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## 品牌權益的結果效應研究：關係和心理調節因子的回顧 A Study of the Consequential Effect of Brand Equity: A Review of Relational and Psychological Moderators

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### 摘要

強勢的品牌可以為公司提供許多好處，包括獲得更高的客戶忠誠度、更多品牌延伸機會，面對價格變化更有彈性，這些均可能提高公司之利潤。然而，對品牌權益的調節作用仍缺乏研究。因此，本研究的目的是在於：(1)驗證品牌權益對品牌偏好、行為意圖和口碑的影響；(2)探討關係變數和心理變數對於品牌權益與品牌偏好、行為意向和口碑影響間的調節作用。本研究是以攔截採訪之方式在商場、百貨商店或其他便利商店等處進行問卷調查。受訪者以他們最喜歡的品牌來表達他們的真實消費體驗。本研究共收集 353 筆資料，並採用 PLS-SEM 結構方程模型來進行資料分析。研究結果顯示，關係變數和心理變數都具有顯著的調節作用，可以加速品牌權益對品牌偏好、行為意圖和口碑的影響。具體而言，本研究之結果指出認為替代品牌的吸引力較低、品牌涉入程度較高、轉換成本較高、品牌喜愛度較高、品牌承諾度較高及對品牌期望較高的受訪者，可以作為拓展品牌權益對品牌偏好、購買意圖及口碑影響的重要推動者。本研究之發現可做為學術和實務界之重要參考。

**關鍵字：**品牌權益、關係調節變數、心理調節變數、品牌偏好、品牌涉入、替代品牌吸引力、口碑

### Abstract

A strong brand can provide a series of benefits for a firm, including a greater customer loyalty, more licensing, both brand extension opportunities, and higher resiliency to response to price change, which may further result in higher profit margin. However, the moderating effects of relevant variables on brand equity are still in lack of study. Therefore, the objectives of this study are as follows: (1) To verify the influences of brand equity on brand preference, behavior intention, and WOM; and (2) To investigate the moderating effects of relational and psychological variables for the influences of brand equity on brand preferences, behavior intention, and word-of-mouth. The survey data was collected via intercept interviews in the malls, the department stores, or other convenient space. Respondents were asked to express their real consumption experience with their favorite brand. A total 353 data were collected, and PLS-SEM was adopted to do data analysis. The study's results suggested that both relational

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and psychological variables have significant moderating effects that can accelerate the influences of brand equity on brand preference, behavioral intention, and WOM. Specifically, respondents who perceived lower alternative attractiveness of a brand, higher product/brand involvement, higher switching costs, higher brand love, higher brand commitment, and higher expectation, can serve as significant promoters to amplify the influence of brand equity on brand preference, intention, and WOM. These findings can provide important reference for both academic and practical sectors.

**Keywords:** relational moderators, psychological moderators, brand equity, brand preference, brand involvement, alternative brand attractiveness, word-of-mouth



## 1. Introduction

One of the most critical marketing topics which has been discussed extensively by both academicians and practitioners over the past decades is brand equity (Atligan et al., 2005; Emari, Jafari, & Mogaddam, 2012). Successful brands can allow firms to gain competitive advantages. A strong brand can provide a series of benefits for a firm, including a greater customer loyalty, more licensing, brand extension opportunities, higher resiliency to response to price change, which may further result in higher profit margin (Pappu et al., 2006; Emari, Jafari & Mogaddam, 2012). Therefore, the as commented by Yoshida and Gorden (2012), moderating effects of relevant variables on brand equity are limited and inconclusive. The scholars from the contingency perspective (Bauer et al., 2008; Evanschitzky & Wunderlich, 2006; Seiders et al., 2005) argued that the influences of brand equity on the consequential outcomes (such as brand preference, purchase intention, and WOM) should be contingent upon certain moderating variables (such as relational variable and psychological variables). But there are surprisingly lack of empirical validitions in various research regarding these effects. Therefore, further evaluations are required. Based on the above research motivations, the objectives of this study are as follows: (1) To verify the influences of brand equity on brand preference, behavior intention, and WOM; and (2) To investigate the moderating effects of relational and psychological variables for the influences of brand equity on brand preferences, behavior intention, and word-of-mouth.

Brand equity has been regarded as one of the most important factors to promote behavioral intention, brand preference, and word of mouth. Dodds et al., (1991) argued that, when customers do not have knowledge or consumption experience about a product, they are more likely to use brand name or brand information to evaluate the product and make their purchase decision, Baldauf et al., (2009) found that brand equity played a significant role on customer's selection of service. Cruz-Milan (2022) argued that lower-level factors in the Brand Resonance Model have an impact on the higher-level factors that ultimately constitute tourism destination consumer-based brand equity. Chen and Chang (2008) stated that strong brand can increase customer's trust toward the product and further enable customers to visualize and understand better the intangible factors of the brand. DAM (2020) stated that brand preference had a positive effect on purchase intention. Moradi and Zarei (2011) further confirmed that brand equity can influence brand preference and purchase intentions, which further influences customer's brand choice. Hansopaheluwakan, Oey, and Setiawan (2020) stated that brand equity has a positive and significant effect on buying interest, either directly or indirectly through brand preference. Thus, Vinh (2016) argued that brand equity has positive impacts on brand preference and purchase intention. Therefore, Muhammad (2021) stated that brand preference partially mediates the relationship between brand image and purchase intention. De Chernatony (2004) pointed out that brand equity could lead to higher brand preference. Ho et al., (2019) the moderating effects of self-expressive benefit and social responsibility for the



influence of brand equity on behavioral intention are significant. Chen (2009) further argued that higher brand equity would result in higher shopping preference.

In addition, previous studies also confirmed that higher brand equity, behavioral intention, and brand preference would result in higher word-of-mouth toward the brand. de Matos and Rossi (2008), in a meta-analytic review, confirmed that the elements of brand equity (including brand loyalty and perceived quality) have significant contributions on customers word-of-mouth activity. Loyalty customers are more likely to give more positive recommendations of the brand to their reference groups (such as friends, relatives, or online shoppers). They also have greater motivation to process new information about the firm or the brand. These loyal customers have stronger resistance to be persuaded by an alternative or contrary information. According to PZB model ( or SERVQUAL model, Parasuraman et al., (1985, 1988), Zeithaml et al., (1996) and Harrison-Walker (2001) also confirmed that, when customers perceived higher brand quality, they tend to exert higher intentions to recommend favorable information to others, and to strengthen the relationship between customers and firms. Furthermore, brand equity, brand preference, and purchase intention can facilitate consumers' WOM activities. Seo, Park, and Choi (2020) stated that social media usage characteristics into three characteristics: personality characteristics, social characteristics, and information characteristics, and each of these usage characteristics present a strategy to improve actual brand equity of airline through e-WOM and trust in empirical methods. Yasin and Shamim (2013) argued that trust, commitment and brand equity would enhance consumer's purchase intention, which could further enhance word-of-mouth communication. Uslu and Ergün (2022) found that it has been determined that hotel brand equity has effects on the perception of value co-creation and WOM, and that perception of value co-creation has effects on WOM.

As brand-related research becomes abundance, more and more scholars have tried to investigate the potential moderating effects of consumer variables on consumer behaviors (Homburg & Giering, 2001; Lee & Ferreira, 2011; Raimondo, Miceli, & Costabile, 2008). Previous studies have mainly focused on the moderating effects of consumer variables in the relationships between satisfaction and behavior loyalty (Yoshida & Gordon, 2012). Two types of special but important moderators were concluded in the study that can enhance the satisfaction-behavioral intention links, the two types moderators respectively are psychological characteristics, and relational characteristics. In terms of psychological characteristics, previous studies identified involvement (Seiders et al., 2005), commitment, and trust (Ahluwala, Burnkrant, & Unnara, 2000) as the potential factors to moderate the satisfaction-loyalty link. In terms of relational factors, previous studies, identified loyalty program participation (Evanschitzky & Wunderlich, 2006), and relationship age (Raimondo, Miceli, & Costabile, 2008) as the important moderators to this satisfaction-loyalty link.

Although the potential moderating effects on satisfaction-behavior link have been discussed widely, there are lack of research regarding the moderating effects on the relationship



between brand equity and behavioral intentions. Following the comments of Yoshida and Gordon (2012), this study intends to encompass more variables to identify the roles of relational, and psychological moderators on the influences of brand equity on behavioral intention, brand preference, and word of mouth, respectively. In order to address these issues, we developed a comprehensive research framework and tested its viability empirically. Therefore, the objectives of this study are as follows: (1) To verify the influences of brand equity on brand preference, behavior intention, and WOM; and (2) To investigate the moderating effects of relational and psychological variables for the influences of brand equity on brand preferences, behavior intention, and word-of-mouth.

## **2. Literature Review and Hypotheses Development**

Brand equity refers to the incremental utility or value that the brand will add to the product (Chen & Chang, 2008). Traditional brand equity has been evaluated from three approaches: (1) the financial or monetary value of brand in the market; (2) the added value of product or service from brand that conceptualized as the consumer-based brand equity; and (3) the combination of financial and consumer approaches. This study focuses on consumer-based brand equity which concentrate on the knowledge of consumers about the brand. Previous studies have confirmed that brand equity can influence brand preference and purchase intentions and consumer choice. (Cobb-Walgren, et al., 1995; Moyer, 2008). De Chernatony (2004) pointed out that higher equity will lead to higher brand preference and loyalty. Chen and Chang (2008) recognized the importance of brand equity on brand preference and purchase intention. A well-known brand is not only attractive for customers to buy, but also helps to create repeat purchasing. Brand equity also increases the assets value of the firm (Yasin & Shamim, 2013).

Keller and Kotler (2012) contended that brand equity is the consumer's ability to identify the brand under different situations, mostly reflected by their brand recognition or recall performance. Yasin and Shamim (2013) argued that trust, commitment and brand equity will enhance consumer's purchase intention, which will further enhance word-of-mouth communication. Anwar et al., (2011) also argued that both satisfaction and repurchase intention will result in higher levels of WOM communication. All the four main elements of e-WOM namely relevance, accuracy, timeliness and comprehensiveness were found to have significant relationship with customer purchase intention ( Sa'ait, Kanyan & Nazrin, 2016). Park, Hyun and Thavisay (2021) pointed that social media WOM positively influences consumer luxury purchase intention. .Dolatabadi, Kazemi, and Rad (2012) argued that brand equity, as mainly a result from trust, can be translated as consumers' loyalty and their willingness to pay higher prices for the brand. They further confirmed that brand equity can result in higher sales volume, higher brand preference, higher purchase interest, and higher purchase satisfaction. Supatn (2010) pointed out that brand equity could be important for its psychological values. Jalilvand et al., (2017) found that the construct of brand preference is positively associated with word-



of-mouth behavior. Thus, Wymer and Casidy (2019) argued that brand familiarity has an antecedent influence on brand attitude and brand remarkability, and that the influence of brand strength on WOM is partially mediated by brand preference. Consumers tend to purchase popular brand when they are lacking of product familiarity. Therefore, brand equity can affect customer evaluation and choice decisions. Customers tend to perceive higher brand preference and purchase intention toward product/service with higher brand equity. Based on the above discussions, it is concluded that brand equity will influences purchase intention, brand preference and WOM. Therefore, the following hypotheses are developed:

Hypothesis H1: Brand equity positively influences behavioral intention toward the brand.

Hypothesis H2: Brand equity positively influences WOM toward the brand.

Hypothesis H3: Brand equity positively influences brand preference toward the brand.

Hypothesis H4: Behavioral preference positively influences behavior intention toward the brand.

Hypothesis H5: Behavioral intention positively influences WOM toward the brand.

Hypothesis H6: Brand preference positively influences WOM toward the brand.

According to Evanschitzky and Wunderlich (2006), the study found a significant moderating effect of consumer's participation in the loyalty programs on the influence of consumer satisfaction on brand loyalty link. Raimondo et al., (2008) suggested that relationship age could enhance the predictive power of the influence of consumer satisfaction on behavioral consequences. Kim, Wong, and Park (2016) stated that customer satisfaction and switching barriers (alternative attractiveness and switching cost) have significant impacts on customer loyalty. Verma (2021) argued that brand love and overall brand equity mediate relationships. Doh and Hwang (2009) argued that prior knowledge will moderate the influence of e-WOM message on attitude, intention, and message credibility of the product/brand. Pizzutti and Fernandes (2010) argued that consumer's perceived quality of prior experience will moderate the influence of the levels of satisfaction with complaint handling on the levels of trust toward online shopping.

Kumara, Bohling, and Ladda, (2003) argued that whenever a customer buys some products or services, he/she automatically develops some expectations. The more the expectations from the firm, the more the customer will concern about the firm. The more the concern, the more will be the customer's intention to know and buy the products or services. This means that a customer with higher expectations will be more likely to develop relationship with the firm and the brand than a customer who is indifferent with no expectation.

Furthermore, previous studies also suggest that firms exercise higher levels of social interaction among customers will enhance customer loyalty (Arnould and Price, 2000; McAlexander et al., 2002; Muniz and O'Guinn, 2001; Oliver, 1999; Rambocas, Kirpalani and Simms, 2018). This means that by encouraging customers to participate in brand communities (structured social relationships among users of a brand), will become a successful brand strategy





to promote brand loyalty and brand equity. In the brand community, a feeling of belonging, a belief that members matter to one another, and a shared faith that members' needs will be met through their commitment to be together.

Based on the above discussion, this study proposes that consumers having higher levels of participating loyalty program, longer relationship age, higher product knowledge, with more previous shopping experience will perform higher levels of influences of brand equity on behavioral intention, WOM, and brand preference, Specifically, the following hypotheses is developed:

Hypothesis H7: Customers' relational characteristics moderate the influence of brand equity on (a) behavioral intention, (b) WOM, and (c) brand preference toward the brand.

Previous studies have identified product involvement (Homburg & Giering, 2001; Seiders et al., 2005), commitment (Ahluwala, Bunkrant, & Unnava, 2000) and brand equity (Brady et al., 2008) as three of the most important psychological moderators between customer satisfaction and brand loyalty. Malar et al., (2011) argued that product involvement can serve as a moderator between brand personality and emotional brand attachment. It is suggested that consumers with higher product involvement could be more motivated to invest the cognitive effort which is required for self-verification (Petty & Cacipoppo, 1986). Seiders et al., (2005) stated that highly involved consumers tended to allocate more time and effort to search and show higher levels of repatronage intention. Therefore, involvement could enhance the positive effect of satisfaction on purchase intention. Previous empirical evidences also showed that involved consumers tended to spend much more time when their satisfaction is high.

According to attachment theory, people are most likely to develop attachment to products (or services) that can fulfill their functional needs, experiential needs, and emotional needs (Park et al., 2006). Vlachos et al., (2010) suggested that consumers who are emotionally attached to the firm (or the brand) will be more committed to repurchase and more likely to recommend to others. Consumers with higher attachment anxiety tend to perform higher brand attachment, which could in term heighten the influences of brand equity on purchase intention, brand preference, and word of mouth toward the brand.

Doh and Hwang (2009) argued that involvement will significantly moderate the influences of e-WOM messages on attitude toward the product/brand, purchase intention, and message credibility. In other words, consumers with higher involvement will accelerate the influences of e-WOM on attitude, intention and credibility. Wangenheim and Bayon (2007) also suggested that the influence of customer satisfaction on the number of referrals will be much higher in high product involvement rather than low product involvement situation. There is an example to interpret product involvement can be one of psychological moderators.

Chen and Chang (2008) further argued that, under higher levels of switching costs, the influences of brand equity on purchasing intention, and the influences of brand preference on purchasing intention will be amplified. Empirical analysis supports the proposed



conceptualization of relational engagement, as well as its influence on seller brand equity through influencing buyer-perceived relationship effectiveness (Dwivedi, 2020). Bei and Widdows (1999) also argued that product knowledge and product involvement will enlarge the effects of information on purchase decisions. del Barrio-García and Prados-Peña (2019) that brand extension authenticity exerts a direct effect on brand extension equity, and an indirect effect, via brand extension credibility: these effects being activated only beyond certain levels of tourist experience of the heritage site and product knowledge. Lee, Ahn and Kim (2008) contended that alternative attractiveness (refer to the perceptions of attractiveness of available competing alternatives in the marketplace) has a moderating effect on the influence of relational benefits on customer loyalty and purchase intention.

Based on the above discussion, this study proposes that consumers with higher levels of involvement, commitment, consumer expectation, brand love, switching costs and alternative attractiveness will perform higher levels of influences of brand equity on behavioral intention, WOM, and brand preferences. Specifically, the following hypothesis is developed.

Hypothesis H8: Customers’ psychological characteristics moderate the influence of brand equity on (a) behavioral intention, (b) WOM, and (c) brand preference toward the brand.

### 3. Methodology

Based on the above literature review and the hypotheses development, the major objective of this study is to a develop a comprehensive research model to identify the antecedents, moderators, and consequences of brand equity. The research framework is shown in Figure 1.

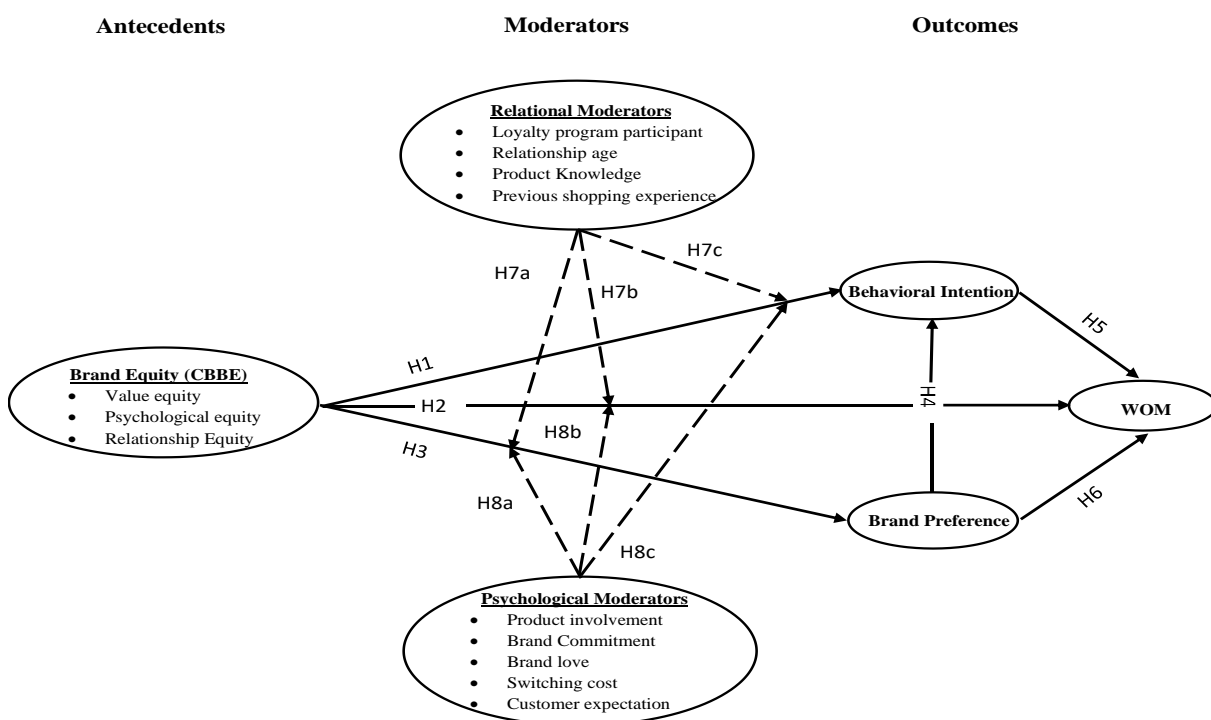


Figure 1. Research Framework





Specifically, this study integrates the results of previous studies and identifies (1) loyalty program participation, (2) relationship age, (3) product knowledge, and (4) previous shopping experience as the relational moderators; and (5) product involvement, (6) consumer expectation, (7) alternative attractiveness, (8) brand love, (9) brand commitment, and (10) switching costs as the potential factors to moderate the influences of brand equity and its outcomes.

In this study, alternative attractiveness is defined as "customer perceptions regarding the extent to which viable competing alternatives are available in the marketplace" (Jones, Mothersbaugh, and Beatty, 2000). Loyalty program participation refers to an outside mechanism of social interaction promotion from organization to increase customers' loyalty, which can be defined as "organizational sponsored loyalty programs that transfer support from organizations to members by providing them with a sense of community" (Rosenbaum, Ostrom, & Kuntze, 2005, p.223). Relationship age is defined as "the phase represents a major transition of how parties regard one another, and in the different phases, different variables are important in explaining the success of relationships" (Dwyer, Schurr, and Oh, 1987). Product knowledge is defined as "to encompass the amount of accurate information held in memory about product alternatives as well as buyers' self-perceptions of this product knowledge (i.e., what they believe they know)" (McCarthy, 1984). Previous shopping experience is defined as "a subjective, internal consumer response (sensations, feelings & cognitions) & behavioral responses evoked by brand-related stimuli (design, packaging, identity, communications & environment)" (Brakus, Schmitt, & Zarantello, 2009). Product involvement, which refers to a general level of interest in or concern about a product class (Hupfer & Gardner, 1971), should be distinguished from product evaluation, which refers to a positive or negative reaction to a specific product. Involvement with products is expected to lead one to search for more information and spend more time searching for the right selection (Celsi & Olson, 1988; Greenwald & Leavitt, 1984). Brand commitment is defined as "the pledging or binding of an individual to behavioural acts" (Kiesler, 1971). Brand love is defined as "the characteristics included brand attachment, passion for a brand, positive evaluation of the brand, declarations of love and positive emotions toward the brand" (Yasin & Shamim, 2013). Switching costs is "the procedural of considering the time a customer spends, whereas the financial switching costs and the relational switching costs pertain to the monetary and emotional aspects for the customer" (Huang, and Hsieh, 2012). Expectations is defined as "anticipation of future consequences based on prior experience, current circumstances, or other sources of information" (Tryon, 1994, p. 313).

To consider the length of the questionnaire, the survey data was collected via intercept interviews in the malls, the department stores, or other convenient space. Intercept interview has the advantages of getting access to relevant participants and having opportunity to have a personal contact with the participants (He, Li, & Harris, 2012). Respondents were the customers of the brands (of cosmetics products) in Taiwan. Respondents were asked to identify a cosmetics brand that they most favorite. They were then interviewed with reference to one of the brands



that they have mentioned. Respondents were asked to express their real consumption experience with that specific brand.

#### 4. Results

The characteristics of respondents were gathered. The descriptive analysis of Study three is shown in Table 1. For the 353 valid respondents in Study 3, 277 were female (78.47%), and most of the respondents were aged between 18 and 25 years old (38.24%), followed by 26-35 years old (28.90%). More than 93% of the respondents had an educational background with a Bachelor degree or above. For monthly income, most of the respondents claimed to receive from NT\$ 500,000-1,000,000 of annual income (46.18%), followed by the group earning less than NT\$ 500,000 (25.21%).

Table 1 Demographic and Descriptive Information of Sample for This Research

Demographic Variables	Frequency(n=353)	%	
Gender	Male	76	21.53
	Female	277	78.47
Age	Less than 17 years old	20	5.67
	18 to 25 years old	135	38.24
	26 to 35 years old	102	28.90
	36 to 45 years old	52	14.73
	46 to 55 years old	24	6.80
	More than 55 years old	20	5.67
Education	High school or lower	23	6.52
	Bachelor degree	201	56.94
	Master degree	118	33.43
	Doctoral degree	11	3.12
Working Experience	No working experience	51	14.45
	Less than 3 years	132	37.39
	3 to 5 years' experience	91	25.78
	6 to 9 years' experience	45	12.75
	10 to 15 years' experience	20	5.67
	More than 16 years' experience	14	3.97
Current Career	Student	114	32.29
	Official	36	10.20
	Administration Staff	20	5.67
	Financial/Accounting	40	11.33
	Educational Service	13	3.68
	Medical Services	30	8.50
	R&D Technoloical	7	1.98
	Tourism and Leisure Industries	28	7.93



	Doing Own Business	14	3.97
	Unemployed	13	3.68
	Others	38	10.76
Annual Income(NT\$)	Less than 0.5 million	89	25.21
	0.5 million-1 million	163	46.18
	1.1 million-2 million	67	18.98
	2.1 million-3 million	22	6.23
	3.1 million-4 million	12	3.40

The empirical results of these hypotheses are shown in Table 2. The results indicated that brand equity has significant impact on brand preference ( $\beta=0.782$ ,  $t=26.760$ ), behavioral intention ( $\beta=0.724$ ,  $t=20.435$ ) and WOM ( $\beta=0.653$ ,  $t=16.565$ ). In addition, brand preference has significant influence on behavioral intention ( $\beta=0.636$ ,  $t=10.469$ ) and WOM ( $\beta=0.493$ ,  $t=5.508$ ), behavioral intention has significant influence on WOM ( $\beta=0.339$ ,  $t=4.679$ ). These results are in line with those of previous studies. Yasin and Shamim (2013) argued that brand trust, brand commitment, brand loyalty, brand satisfaction, and brand equity can enhance consumer's purchase intention and WOM communication. Dolatabadi, Kazemi, and Rad (2012) suggested that consumers having higher brand equity toward a brand tend to have higher brand preference, higher purchase interest, and higher purchase satisfaction. In addition, Chang and Liu (2009) stated that consumers with higher preference tend to have higher behavioral intention and WOM communication. Anwar et al., (2011) argued that behavioral intention will influence WOM.

Table 2: Results for Hypothesis Testing

Hypo.	Path	Standardize Estimate	t-value	p-value
H <sub>1</sub>	Brand Equity -> Behavioral Intention	0.724	20.435	***
H <sub>2</sub>	Brand Equity -> WOM	0.653	16.565	***
H <sub>3</sub>	Brand Equity -> Brand preference	0.782	26.760	***
H <sub>4</sub>	Brand preference -> Behavioral Intention	0.636	10.469	***
H <sub>5</sub>	Behavioral Intention -> WOM	0.339	4.679	***
H <sub>6</sub>	Brand preference -> WOM	0.493	5.508	***

To evaluate the moderating effects of relational moderators, this study used K-means method to cluster the respondents into 4 groups for each relational moderator. For example, in the case of using loyalty program participation (LP) as the moderator, the respondents were divided into 4 groups using LP and BE (brand equity) as the two categorizing variable. Therefore, the respondents were divided into the following 4 groups: (1) High BE/High LP, (2) High BE/Low LP, (3) Low BE/High LP, and (4) Low BE/Low LP. The ANOVA results, which used to compare the mean values of brand preference, behavioral intentions, and WOM,



indicated that respondents with longer loyalty program participation tended to perform higher brand preference ( $F=90.222$ ,  $p<0.000$ ), higher behavioral intention ( $F=64.619$ ,  $p<0.000$ ), and higher WOM ( $F=62.319$ ,  $p<0.000$ ) than those with shorter loyalty program participation.

Using the same categorizing method for other relational moderators, it could be concluded, that respondents with more product/brand knowledge tended to perform higher brand preference ( $F=96.520$ ,  $p<0.000$ ), higher behavioral intention ( $F=76.657$ ,  $p<0.000$ ), and higher WOM ( $F=63.570$ ,  $p<0.000$ ) than those with less product/brand knowledge. In addition, compared to those with shorter relationship age, respondents with longer relationship age tended to have higher brand preference ( $F=106.037$ ,  $p<0.000$ ), higher behavioral intention ( $F=81.319$ ,  $p<0.000$ ), higher WOM ( $F=64.944$ ,  $p<0.000$ ). Finally, compared to those with less shopping experience, respondents with more shopping experiences tended to have higher brand preference ( $F=178.013$ ,  $p<0.000$ ), higher behavioral intention ( $F=118.602$ ,  $p<0.000$ ), and higher WOM ( $F=90.304$ ,  $p<0.000$ ). However, the case of shopping experiences can only be applied to the groups which have relatively lower brand equity categories (i.e., less shopping experiences/ low brand equity and more shopping experience/low brand equity). The study's results suggested that in the groups of higher brand equity, all respondents showed only high previous shopping experiences, none of them belongs to high equity/less shopping experience. To evaluate the moderating effects of psychological moderators, this study used the same categorizing method with K-means cluster analysis to divide the respondents into 4 groups for each psychological moderator. For example, in the case of alternative attractiveness (AA), the respondents were divided into 4 groups using AA and BE (brand equity) as the clustering variables. Therefore, the respondents were divided into the following 4 groups: (1) High BE/High AA, (2) High BE/Low AA, (3) Low BE/High AA, and (4) Low BE/Low AA. The ANOVA's results to compare the mean values of brand preferences, behavioral intention, and WOM indicated that those who perceived lower alternative attractiveness tended to have higher brand preference ( $F=78.499$ ,  $p<0.000$ ), higher behavioral intention ( $F=47.913$ ,  $p<0.000$ ), and higher WOM ( $F=45.642$ ,  $p<0.000$ ), compared to those with higher alternative attractiveness. Also, respondents perceived with higher product involvement tended to perform higher brand preference ( $F=99.425$ ,  $p<0.000$ ), higher behavioral intention ( $F=65.259$ ,  $p<0.000$ ), and higher WOM ( $F=56.391$ ,  $p<0.000$ ). In addition, respondents perceived higher switching costs tended to perform higher brand preferences ( $F=99.660$ ,  $p<0.000$ ), higher behavioral intention ( $F=53.413$ ,  $p<0.000$ ), and higher WOM ( $F=53.559$ ,  $p<0.000$ ). Respondents having higher brand commitment tended to have higher brand preference ( $F=100.381$ ,  $p<0.000$ ), higher behavioral intention ( $F=60.864$ ,  $p<0.000$ ), and higher WOM ( $F=52.278$ ,  $p<0.000$ ). Furthermore, respondents perceived higher brand love tended to perform higher brand preference ( $F=92.133$ ,



$p < 0.000$ ), higher behavioral intention ( $F = 59.253$ ,  $p < 0.000$ ), higher WOM ( $F = 56.655$ ,  $p < 0.000$ ). Finally, respondents with higher expectation towards the brand tended to have higher brand preference ( $F = 93.280$ ,  $p < 0.000$ ), higher behavioral intention ( $F = 64.351$ ,  $p < 0.000$ ), and higher WOM ( $F = 45.613$ ,  $p < 0.000$ ).

## 5. Conclusions and Suggestions

The purpose of this study is to identify the antecedents, mediators, moderators and consequences of brand equity. Several conclusions could be drawn from the results of this work. First of all, the consequences of brand equity are obvious that higher brand trust, brand loyalty, and brand equity will result in higher brand performance, purchase intention, and word of mouth. The results are in line with previous studies (Yasin & Shamin, 2013; Dolatabadi et al., 2012; Moradi & Zarei, 2011), which suggested that as a result from trust and loyalty, brand equity can influence customer's evaluation toward the brand, brand preference, and behavior intention. Therefore, in the process of brand choice, consumers may have to be convinced through the promotion of brand trust, brand loyalty, and brand equity.

In additional, this study's results further suggested that both relational and psychological aspects of moderators have significant moderating effects on the influences of brand equity on brand preference, behavioral intention, and WOM. Specifically, respondents who perceived lower alternative attractiveness of a brand, higher product/brand involvement, higher switching costs, higher brand love, higher brand commitment, higher expectation, will result in higher brand preference, higher behavioral intention, and higher WOM. These results are in line with the previous studies. Yoshida and Gorden (2012) advocated the benefits of the combined effects of brand equity and different psychological moderators on promoting behavioral intention towards the brand. Sieders et al., (2005) proposed that consumer tended to allocate more time and efforts on the brand and show higher level of patronage or re-patronage intention. Vlachos et al., (2010) suggested that consumers who are emotionally attached (brand love and brand attachment) to a specific brand tended to be more committed to repurchase and to recommend it to others. Chen and Chang (2008) argued that under higher levels of switching costs, consumer tended to stay with the original brand rather than switching to a new brand. Lee, Ahn, and Kim (2008) contended that if the alternative attractiveness of another brand is less than the current brand consumers using, then consumers will not switch to another brand. Therefore, it is important for marketers to pay more attention to above psychological moderators to promote brand preferences, behavioral intention, and WOM.

Furthermore, respondents having higher levels of loyalty program participation, more product/brand knowledge, longer relationship age, and more previous shopping experiences tended to have higher levels of brand preference, behavioral intention, and WOM. These results are in line with those of previous studies. Specifically, Evanschitzky and Wunderlich (2006) found that consumer's participation in the loyalty programs tended to have a positive



moderating effect that would amplify the influence of consumer satisfaction on brand loyalty. When the levels of participation in the loyalty programs are high, consumers tended to perform higher behavioral intention to purchase or repurchase the same brand. Doh and Hwang (2009) argued that consumer's product-related knowledge tended to be an effective factor to evaluate higher brand equity, which can further impact on brand preference, behavioral intention, and WOM. Pizzutti and Fernandes (2010) argued that consumers previous' positive shopping experience and consumption tended to have positive influence on the levels of satisfaction with the complaint handling, trust, and loyalty towards the brand. Arnould and Price (2000) argued that relationship age (with certain brand community) will influence consumer's brand evaluation through the feeling of belongs and a commitment to the brand and community, and a shared faith with the community members and the firm itself.

Thirdly, brand with higher equity can promote brand preference, behavioral intention, and word of mouth. These results provide evidences that brand equity is a significant predictor of a positive consumer response (ie., brand preference, behavioral intention, and WOM). Therefore, marketers should try to strengthen brand equity as a primary strategy to improve firm's performance. Since consumer's response can result from positive brand equity, building brand equity becomes extremely important (Buil, Martínez, and De Chernatony, 2013). In addition, to build brand equity through the promotion of brand awareness, brand association, and brand image, marketers should initiate more activities from hedonic aspects to create higher experiential perception. Marketing should also focus on promoting brand personality, brand trust, and brand loyalty as the three mediators to increase brand equity.

Specifically, customers see WOM as a key source of information, and consider it as more persuasive than the commercial messages that are propagated in the mass media (Huang, Hsiao, and Chen 2012), one that is about to help forming and changing attitudes toward a brand (Huang and Chen 2006). It is thus important for marketers to adopt more effective forms of WOM communication to provide appropriate brand/product information to each consumer's segment (Park and Kim 2008). This study reviewed all important moderators of brand equity from the literatures and justified their applicability in the research model. This model should provide an important reference for practitioners to develop optimum branding strategy of the company. Specifically, for brand managers, the first important thing is to design an effective brand management (e.g., leverage brand equity) in order to increase brand value. It is important because a strong brand equity significantly enhances the positive evaluation of the brand and the repeated purchasing. Second, managers should have a better understanding about moderating variables which would benefit them, such as psychological and relational moderators. Furthermore, having a strong brand equity and a strong relationship with consumers, managers can increase the barriers to prevent consumers switching into competitors' brand





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