

# **The Impact of Word of Mouth Communication on Brand Equity: Reference to Wedding and Floral Industry in Kandy District**

**R. S. P. A. Senanayake<sup>1\*</sup>, J.D.T. Madhusanka<sup>2</sup> and S.B. Bastianpillai<sup>3</sup>**

*<sup>1, 2, 3</sup>Department of Business Management, Faculty of Management Studies, Rajarata University of Sri Lanka, Mihintale Sri Lanka*

\*Corresponding author: sandrabastianpillai98@gmail.com

## **Abstract**

The wedding and floral industry is one of the fastest developing industries in Sri Lanka. People nowadays want to seek services from event management companies while being responsive to the brand equity of those firms. Customers use interactive tools to express their thoughts and experiences. The study was supported by the previously observed application gap. Accordingly, the primary goal of this research is to determine the degree to which word of mouth affects brand equity in the Kandy District. The researchers conducted a systematic literature review focused on previous research scholars' empirical investigations, and the four dimensions of the independent variable were labelled as positive valence, negative valence, word of mouth content, and word of mouth intensity. The dimensions of brand equity were defined as brand recognition, brand association, brand loyalty, and perceived quality. The researchers circulated the questionnaires through digital platforms for the primary data collection, and 384 responses were received. The Morgan Chart was used to determine the sample size. The time horizon for this study was cross-sectional, and it was a deductive study. The reliability analysis was performed and Cronbach's alpha values were above the threshold level. In this study, descriptive and inferential statistics were evaluated. With the aid of the SPSS application, the hypotheses were tested using correlation and regression analysis. One of the four hypotheses was rejected. Based on the results of the multiple regression analysis, the word of mouth content has the greatest impact on brand equity. The researchers claim an application contribution of the study as marketers should pay close attention to both firm-created and user-generated content, which falls under the category of word of mouth. Since people want to trust what other people have said, advertisers may use testimonials as a marketing tool to gain a significant market share. The researchers propose analyzing the suitability of using celebrities in advertising contents under word of mouth contact to increase brand equity as a research avenue for future studies.

*Keywords:* Branding, brand equity, word of mouth