A STUDY ON THE EFFECT OF EQUITY DRIVERS ON CONSUMER BASED BRAND EQUITY IN CASE OF "AGROBAZAAR KEDAI RAKYAT"

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ABSTRACT

This research was conducted in order to study the equity drivers that give impact on Consumer-Based Brand Equity in case of "Agrobazaar Kedai Rakyat" that operated under Federal Agricultural Marketing Authority (FAMA). The main purpose of this study is to find the relationship between equity drivers and Consumer-Based Brand Equity. The independent variable in this study is equity drivers which consist of Service Level, Product Quality, Price and Layout. Meanwhile, the dependent variable for this study is Consumer-Based Brand Equity.

The objective of this study is to identify the relationship between the equity drivers and the Consumer-Based Brand Equity in case of "Agrobazaar Kedai Rakyat". The second objective is to determine which equity drivers is the most dominant to the Consumer-Based Brand Equity in case of "Agrobazaar Kedai Rakyat". In order to determine the relationship between the variables, Pearson's Correlation was conducted. Meanwhile, in order to determine the most dominant equity drivers, Multiple Regression was conducted.

The questionnaires were distributed to the respondents in Muar area. This study had found that there were positive relationships between all equity drivers that are service level, product quality, price and layout with Consumer-Based Brand Equity of "Agrobazaar Kedai Rakyat" and the most dominant equity driver is layout. it can be conclude that there is relationship between equity drivers and Consumer-Based Brand Equity.

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CHAPTER 1: INTRODUCTION

1.1. Background of Study

The study of brand equity in research study is increasingly popular now and then. This is because some researchers have concluded that brands are one of the most valuable assets that a company has. According to Cobb-Walgren et al. (1995), high brand equity levels will lead to higher consumer preferences and purchase intentions. Moreover, it is also leads to higher stock returns. Other than that, high brand equity brings an opportunity for successful extensions, resilience against competitors' promotional pressures and creation of barriers to competitive entry (Farquhar, 1989).

As we know, brand equity refers to a terms that describe a value premium that a company generates from a product with a recognizable name that are being compared to a generic equivalent. A company can create brand equity for their products using certain ways that is by making them easy to recognize, and high in quality and also reliability. Moreover, altogether memory-based relations to specific trade name are important for brand equity which is based on consumers and establishes in the consumers mentality.

Normally, the current retail environment was more promotion-driven. So, consumers can easily compare prices which had led to retailers' competitive promotional programs. In retailer case, they tend to care for customers price