The Nature of Customer Evaluation on Brand Equity:

A Study of Imported Cars in Sri Lanka.

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ABSTRACT

Sri Lankan car market is filled with many car brands including Nissan, Toyota, Honda, Hundai, Mitsubishi, Jaguar, BMW, Audi, Volvo to low priced brands such as Maruti and Cherry etc. Furthermore, existing car market is broadly consisted with registered as well as unregistered brands. Nevertheless, evidences shows that in consumer decision making environment with respect to the car market, brands play predominant role. Accordingly, brand equity has been identified as the main influential factor on evaluating the brands and making the purchase decision. Accordingly, limited studies have been undertaken to study the evaluation of brand equity of imported cars in Sri Lankan consumer point of view though it plays decisive role in consumer purchasing decision. Therefore this study attempted to evaluate the brand equity that customer attributed to imported cars in Sri Lankan environment.

Accordingly, customer based brad equity of imported car was assessed by deploying tested questionnaire assessing sub-dimensions of brand equity namely brand loyalty, brand awareness, perceived quality and brand association. Questionnaire was distributed among 215 car users selecting them randomly. Data collected was analyzed with the help of SPSS 19 version and Principle Component Analysis was deployed to verify the dimensions proposed in the literature. Factors retained were regressed by applying multiple regression analysis to test the brand equity. Results revealed that, significant contribution of perceived quality, brand association on assessing the customer based brand equity in Sri Lanka. Furthermore, brand loyalty and brand awareness are also found to be significant variables on evaluating brand equity of imported cars in Sri Lanka. Hence, researcher concludes that in order to increase the brand equity in car market in Sri Lanka, importers need to communicate the perceived quality and brand association. These findings will help managers to plan and implement communication campaigns and other marketing related decisions.

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