	0,7265	-0,3035	0,7248	0,4037
ba14	0,8734	0,7463	0,6835	0,667	0,6968	-0,293	0,6834	0,3512
beq18	0,587	0,7203	0,6683	0,6157	0,6019	-0,1796	0,5773	0,3642
beq19	0,4797	0,6446	0,4898	0,4976	0,4917	-0,0996	0,4106	0,2321
beq20	0,4037	0,6249	0,4395	0,4585	0,5124	-0,1545	0,4854	0,3209
beq21	0,5395	0,6915	0,4964	0,4561	0,5614	-0,1452	0,518	0,3645
beq22	0,7205	0,8157	0,7096	0,5632	0,7979	-0,3108	0,7854	0,5828
beq23	0,743	0,7864	0,6955	0,5464	0,7987	-0,4647	0,7825	0,5416
beq24	0,8239	0,8391	0,7855	0,704	0,8745	-0,4749	0,8993	0,5188
beq25	0,7361	0,877	0,6944	0,7507	0,7747	-0,314	0,7063	0,347
beq26	0,7281	0,8056	0,6508	0,6776	0,7238	-0,2868	0,6676	0,2824
beq27	0,754	0,8931	0,7032	0,7463	0,775	-0,3255	0,7087	0,3278
beq28	0,6465	0,6825	0,5293	0,5835	0,5515	-0,1918	0,535	0,2238
bi15	0,8425	0,8134	0,9487	0,7298	0,8242	-0,3334	0,7966	0,454
bi16	0,8303	0,791	0,9444	0,782	0,7792	-0,3007	0,7666	0,4556
bi17	0,7187	0,7114	0,9123	0,6283	0,7277	-0,2538	0,7286	0,4872
bp1	0,1832	0,0368	0,2078	0,3228	0,05	0,1741	0,1135	0,0183
bp10	0,4986	0,5302	0,4243	0,6126	0,4953	-0,2853	0,4704	0,2642
bp2	0,6318	0,6705	0,5556	0,7619	0,6081	-0,269	0,5733	0,2185
bp3	0,0973	-0,0427	0,1848	0,2318	-0,0394	0,1789	0,0295	-0,0306
bp4	0,3137	0,2336	0,3464	0,5635	0,1965	0,0858	0,2514	0,0453
bp5	0,6512	0,7204	0,6091	0,763	0,6829	-0,3332	0,6731	0,4254
bp6	0,6277	0,664	0,5831	0,7768	0,6117	-0,2515	0,5561	0,2911
bp7	0,5798	0,5324	0,5722	0,7696	0,4262	0,0143	0,4848	0,1304
bp8	0,3503	0,3266	0,4445	0,6175	0,2763	0,0697	0,3294	-0,0012
bp9	0,7451	0,7674	0,7461	0,8247	0,7183	-0,2778	0,6668	0,4131
bpf29	0,7723	0,855	0,7845	0,6698	0,9082	-0,4017	0,8021	0,4702
bpf29*sa36	-0,2405	-0,1625	-0,1697	-0,1367	-0,2134	0,6859	-0,2202	-0,1196
bpf29*sa37	-0,0972	-0,0358	-0,0722	-0,0453	-0,0788	0,5167	-0,0539	0,0862
bpf29*sa38	0,063	0,0804	0,026	-0,064	0,0535	-0,0733	0,0283	0,2984
bpf29*sa39	0,0783	0,0832	0,0043	0,0015	0,0646	0,0748	0,0244	0,2816
bpf29*sa40	-0,3707	-0,4503	-0,4239	-0,2823	-0,4912	0,7382	-0,427	-0,3638
bpf30	0,8296	0,856	0,8055	0,6837	0,9523	-0,3933	0,8836	0,5662
bpf30*sa36	-0,2014	-0,1428	-0,1022	-0,0729	-0,1975	0,755	-0,2001	-0,0906
bpf30*sa37	-0,0655	0,0091	-0,009	0,0101	-0,0651	0,5548	-0,06	0,1093
bpf30*sa38	0,077	0,1079	0,0507	-0,0537	0,0727	-0,0863	0,0192	0,2732
bpf30*sa39	0,0651	0,0823	0,0247	-0,0304	0,0541	0,1369	-0,0054	0,2901

bpf30*sa40	-0,3465	-0,4269	-0,3509	-0,2472	-0,4472	0,8089	-0,3868	-0,2427
bpf31	0,8236	0,8544	0,785	0,662	0,9504	-0,3836	0,9132	0,5447
bpf31*sa36	-0,1854	-0,1428	-0,0775	-0,0551	-0,1976	0,7462	-0,1973	-0,0966
bpf31*sa37	-0,0896	-0,0245	-0,0031	-0,0265	-0,1104	0,5395	-0,0955	0,1005
bpf31*sa38	0,0307	0,0513	0,0232	-0,0678	0,0245	-0,0643	-0,0246	0,2261
bpf31*sa39	0,0017	0,0084	-0,0118	-0,1178	0,0062	0,1663	-0,0369	0,2681
bpf31*sa40	-0,317	-0,3749	-0,2941	-0,2493	-0,3712	0,7665	-0,2974	-0,2245
bpf32	0,7433	0,7842	0,7102	0,6487	0,8953	-0,4459	0,8638	0,4619
bpf32*sa36	-0,2373	-0,1706	-0,1343	-0,1037	-0,2518	0,7568	-0,2749	-0,1234
bpf32*sa37	-0,1494	-0,0974	-0,0991	-0,052	-0,1787	0,6089	-0,1791	0,009
bpf32*sa38	-0,0011	0,0231	-0,0056	-0,041	-0,0369	0,0663	-0,0801	0,1702
bpf32*sa39	-0,0934	-0,0541	-0,1303	-0,1013	-0,1179	0,2822	-0,1741	0,2018
bpf32*sa40	-0,2892	-0,3668	-0,2824	-0,1588	-0,405	0,794	-0,3535	-0,2112
pi33	0,8278	0,843	0,8068	0,7078	0,9007	-0,4075	0,9501	0,504
pi34	0,7932	0,8248	0,7674	0,697	0,8957	-0,3713	0,9635	0,5095
pi35	0,7791	0,7972	0,768	0,6392	0,8805	-0,3744	0,9509	0,5742
sa36	0,0944	0,0197	0,1537	0,1267	0,0652	0,1748	0,1397	0,3863
sa37	0,3256	0,2914	0,3864	0,2724	0,3037	-0,0236	0,3677	0,6513
sa38	0,3482	0,4212	0,3683	0,2168	0,4631	-0,3168	0,4089	0,7806
sa39	0,4405	0,5127	0,4218	0,3	0,5482	-0,2527	0,5163	0,8193
sa40	0,0277	-0,0294	0,0732	0,0233	0,0708	0,1892	0,1248	0,4373

APPENDIX F – INDICATOR RELIABILITY NIKE

Outer Loadings Nike

	BP	BA	BI	BEQ	BPF	PI	SA	BPF * SA
bp1	0,7923							
bp2	0,4896							
bp3	0,8193							
bp4	0,8592							
bp5	0,1625							
bp6	0,4101							
bp7	0,6332							
bp8	0,7727							
bp9	0,741							
bp10	0,2398							
ba11		0,9316						
ba12		0,8725						
ba13		0,8708						
ba14		0,7685						
bi15			0,8624					
bi16			0,9205					
bi17			0,8813					
beq18				0,6926				
beq19				0,2363				
beq20				0,4019				
beq21				0,2755				
beq22				0,7971				
beq23				0,6317				
beq24				0,8037				
beq25				0,858				
beq26				0,7232				
beq27				0,866				
beq28				0,7706				
bpf29					0,8951			
bpf30					0,9466			
bpf31					0,9314			
bpf32					0,8705			
pi33						0,9411		
pi34						0,9622		
pi35						0,9582		
sa36							0,8415	
sa37							0,8828	
sa38							0,877	
sa39							0,8699	
sa40							0,8758	
bpf29*sa36								0,737

bpf29*sa37							0,7905
bpf29*sa38							0,8143
bpf29*sa39							0,8149
bpf29*sa40							0,7967
bpf30*sa36							0,7898
bpf30*sa37							0,8398
bpf30*sa38							0,8697
bpf30*sa39							0,8552
bpf30*sa40							0,8444
bpf31*sa36							0,7114
bpf31*sa37							0,7668
bpf31*sa38							0,8605
bpf31*sa39							0,8456
bpf31*sa40							0,8076
bpf32*sa36							0,6722
bpf32*sa37							0,7133
bpf32*sa38							0,789
bpf32*sa39							0,7836
bpf32*sa40							0,7547

APPENDIX G – DISCRIMINANT VALIDITY NIKE

Cross Loadings Nike

	BA	BEQ	BI	BP	BPF	BPF * SA	PI	SA
ba11	0,9316	0,7788	0,8146	0,6694	0,8551	-0,2778	0,778	0,6983
ba12	0,8725	0,6889	0,6891	0,5471	0,7472	-0,3375	0,711	0,6427
ba13	0,8708	0,7772	0,7611	0,6562	0,7836	-0,201	0,7258	0,6746
ba14	0,7685	0,6087	0,6137	0,4977	0,6411	-0,1583	0,618	0,5504
beq18	0,6231	0,6926	0,6488	0,5599	0,5958	-0,1055	0,4983	0,5034
beq19	0,1886	0,2363	0,2064	0,1856	0,0831	0,0148	0,065	0,0826
beq20	0,267	0,4019	0,318	0,3926	0,2139	-0,0415	0,13	0,2315
beq21	0,2794	0,2755	0,207	0,2467	0,1479	-0,0279	0,1406	0,2106
beq22	0,7611	0,7971	0,7646	0,6077	0,8016	-0,1272	0,7087	0,6385
beq23	0,6309	0,6317	0,6017	0,4291	0,6068	-0,087	0,5581	0,5643
beq24	0,7126	0,8037	0,6951	0,6259	0,7772	-0,3041	0,7215	0,5694
beq25	0,6596	0,858	0,6967	0,6927	0,7239	-0,1754	0,6221	0,5607
beq26	0,4662	0,7232	0,5013	0,5283	0,4997	-0,3308	0,4304	0,2175
beq27	0,6352	0,866	0,6995	0,7011	0,7113	-0,208	0,5988	0,4628
beq28	0,5916	0,7706	0,6523	0,6507	0,5719	-0,0794	0,5032	0,459
bi15	0,651	0,7581	0,8624	0,6897	0,6875	-0,1664	0,5766	0,5226
bi16	0,8356	0,8007	0,9205	0,7334	0,8227	-0,2431	0,7294	0,7167
bi17	0,7428	0,7281	0,8813	0,6215	0,7303	-0,0836	0,6158	0,7365
bp1	0,5659	0,5937	0,6389	0,7923	0,5679	0,0329	0,518	0,5613
bp10	0,0863	0,1932	0,0958	0,2398	0,1303	-0,3636	0,1494	-0,1694
bp2	0,3796	0,5102	0,338	0,4896	0,3687	-0,3702	0,3706	0,0695
bp3	0,5892	0,6055	0,655	0,8193	0,6123	-0,0884	0,5642	0,5939
bp4	0,635	0,683	0,6737	0,8592	0,6421	-0,1258	0,5534	0,6248
bp5	0,0069	0,0531	-0,0148	0,1625	0,0207	-0,3941	0,0702	-0,2105
bp6	0,1676	0,2923	0,2078	0,4101	0,179	-0,2099	0,2168	0,0219
bp7	0,3587	0,45	0,4638	0,6332	0,401	-0,0335	0,3452	0,3578
bp8	0,5573	0,6387	0,6163	0,7727	0,5685	-0,0919	0,4633	0,5465
bp9	0,4841	0,5906	0,5602	0,741	0,5165	-0,0785	0,4681	0,4022
bpf29	0,7904	0,8061	0,7558	0,6456	0,8951	-0,2276	0,7109	0,6992
bpf29*sa36	-0,2682	-0,1151	-0,2125	-0,0861	-0,2183	0,737	-0,2144	-0,1336
bpf29*sa37	-0,2849	-0,1437	-0,1816	-0,0973	-0,2424	0,7905	-0,2193	-0,093
bpf29*sa38	-0,1058	-0,0928	-0,0057	-0,0208	-0,1331	0,8143	-0,1299	0,1905
bpf29*sa39	-0,1528	-0,1423	-0,0718	-0,0724	-0,1534	0,8149	-0,1553	0,165
bpf29*sa40	-0,189	-0,1373	-0,086	-0,0384	-0,1741	0,7967	-0,1721	0,0832
bpf30	0,8784	0,8059	0,8455	0,7063	0,9466	-0,2577	0,8332	0,7883
bpf30*sa36	-0,3391	-0,2376	-0,2964	-0,2377	-0,2884	0,7898	-0,2826	-0,2301
bpf30*sa37	-0,3269	-0,2377	-0,2496	-0,2034	-0,2915	0,8398	-0,2639	-0,1699
bpf30*sa38	-0,1073	-0,1017	-0,0173	-0,0531	-0,1276	0,8697	-0,1584	0,209
bpf30*sa39	-0,135	-0,134	-0,0499	-0,0867	-0,136	0,8552	-0,1739	0,1889
bpf30*sa40	-0,2144	-0,1702	-0,1119	-0,1126	-0,1989	0,8444	-0,2269	0,0963
bpf31	0,7969	0,7699	0,7651	0,6468	0,9314	-0,3391	0,8577	0,6189

bpf31*sa36	-0,2978	-0,2152	-0,2851	-0,1952	-0,2645	0,7114	-0,2589	-0,2399
bpf31*sa37	-0,3285	-0,2451	-0,2939	-0,1788	-0,3016	0,7668	-0,2675	-0,2277
bpf31*sa38	-0,2127	-0,1877	-0,1432	-0,1312	-0,258	0,8605	-0,2944	0,0851
bpf31*sa39	-0,2427	-0,2413	-0,1789	-0,1785	-0,2808	0,8456	-0,325	0,0733
bpf31*sa40	-0,2974	-0,2518	-0,2267	-0,1776	-0,3097	0,8076	-0,3291	-0,0095
bpf32	0,7496	0,7346	0,7053	0,6046	0,8705	-0,1919	0,8791	0,5929
bpf32*sa36	-0,2218	-0,1423	-0,148	-0,0916	-0,1584	0,6722	-0,178	-0,1013
bpf32*sa37	-0,2316	-0,1737	-0,1457	-0,0721	-0,1825	0,7133	-0,2111	-0,0576
bpf32*sa38	-0,0664	-0,0733	0,0422	0,0078	-0,1272	0,789	-0,1876	0,2275
bpf32*sa39	-0,0826	-0,1103	0,038	-0,0299	-0,1439	0,7836	-0,2312	0,2396
bpf32*sa40	-0,1362	-0,1217	-0,0396	-0,0254	-0,1752	0,7547	-0,2437	0,1471
pi33	0,777	0,721	0,6967	0,6003	0,8524	-0,3275	0,9411	0,5966
pi34	0,7996	0,7084	0,6682	0,5891	0,8575	-0,313	0,9622	0,5759
pi35	0,7812	0,71	0,7076	0,6407	0,8713	-0,2246	0,9582	0,6472
sa36	0,7089	0,6396	0,6533	0,5911	0,6854	-0,2063	0,6195	0,8415
sa37	0,7386	0,6363	0,7083	0,591	0,7372	-0,1557	0,6257	0,8828
sa38	0,558	0,5279	0,6248	0,4929	0,5965	0,2022	0,4779	0,877
sa39	0,5511	0,4588	0,5605	0,4513	0,5443	0,193	0,4649	0,8699
sa40	0,6414	0,5473	0,6568	0,528	0,6122	0,0979	0,5325	0,8758

APPENDIX H - INDICATOR RELIABILITY COMBINED

Outer Loadings Combined

	BA	BEQ	BI	BP	BPF	BPF * SA	PI	SA
ba11	0,9236							
ba12	0,8851							
ba13	0,8459							
ba14	0,8016							
beq18		0,7277						
beq19		0,5796						
beq20		0,5591						
beq21		0,6112						
beq22		0,8011						
beq23		0,721						
beq24		0,8186						
beq25		0,8653						
beq26		0,7294						
beq27		0,8668						
beq28		0,7218						
bi15			0,9208					
bi16			0,939					
bi17			0,8973					
bp1				0,6743				
bp10				0,2352				
bp2				0,6144				
bp3				0,6407				
bp4				0,7753				
bp5				0,3803				
bp6				0,3959				
bp7				0,8194				
bp8				0,7969				
bp9				0,8116				
bpf29					0,903			
bpf29*sa36						0,7327		
bpf29*sa37						0,781		
bpf29*sa38						0,6599		
bpf29*sa39						0,6315		
bpf29*sa40						0,7771		
bpf30					0,9484			
bpf30*sa36						0,7767		
bpf30*sa37						0,8236		
bpf30*sa38						0,6952		
bpf30*sa39						0,689		
bpf30*sa40						0,7998		
bpf31					0,9408			

bpf31*sa36						0,7194		
bpf31*sa37						0,7499		
bpf31*sa38						0,6281		
bpf31*sa39						0,5987		
bpf31*sa40						0,7929		
bpf32					0,8819			
bpf32*sa36						0,7628		
bpf32*sa37						0,7878		
bpf32*sa38						0,6864		
bpf32*sa39						0,6853		
bpf32*sa40						0,8234		
pi33							0,9467	
pi34							0,9627	
pi35							0,9541	
sa36								0,7625
sa37								0,8342
sa38								0,8296
sa39								0,797
sa40								0,8399

APPENDIX I – DISCRIMINANT VALIDITY COMBINED

Cross Loadings Combined

	BA	BEQ	BI	BP	PBF	PBF * SA	PI	SA
ba11	0,9236	0,8149	0,8382	0,6775	0,8429	-0,1681	0,7979	0,5731
ba12	0,8851	0,7264	0,7276	0,5926	0,7449	-0,22	0,7146	0,4941
ba13	0,8459	0,7406	0,7186	0,5332	0,7474	-0,1466	0,7223	0,4684
ba14	0,8016	0,6382	0,5995	0,4115	0,6559	-0,1522	0,639	0,4021
beq18	0,599	0,7277	0,6932	0,6179	0,594	-0,0053	0,5411	0,4786
beq19	0,402	0,5796	0,4552	0,4831	0,3764	-0,0576	0,3144	0,2301
beq20	0,3349	0,5591	0,4642	0,5725	0,3777	0,0239	0,3458	0,3875
beq21	0,4527	0,6112	0,475	0,5024	0,425	-0,0337	0,3908	0,3548
beq22	0,7399	0,8011	0,7212	0,473	0,8	-0,1076	0,7542	0,5321
beq23	0,6966	0,721	0,6491	0,3903	0,7156	-0,1735	0,6836	0,5022
beq24	0,7821	0,8186	0,7352	0,5653	0,8343	-0,2998	0,825	0,4679
beq25	0,7077	0,8653	0,6955	0,6372	0,7562	-0,1289	0,6739	0,4223
beq26	0,5987	0,7294	0,5384	0,4829	0,6118	-0,2724	0,5501	0,1559
beq27	0,7054	0,8668	0,6896	0,6159	0,749	-0,1692	0,6629	0,3575
beq28	0,6269	0,7218	0,5884	0,5769	0,5612	-0,0825	0,5247	0,3414
bi15	0,7592	0,7999	0,9208	0,6971	0,7585	-0,1132	0,6951	0,5167
bi16	0,8252	0,8053	0,939	0,7362	0,7873	-0,1014	0,7413	0,5951
bi17	0,7302	0,7168	0,8973	0,5827	0,7286	-0,0131	0,6748	0,6396
bp1	0,3072	0,3013	0,4448	0,6743	0,2392	0,2216	0,2531	0,4636
bp10	0,2486	0,2783	0,1505	0,2352	0,2665	-0,3699	0,2648	-0,1673
bp2	0,5341	0,6077	0,4601	0,6144	0,5123	-0,2743	0,491	0,0888
bp3	0,2621	0,2531	0,4269	0,6407	0,1939	0,1927	0,2124	0,4523
bp4	0,408	0,426	0,5239	0,7753	0,3452	0,1191	0,3453	0,4695
bp5	0,335	0,3917	0,2579	0,3803	0,3511	-0,4615	0,3672	-0,0676
bp6	0,3753	0,4186	0,3045	0,3959	0,3728	-0,3156	0,3594	-0,0281
bp7	0,4804	0,5425	0,586	0,8194	0,4034	0,0597	0,4122	0,387
bp8	0,4111	0,4731	0,5639	0,7969	0,3736	0,0938	0,3652	0,4305
bp9	0,6427	0,7301	0,7088	0,8116	0,6294	-0,0745	0,5794	0,4408
bpf29	0,782	0,8345	0,7749	0,5697	0,903	-0,1572	0,7647	0,5508
bpf29*sa36	-0,1775	-0,104	-0,0817	0,033	-0,1546	0,7327	-0,1717	0,1741
bpf29*sa37	-0,1512	-0,0938	-0,0666	-0,0203	-0,1318	0,781	-0,1296	0,21
bpf29*sa38	-0,0052	-0,0194	0,0345	-0,1186	-0,0324	0,6599	-0,053	0,3309
bpf29*sa39	-0,0229	-0,0466	-0,0281	-0,1428	-0,0448	0,6315	-0,0727	0,254
bpf29*sa40	-0,1273	-0,1516	-0,0393	0,013	-0,1582	0,7771	-0,1604	0,3277
bpf30	0,8525	0,8275	0,8201	0,5831	0,9484	-0,1454	0,8607	0,6542
bpf30*sa36	-0,1736	-0,1214	-0,0568	0,0352	-0,1576	0,7767	-0,1718	0,1719
bpf30*sa37	-0,1321	-0,0784	-0,024	-0,0007	-0,1224	0,8236	-0,1265	0,2231
bpf30*sa38	0,0145	0,0098	0,0696	-0,0955	-0,0065	0,6952	-0,0551	0,3599
bpf30*sa39	-0,0171	-0,0314	0,0131	-0,1377	-0,0346	0,689	-0,0879	0,2973
bpf30*sa40	-0,1045	-0,1268	0,0089	0,0202	-0,1293	0,7998	-0,1447	0,3863
bpf31	0,8121	0,8062	0,7535	0,5346	0,9408	-0,2621	0,8881	0,5027

bpf31*sa36	-0,2252	-0,1815	-0,1111	0,0234	-0,2158	0,7194	-0,219	0,0569
bpf31*sa37	-0,2105	-0,1557	-0,1078	-0,0416	-0,2081	0,7499	-0,193	0,0779
bpf31*sa38	-0,0974	-0,0903	-0,0574	-0,178	-0,126	0,6281	-0,1726	0,1811
bpf31*sa39	-0,1259	-0,1394	-0,1127	-0,2672	-0,1446	0,5987	-0,1906	0,127
bpf31*sa40	-0,2642	-0,2743	-0,1567	-0,0793	-0,2848	0,7929	-0,281	0,1921
bpf32	0,7458	0,7428	0,6843	0,5044	0,8819	-0,2247	0,8694	0,4749
bpf32*sa36	-0,1962	-0,1531	-0,0795	-0,0063	-0,1813	0,7628	-0,1884	0,1083
bpf32*sa37	-0,1726	-0,1419	-0,0775	-0,0345	-0,1701	0,7878	-0,1734	0,1346
bpf32*sa38	-0,0279	-0,0278	0,0428	-0,0662	-0,0796	0,6864	-0,1251	0,2762
bpf32*sa39	-0,0967	-0,1018	-0,0532	-0,1674	-0,1379	0,6853	-0,2045	0,2247
bpf32*sa40	-0,1379	-0,1657	-0,0287	0,0021	-0,1903	0,8234	-0,2024	0,3
pi33	0,8074	0,7849	0,7459	0,5728	0,8801	-0,2647	0,9467	0,5043
pi34	0,7986	0,7774	0,7178	0,5713	0,8803	-0,2497	0,9627	0,4905
pi35	0,7822	0,7519	0,7312	0,5306	0,8769	-0,1704	0,9541	0,5676
sa36	0,4029	0,3591	0,4746	0,4725	0,3884	0,1754	0,3886	0,7625
sa37	0,5232	0,4771	0,591	0,4677	0,5163	0,1733	0,4909	0,8342
sa38	0,4585	0,4706	0,5204	0,2664	0,5325	0,256	0,4482	0,8296
sa39	0,4967	0,4835	0,4927	0,2367	0,5487	0,1826	0,4941	0,797
sa40	0,3864	0,3328	0,4767	0,3863	0,3903	0,3443	0,3641	0,8399

APPENDIX J – COMMERCE FACULTY ETHICS COMMITTEE CLEARANCE

UNIVERSITY OF CAPE TOWN



Faculty of Commerce Ethics in Research Committee

Courier: Room 2.21 Leslie Commerce Building Upper Campus University of Cape Town
Post: University of Cape Town □ Private Bag □ Rondebosch 7701
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November 8, 2014

Julia Bastian
Management Studies

Project title:
The Antecedents and Consequences of Brand Equity in the South African Running Shoe Market

Dear Researcher,

This letter serves to confirm that this project as described in your submitted protocol has been approved. You may proceed with the research.

Please note that if you make any substantial change in your research procedure that could affect the experiences of the participants, you must submit a revised protocol to the Committee for approval.

Regards,

Harold Kincaid

Professor Harold Kincaid
Commerce Faculty Ethics in Research Committee

"OUR MISSION is to be outstanding teaching and research university,
educating for life and addressing the challenges facing our society."