

e-ISSN: 2805-4741

http://iiecons.usim.edu.my

IMPACT OF BRAND EQUITY ON LAPTOP PURCHASE INTENTION AMONG PUBLIC UNIVERSITY STUDENT

Mohamad Irfan Mohamad Sabri^{1,a}, Muhamad Azrin Nazri^{1,b*}

¹Faculty of Economics and Muamalat, Universiti Sains Islam Malaysia (USIM)

amohd.irfan@raudah.usim.edu.my bmuhdazrin@usim.edu.my

*Corresponding Author: <u>muhdazrin@usim.edu.my</u>

Abstract: The laptop industry is showing a growing trend in Malaysia and there are various laptop brands in the market. The impact of brand equity has greatly influenced the behavior of students in public universities toward the purchase intention of laptops. However, there is still a lack of thorough research that has been conducted to examine the brand equity and purchase intention of laptops among students of public universities in Malaysia. Thus, this study aims to investigate the relationship between the brand equity dimension which is brand awareness, brand association, perceived quality, and brand loyalty toward purchase intention of laptops among public university students by applying the Theory of Action (TRA). The results show that perceived quality and brand loyalty is significant. Meanwhile, brand awareness and brand association are insignificant. The study concludes with the discussion of research limitations and recommendation for the industry and future research.

Keywords: Brand Equity, Brand Awareness, Perceived Quality, Brand Loyalty, Purchase Intention.

1. Introduction

For business organisations to succeed in the competitive business environment, effective tools for attracting, keeping, and growing consumers with strong brand equity are critically needed. Companies can build brand equity by providing customers with positive interactions that encourage loyalty rather than causing them to switch to rivals who provide similar products. For example, the brand equity strategy is one of the most crucial marketing tactics that can be employed to boost smartphone sales (Al Koliby & Rahman, 2018). The industry revolution 4.0 have given a big impact on the technology industry that involved the education sector in Malaysia. Demand for technology especially for laptops has increased in our country because many users such as public university students used laptops for daily usage. According to Department of Statistics Malaysia, the percentage of Malaysians who are 15 years old and older who use computers increased from 80.0 percent in 2020 to 83.5 percent in 2021 (Department of Statistics Malaysia, 2022). However, there is still a severe lack of thorough research that has been discovered to examine the brand equity and purchase intention of laptops among students in public universities (Gautam & Shrestha, 2018). Thus, the research theory that has been chosen for this research is the Theory of Resource Action (TRA) because it helps

the researcher in making a decision about what drives consumers to make purchases. The following Table 1 shows research questions and objectives of the study.

Table 1. Research Question and Objective

Research question	Research objective			
Is there any significant influence from brand	To examine the relationship between brand			
awareness toward purchasing intention	awareness towards purchasing intention			
Is there any significant influence from brand	To examine the relationship between brand			
association toward purchasing intention	association towards purchasing intention			
Is there any significant influence of	To examine the relationship between			
perceived value on purchasing intention	perceived value toward purchasing intention			
Is there any significant influence of brand	To examine the relationship between brand			
loyalty toward purchasing intention	loyalty towards purchasing intention			

2. Literature Review

2.1 Purchase intention

Generally, the concept of purchase intention is regarded as a predictor of purchase. "Purchase intention represents the likelihood that an individual will purchase a particular product based on the interaction between customer needs, attitude and perception towards the product or brand" (Beneke et al., 2016). The research from earlier studies for instance, Ibrahim, Kassim, & Mohamood (2013), has demonstrated a significant relationship between brand awareness, price, product features, and peer influence on consumers' purchase intentions. As a result, the purchase intention served as the research's outcome for the dependent variable.

2.2 Brand awareness

The ability of consumers to recognise and remember a brand is known as brand awareness (Aaker, 1991). Effective marketing communication programmes are used by marketers to connect with customers as they look for information and increase their awareness of potential purchase opportunities (Keller, 1993). Therefore, it is hypothesized that:

H1: Brand awareness positively affects the purchase intention

2.3 Brand association

According to Aaker (1991) brand image as "a set of brand associations, typically in some meaningful way," and a brand association is a memories association with a particular brand that can be anything. Likewise, the brand association assists firms in differentiating and positioning their products as well as creating positive attitudes and beliefs towards the brands (Hal Dean, 2004) that lead to purchase intention. Therefore, it is hypothesized that:

H2: Brand association positively affects purchase intention.

2.4 Perceived quality

Perceived quality refers to the consumer's perception of the overall quality or superiority of a product or service with respect to its intended purpose (Zeithaml, 1988). Additionally, a brand's competitive advantage, consumer preferences, and profitability are all enhanced by high perceived quality (Yoo et al, 2000). This perception may influence customer' purchase intention. Therefore, it is hypothesized that:

H3: Perceived quality positively affects purchase intention.

2.5 Brand loyalty

Brand loyalty is the attitudes of consumers toward a brand preference of a product (Deighton et al., 1994). High brand loyalty increases market share, which is a crucial factor for businesses to grow their market share (Singh, Ehrenberg & Goodhard, 2008). Thus, customers who are loyal to a brand also buy more frequently, making them great assets for businesses because they bring in and attract other customers who are also loyal to the brand. Therefore, it is hypothesized that:

H4: Brand loyalty positively affects purchase intention.

3. Methodology

The purpose of this research was to measure the relationship impact of brand equity on the purchase intention of laptops among public university students. Method for this research is using quantitative methods by distributing online questionnaires. The target population of this study is the student in the public university who purchased various brands of laptops in the market. The non-probability convenience sampling method were used. The measurement items were adapted and adopted from past studies.

4. Findings and Analysis

The total respondent who answered the survey is about 171. After filtering the data, they were five respondents who are not fit with the aim of this study. Therefore, the total remaining respondent for this study is 166. This research shows 54.8% of total respondents are males and 45.2% are females. The 79.5% of the total respondent is in the range of 18-25 years old, and 15.7% of respondents in range of 26-30 years old. Meanwhile, the total respondent of age 31-35, 36-40, and above 40 are 3.6%, 0.6%, and 0.6%. The majority of the respondent is USIM student about 56%, and the remaining respondent are from other public universities.

Based on the skewness and kurtosis, the result shows they are within the range (± 3) . Therefore, it indicates that the data is normally distributed and the value for skewness and kurtosis for this research is acceptable (Kline, 1998). This research uses Cronbach's alpha to measure the reliability. All five of the variables which are purchase intention, brand awareness, brand association, perceived quality, and brand loyalty had reliability higher than 0.7 which were considered acceptable (Nunnally, 1978).

Table 2. Hypothesis Result

Coefficients ^a							
		Unstandardized		Standardized			
		Coefficients		Coefficients			
Mode	1	В	Std. Error	Beta	t	Sig.	
1	(Constant)	035	.255		138	.890	
	BA	.101	.082	.088	1.234	.219	
	BASS	.189	.106	.173	1.782	.077	
	PQ	.313	.121	.247	2.589	.011	
	BL	.391	.091	.365	4.278	.000	

The results of the coefficient Table 2 show that H3 and H4 were accepted. In other word, perceived quality and brand loyalty influence purchase intention.

5. Research Limitation and Future Recommendations of The Study

This study has several limitations. One of them are the research was conducted through cross sectional study and the data were taken as snapshot of a particular of public university student at a given point in time. Other limitation is the generalization of the results is limited and cannot generalised to other population of all consumers in the laptop industry. For further research, the data of this research could be collected by using longitudinal study. By using longitudinal study, this research may indicate different result over longer period of time rather than taking data snapshot. In addition, the sample size for the research could be larger in future. This study also can be applied to other context and not only limited to public university in Malaysia. Moreover, other variable can also be added in this research to offer different results.

6. Conclusion

The objective of the research was done to measure the impact of brand equity factors on purchase intention of laptops among public university in Malaysia. From the findings, it is revealed that perceived quality and brand loyalty affecting the purchase intention of laptops among public university. However, brand awareness and brand association were revealed insignificantly influence the purchase intention. In conclusion, with the increasingly intense competition in the laptop industry, consumer's behaviour, preference, and needs must be identified and understood to design a laptop that will constantly satisfy consumers.

References

Al Koliby, I. S., & Rahman, M. A. (2018). Influence Dimensions of Brand Equity on Purchase Intention Toward Smartphone in Malaysia.

Aaker, D. (1991). Managing Brand Equity. Free Pass (Vol. 56). New York: Innova.

Beneke, J., de Sousa, S., Mbuyu, M., & Wickham, B. (2016). The effect of negative online customer reviews on brand equity and purchase intention of consumer electronics in South Africa. The International Review of Retail, Distribution and Consumer Research, 26(2), 171–201.

- Department of Statistics Malaysia Official Portal. (2022). Dosm.gov.my. https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=395&bul_id=bCs4
 https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=395&bul_id=bCs4
 https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=395&bul_id=bCs4
 https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=395&bul_id=bCs4
 https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=395&bul_id=bCs4
 https://www.dosm.gov.my/v2/index.php?r=column/cthemeByCat&cat=395&bul_id=bCs4
 https://www.dosm.gov.my/v2/index.php?r=column/cthemeByCat&cat=395&bul_id=bCs4
 https://www.dosm.gov.my/v2/index.php?r=column/cthemeByCat&cat=395&bul_id=bCs4
 https://www.dosm.gov.my/v2/index.php?r=column/cthemeByCat&cat=395&bul_id=bCs4
 https://www.dosm.gov.my/v2/index.php?r=column/cthemeByCat&cat=395&bul_id=bCs4
 https://www.dosm.gov.my/v2/index.php?r=column/cthemeByCat&cat=395&bul_id=bcs4
 <a href="https://www.dosm.gov.my/v2/index.php?r=column/cthemeByCat&cat=395&bul_id=bcs4
 <a href="http
- Deighton, J., Henderson, C. M., & Neslin, S. A. (1994). The effects of advertising on brand switching and repeat purchasing. *Journal of marketing research*, 28-43
- Hal Dean, D. (2004). Evaluating potential brand associations through conjoint analysis and market simulation. *Journal of product & brand management*, 13(7), 506-513.
- Ibrahim, I. I., Subari, K. A., Kassim, K. M., & Mohamood, S. K. B. (2013). Antecedent stirring purchase intention of Smartphone among adolescents in Perlis. *International Journal of Academic Research in Business and Social Sciences*, 3(12), 84.
- Keller, K. L. (1993), Conceptualizing, Mea-suring and Managing Customer-Based Brand Equity. *Journal of Marketing*, 57(1) 1-22.
- Kline, R. B. (1998). Structural equation modeling. New York: Guilford.
- Nunnally, J. (1978), *Psychometric Theory*, McGraw Hill, New York, NY.
- Singh, J., Ehrenberg, A., & Goodhardt, G. (2008). Measuring customer loyalty to product variants. *International Journal of Market Research*, 50(4), 513-532.
- Yoo, B., Donthu, N. and Lee, S. (2000), "An examination of selected marketing mix elements and brand equity", *Journal of the Academy of Marketing Science*, Vol. 28 No. 2, pp. 195-211.
- Zeithaml, V.A., 1998. Consumer perceptions of price, quality, and value: a means-end model and synthesis of evidence. J. Mark. 52 (3), 2–22.