

## THE EFFECT OF BRAND EQUITY ON CONSUMER PURCHASE

## INTENTION : A STUDY OF SMEs FROZEN FOOD PRODUCT IN KOTA BHARU

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#### "In the name of Allah the Almighty, the Merciful, and the Beneficent"

Glory to Allah S.W.T, Most Gracious, the Most Merciful, and peace upon his messenger Holy Prophet Muhammad S.A.W. All the worship belongs to only Allah. I seek refuge to Allah from the wickedness within and from the evil deeds. I also praised to Allah S.W.T for giving me courage, time, strength, and knowledge to complete this project paper

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#### 1.0 INTRODUCTION

In this chapter, it will discuss about background of the study, and background of the company, which will provide a general idea about the scope of study. This chapter also discovers the identified research problem and clearly defines the objectives of the study. Next, it will continue with the explanation of the importance of the study. This is followed by the limitations of study and finally it will focus on definitions of the terms.

#### 1.1 BACKGROUND OF THE STUDY

Brand is an important factor that influences consumer purchase decision rather than inspecting the products. The success of marketing activities means the success of brand product. Building a good brand can develop positive attitudes toward the product and encourage more loyal customers to the brand. According to Abdul et al. (2013), they defined brand as "a name, term, design, symbol or any other features that identifies the seller's good or services as distinct from those of other sellers". Brand not just a name of the product but brand also represents the technique by which the quality or the products differentiate.

Recent research showed that there are benefits of strong brand to both consumers and firm alike. Supported by Kayaman and Arasli (2007), they stated that for consumer, strong brand reduce the perceived risk and search costs, enhance the likelihood of future consumption and can strengthen social identify. Besides that, Strong supported by Brady et al. (2008), mentioned that using strength of a brand, organizations can charge a premium price for their products, have the ability to gain market share, can maintain customer loyalty, offer success brand extension opportunities and can influence their consumers to spread positive word of mouth. Consumers are constantly meeting the brand through advertising, sponsorship, point of purchase material, supermarket shelves and others. Consumer's communication will bring them close to brand and enhance quality status of brand. Brand is an important tool to build, maintain and obtain strategy advantage to create more valuable assets for company.

Brand can be measured by using brand equity concept, through a set of unique element. Furthermore, brand equity is one of the measurements of management achievement in terms of growth, financial and customer perspective. The concept refers to the basic idea that product is value to consumer, equity comes from perception of existing or potential customer either direct or indirect influencing by effective branded product marketing mix element.

According to Tim et al. (2001), brand equity definition is a set of associations and behaviors on the part of a brand's consumers, channel members and Parent Corporation that enables a brand to earn greater volume or greater margins that it could without the brand name .Brand equity can be viewed from two perspectives in the literature. According to Nebojsa (2013), firstly brand equity can be viewed from financial perspective of brand equity measurement. This focuses on estimation technique extracting the value of brand equity from the value of the firm other assets. The second perspective is based on the customer – based brand equity that focuses on five brand equity dimensions which are brand awareness, brand association, brand loyalty, perceived quality, and other proprietary brand using direct and indirect approach to measuring customer based equity.

The indirect approach used to identify the effectiveness of marketing communication and the success of brand is by measuring brand awareness, the characteristic and the relationship among brand association. According to Keller and Lehman (2005), indirect approach focuses on consumer response to different element of the firm's

### SECTION A: DEMOGRAPHIC SEGMENTATION (BAHAGIAN A: SEGMENTASI DEMOGRAFI)

### Please thick (/) the following answers Sila tanda(/) pada jawapan yang disediakan

1. Gender / Jantina Male / Lelaki

Male / Lelaki	
Felmale / Perempuan	

- 2. Age / Umur
  - 19 29 years old/tahun
  - 30 39 years old /tahun 40 – 49 years old/tahun

  - 50 years old above/ 50 tahun ke atas

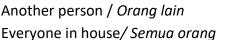
3. Education level / Kelayakan Akademik?

SPM or below/ atau ke bawah STPM /STAM/ Diploma /Matriklulasi Bachelor Degree/Ijazah Sarjana Muda Master / Ijazah Sarjana Phd / Doktor Falsafah

5. How many people live in your household? / Berapakah orang dalam isi rumah anda? Only me / Anda seorang sahaja 2 people/ 2 orang 3 people / 3 orang 4 people above / 4 orang ke atas



7. Who is generally responsible in your household buying the frozen food? / Siapakah yang selalunya membeli makanan sejuk beku di rumah anda Me / Saya Another person / Orang lain



- 4. Marital Status / Status Perkahwinan ? Married / Berkahwin Single / Belum Berkahwin Divorced / Bercerai
- 6. In what range is your family approximate maximum monthly - net household income? / Berapakah anggaran nilai keseluruhan pendapatan rumah anda? Below than / Kurang dari RM 750 RM 750 - RM 1500 RM 1500 - RM 2500 RM 2500 - RM4000 RM 4000 and more /dan ke atas

8. How often do you buy the frozen food? / Berapakah kekerapan anda membeli makanan sejuk beku 1-2 times in a week / 1-2 kali seminggu

2-3 times in a month / 2-3 sebulan Once in a month / Sekali sebulan

