

Antecedents of Customer Base Brand Equity: Empirical Evidence from Beer Industry in Sri Lanka

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Abstract

Brand equity is strategically crucial element in the marketing programme in any organization. Even though it is strategic element of branding, it is difficult to measure. Previous researchers have made considerable attempt to develop constructs and tools to measure brand equity, but there is no universally accepted way to measure it. Most of the researchers have argued that antecedents and dimension of brand equity can be varied in different industries and different contexts. Therefore researchers have addressed this issue with considering antecedents of brand equity in the beer industry in Sri Lanka. The main objective of the study is to identify the most significant antecedents of brand equity in Sri Lankan beer market. Aaker's well-known brand equity model was used for developing conceptual framework. Survey method was used to gather primary data from 250 selected customers in age group 18 to 35 years by administering detailed questionnaire. Structural equation Modeling was employed to investigate the causal relationships among the four dimensions of brand equity and overall brand equity in respective industry. Reliability test was carried out and Cronbach's Alpha values of every question items were found that a good interring reliability exist with the data. The results indicated that brand association and brand loyalty has direct relationship with brand equity of Sri Lankan beer market and perceived quality and brand awareness has indirect relationship. Therefore this paper shows that brand managers and marketing planners of beer manufacturers should consider the relative importance of brand equity dimensions in their overall brand equity evaluation, and should concentrate their efforts primarily on building brand loyalty and image.

Keywords: Brand Equity, Beer Industry, Perceived quality, Brand awareness, Brand Association, Brand Loyalty