Identification and Ranking of Effective Factors on Customers Brand Selection (Shahrvand Chain Stores)

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Abstract: This paper is regarded as an applied research in terms of objective and a descriptive survey research in terms of data collection. To collect data, a questionnaire with closed questions rated by 5-item Likert scale from very high to very low, was applied. Data has been analyzed by using SPSS software. Place territory of this paper is all Shahrvand chain stores in Tehran. Time territory is the end of the fiscal year 2012. The statistical universe comprises all customers of Shahrvand stores in the last week of 12th month of fiscal year 2012 nearly estimated as 86.000 persons. Through using Morgan table, sample number was estimated 384. To increase accuracy of the gathered data and validity of the findings, the researcher-made test contains 24 closed-ended questions whose formal and content validity have been approved by experts. The test reliability was obtained 0.91 by calculating Cronbach's alpha coefficient. To gain the results of sample appropriateness tests (Bartlett Test), Pearson correlation coefficient, factor analysis based on VPLS software, and Friedman ranking test have been applied. The main result of this paper indicates that there is a direct significant relation between customer brand selection and independent variables including brand equity brand awareness, brand association, perceived quality, and brand loyalty. Also these variables are ranked as brand equity, brand loyalty, brand awareness, brand association, and perceived quality.
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1. Introduction

Many experts believe that raising the post-modernism approach in the marketing has created a great revolution in this area particularly in brand management field. Through the lens of post-modernism, product (brand) selection is no longer a simple phenomenon in the form of purchasing a product or service. From this perspective, Products selection is deemed as displaying internal reflections, identity, creativity, and even art (ZIMA, L.A., 2013). In one of the most significant studies titled as "a study on the effects of brand exposure on the brand selection", two general concepts namely, memory-based choices and stimulus-based choices have been considered. Stimulus-based factors are external factors in the form of brand formal attributes; while in the memory-based concept, a particular brand is selected based on data retrieval from the customer memory (Jevons, C., et al., 2013). A brand is born by tangible and intangible values of a product. The products that only consider supply of needs are ignored among other products; whereas any actual advantage can attract consumers because brands are indeed values that make a conscious relation with consumers and target groups (Zai, H., et al., 2013). If consumer evaluation places a brand in the high levels in terms of both function and representation, the brand has the best state in the consumer mind. In this state, it is necessary to carry out research for identifying life style and determining the framework of marketing mix (Dinu, G., et al., 2012). When some

resources are allocated to the development of the brand, executive managers must know which attribute of the brand guides customer behavior and finally influences the company production. In fact for brand success, the organization infrastructure must support its mission. Since brand value has been comprised of multiple factors, the experts believe that all companies need to invest in research. They must know that where are gaps and opportunities before anything else (Shubin Aleksandr, A., et al., 2012). Now that brand is advancing continuously, we must measure effectiveness, search interpretations, offer new goods and services, and accompany it with marketing strategy. Creating a successful brand is commenced by products design. However this is not merely confined to product function, but it also depends upon its face (Jeffrey, T.L., et al., 2012).

This paper seeks to identify and rank effective factors on customer brand selection in the defined statistical universe through using fuzzy analytic hierarchy process and offer a proper model for this role of these factors.

2. Literature Review
2.1 Theoretical Bases
Brand equity: it refers to the value that is added to the product by a brand. In general, brand equity is the consumer perception of all advantages of a brand compared to other competing brands (Gil, R., et al., 2007).

Brand awareness: the buyer ability to recognize or remember a brand in a specific product class (Aaker, D.A., 1991).

Brand association: Aaker defines brand association as a relation in the memory with a brand. Also association of a brand is considered as a part of brand image (Aaker, D. A., 1991).

Perceived quality: the consumer judgment about product superiority (Zeithaml, V., 1988).

Brand loyalty: reputable brands enjoy consumer privilege and this means that customers show loyalty to it. A considerable number of customers will request this brand even if the substitute product is supplied in the market with a lower price (Katler, F., et al., 2005).

2.2 Research Background

(Shahzad, Kh. et. al, 2013), this study intends to determine all those factors which affect the youth's brand choice for purchase of mobile phones. Data of the study was collected from the private university students of City University and Sarhad University, Peshawar. The study uses a self-administered questionnaire, which was distributed randomly among 110 students, to measure their brand choice criteria. The responses were measured by using descriptive statistics, regression and coefficient analysis. The findings of the study show that Quality, brand image and recommendations by family and friends are the key variables that influence the brand choice of youths for mobile handset purchase in Peshawar Pakistan. (Foxall, G.R. et. al, 2013), he paper reports an investigation of variations in demand elasticity for foods that indicates that brand attributes (conceived as the functional and symbolic benefits provided to consumers) contribute differentially to demand elasticity. Using panel data for 1500+ consumers purchasing 4 food products over 52weeks, the study examines how factors other than price affect demand elasticity for brands. Contrary to and in addition to Ehrenberg and England (1990) findings, price elasticity for products and brands emerge as extensively dynamic. In addition, the functional and symbolic characteristics of brands relate to these exhibited patterns of elasticity. The paper also discusses reasons for the discrepancy between these results and those reported by Ehrenberg and England (1990). (Allenby, G.M. et. al, 2010), they develop a no homothetic choice model to accommodate effects of advertising, professional recommendation, and other factors that facilitate the description and management of trade-up. This model allows advertising to affect the relative superiority or inferiority of products and allows for a wide variety of trade-up patterns beyond those obtained from a standard random utility formulation of the log it model. This no homothetic model allows for advertising to affect more than just brand intercepts (perceived quality), but also the rate at which consumers are willing to trade up to higher-quality brands. (Rutz, O.J. et. al, 2011), they present a dynamic factor-analytic choice model to capture evolution of brand positions in latent attribute space. This dynamic model allows researchers to investigate brand positioning in new categories or mature categories affected by structural change such as entry. They demonstrate the robustness of our model with data that simulate a variety of dynamic scenarios, including stationary behavior.

3. Research Methodology

This paper is regarded as an applied research in terms of objective and a descriptive survey research in terms of data collection. To collect data, a questionnaire with closed questions rated by 5-item Likert scale from very high to very low, was used. Data has been analyzed by SPSS software. Place territory of this paper is all Shahrvand chain stores in Tehran. Time territory is the end of fiscal year 2012.

3.1 Statistical Universe, Sample and Sampling Method

The statistical universe comprises all buyers of Shahrvand stores in the last week of 12th month of fiscal year 2012 nearly estimated as 86.000 persons. Through using Morgan table, sample number (up to 100.000) was estimated 384. To ensure return of answer sheets, 390 questionnaires were sent to the respondents who were selected randomly. 369 answer sheets were returned.

3.2 Research Validity and Reliability

To increase accuracy of the collected data and validity of the findings, the researcher-made test contains 24 closed-ended questions with five choices whose formal and content validity were approved by experts. The test reliability was obtained 0.91 by calculating Cronbach's alpha coefficient.

3.3 Research Hypotheses
- There is a significant relation between brand equity and customer brand selection.
- There is a significant relation between brand awareness and customer brand selection.
- There is a significant relation between brand association and customer brand selection.
- There is a significant relation between perceived quality and customer brand selection.
- There is a significant relation between brand loyalty and customer brand selection.

3.4 Research Conceptual Model

In this paper, brand selection is the dependent variable, and brand equity, brand awareness, brand association, perceived quality, and brand loyalty are determined as independent variables. Figure 1 depicts the research conceptual model.
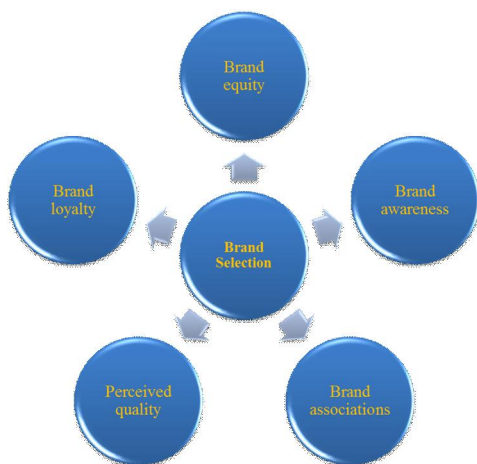

Figure 1. Conceptual Model

4. Research Findings

4.1 Sample Number Appropriateness Test (Bartlett Test)

To determine the number of sample selected for measuring appropriateness of the main universe, Chi-square test has been applied. Table 2 presents the results.

Table 1. Selected sample number test

KMO	Chi – Square	Degree of Freedom	Sig
0.811	2.819	399	0.000

KMO index (0.811) indicates appropriateness of the sample number

4.2 Pearson Correlation Coefficient Test

Table 2 presents the results of Pearson correlation coefficient indicating that all variables have a direct significant relation with customer brand selection which is approved by 99% confidence.

Table 2. The results of Pearson correlation coefficients

	Correlation Coefficient	Sig	Test Result
Brand Equity	0.158695	0.001	Direct significant relation
Brand Awareness	0.088511	0.003	Direct significant relation
Brand Association	0.126509	0.002	Direct significant relation
Perceived Quality	0.097899	0.000	Direct significant relation
Brand Loyalty	0.127403	0.000	Direct significant relation

1. Brand equity correlation coefficient and significance equals 0.158695 and 0.001, respectively.
2. Brand awareness correlation coefficient and significance equals 0.088511 and 0.003, respectively.
3. Brand association correlation coefficient and significance equals 0.1265509 and 0.002, respectively.
4. Perceived quality correlation coefficient and significance equals 0.097899 and 0.000, respectively.
5. Brand loyalty correlation coefficient and significance equals 0.127403 and 0.000, respectively.

4.3 Factor Analysis Method based on VPLS Software

Here, factor analysis method based on VPLS structural equations method is used to analyze more important coefficients and factors, estimate coefficients of independent variables, and determine the effect of independent variables on each other. Below diagram demonstrates output of VPLS software containing variables coefficients and significance (figure 2).

By using structural equations method calculations, figure 2 depicts coefficient of determination (R= 0.896) which indicates that dependent variable changes (brand selection) are explained by subordinate hypotheses (brand equity, brand awareness, brand association, perceived quality, brand loyalty) with an approximation of 90%. Table 3 presents the effectiveness coefficient of each independent variable on the dependent variable and t-statistic to assess variables significance.
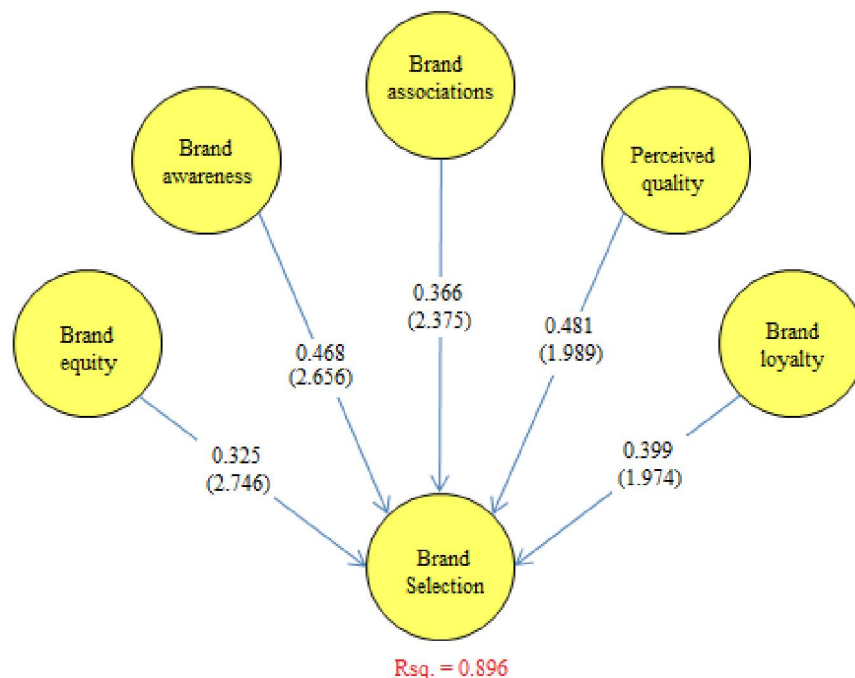
Figure 2. The relation between independent and dependent variables (VPLS)

Table 3. Model coefficients estimation

Urban Index	Model Coefficients	t- student	Result
Brand equity → customer brand selection	0.325	2.746	Direct significant relation
Brand awareness → customer brand selection	0.468	2.656	Direct significant relation
Brand association → customer brand selection	0.366	2.375	Direct significant relation
Perceived quality → customer brand selection	0.481	1.989	Direct significant relation
Brand loyalty → customer brand selection	0.399	1.974	Direct significant relation

Value of t-student of each model coefficient is higher than confidence level 95% (1.96), so one can conclude that the research hypotheses are approved.
1. By one unit increase in brand equity, customer brand selection is increased by 0.325.
2. By one unit increase in brand awareness, customer brand selection is increased by 0.468.
3. By one unit increase in brand association, customer brand selection is increased by 0.366.
4. By one unit increase in perceived quality, customer brand selection is increased by 0.481.
5. By one unit increase in brand loyalty, customer brand selection is increased by 0.399.

4.4 Prioritization of Sustainable Development Obstacles by Freidman Test

To study prioritization of sustainable development obstacles, Freidman non-parametric variance analysis is used. Table 3 presents the results.

Table 3. Freidman ranking test results

Sustainable Development Obstacles	Rank Mean	Rank
Brand equity	4.70	1
Brand awareness	4.28	3
Brand association	3.23	4
Perceived quality	3.12	5
Brand loyalty	4.65	2

5. Conclusions

The research results and the relation of customer brand selection with factors effective on brand selection (brand equity, brand awareness, brand association, perceived quality, and brand loyalty) in this paper are consistent with prior studies (Abdolhamid, A., et al., 2008), (Samiei Nasr, M., et al., 2011), (Salar, J., et al., 2013), (Safar, R., et al., 2007) in terms of implementation methods (statistics – mathematics). The main result of this paper indicates that customer brand selection has a direct significant relation with independent variables

namely brand equity, brand awareness, brand association, perceived quality, and brand loyalty. Also these factors are ranked as brand equity, brand loyalty, brand awareness, brand association, and perceived quality.

- Suggestions
- ✓ Supplying products based on brand equity in the stores and not supplying products lacking brand and customer recognition.
- ✓ Obtaining the reports of marketing costs and activities in brand loyalty area by product suppliers in Shahrvand stores.
- ✓ Marketing measurements in the field of brand awareness and brand association of the products supplied in Shahrvand stores to determine the level of products brand awareness and report to the suppliers to rank companies in Shahrvand chain stores for granting communal facilities.
- ✓ Evaluating performance of the suppliers by Shahrvand chain stores in terms of the quality of supplied products for ranking suppliers in the stores and reporting the results to the supplier to improve or maintain the quality level.
- ✓ Creating continuous interactions in marketing and overlapping joint activities in sales to build the win-win culture between Shahrvand chain stores and suppliers.

- Suggestions for Future Research
- ✓ Studying this model in other organizations related to brand and customer and comparing it with the results of other studies.
- ✓ Studying the effect of other variables on customer brand selection.
- ✓ Studying this model in other statistical universes considering cultural differences due to such effective variables as family.

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