

Investigating the Effect of Brand Authenticity on the Importance of Brand and the Desire to Buy (Case Study: ADIDAS Brand)

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Abstract

The intention to buy is one of the stages of buying decision for the consumer. Part of this behavior is the type of brand perception. The purpose of this research was to investigate the effect of Brand Authenticity on brand importance from the perspective of consumers and eventually its intention to purchase a product. The focus of this study is Adidas brand customers in 2017 in Tehran. The research method in this applied research is descriptive-correlational. The main tool for collecting data is a valid questionnaire. Validity of the questionnaire was evaluated using experts' opinions and its reliability was assessed using Cronbach's alpha test. In order to investigate the research hypotheses, the path analysis method has been used using structural equation technique and Amos software. The results show that customer perception of brand origin has a positive and significant impact on different dimensions of brand value (brand awareness, brand image and perceived quality). The analysis of structural equations shows the fit and proper fit of the research pattern. The results emphasize that the custodians of the research community (Adidas brand customers) must focus on the brand's prominence and reputation in their advertising channels in order to increase their intent to buy customers and increase their brand importance.

Keywords

Brand Originality, Brand Equity, Perceived Quality, Customer Loyalty, Purchase Intention

1. Introduction

In today's competitive world, most scholars believe that brand forms an important part of a business and assets of a company, and many businesses are interested in learning how to make a successful brand [1]. A brand, to a product or service, adds dimensions to distinguish that product or service from others. These distinctions can have a rational, tangible or even intangible function [2]. The brand tells organizations how they should develop or manage this position in general, the marketplace and the stakeholders in the organization, and in general the brand is a mirror of the organization's activities with the community. Creating a brand plays a special role in service companies, because strong brands increase the

customer's trust in invisible purchases.

In recent years, research has been developed to identify the factors affecting customer satisfaction and loyalty. In most cases, customer loyalty is critical to the success of business organizations.

Because it's usually more attractive to attract new customers than keep existing customers. Studies by many authors have been suggested to maintain loyal customers as a competitive asset. Many marketing researchers emphasize the vital role of intermediaries between customer and vendor in effective customer satisfaction, creating brand-oriented attitudes, and enhancing the link between customers and brands. Customer loyalty is considered the key to commercial success. Loyal customers are so concerned that with a 5% increase in customer loyalty, the profit rises from

25 to 85, which is said to be the cost of loyalty.

The purpose of this study was to determine the effect of "customer perception of Brand Authenticity" on "brand equity" and "willingness to buy" in the studied population. Therefore, in the current study, the researcher has sought to answer how the ADIDAS brand authenticity perception affects the brand equity and the customers' intention to buy?

2. Literature Review

Brand is an intangible asset of a product or service that includes many parameters such as name, term, symbols, signs, logo, design, customer and consumer history, market survival, authenticity (not being a carbon copy), and having sustainable trust and credit among the customers [3]. The American Marketing Association have defined the brand as a name, term, symbol, design, or a combination of them, aimed at identifying the products or services of a vendor or a group of vendors to customers, as well as distinguishing their products from other competitors [4]. In fact, the brand adds dimensions to a product or service in order to distinguish it from others. These distinctions can have rational, tangible or even impalpable functions [2]. One of the requirements for establishment of a stable brand is understanding each of the factors in formation of brand equity [1], whose objective is the ultimate demand or added value a product creates through the brand [5]. The Brand equity is defined as a collection of five categories of assets and obligations associated with a trade name, the name and symbol of which adds or devalues the value of a product or service provided to a company or its customer [6]. Keller states that (2003) the brand equity is "the different effect of brand recognition on the consumer's response to the marketing of that brand".

According to the Lasar, Mital & Sharma, the trademark equity has been tested financially [7], and from the viewpoint of the consumer [8] and [9]. In other words, the financial concept discusses in terms of the brand value to the company, and the customer-oriented concept is the brand value to the customer, which is the result of marketing decision-making [10]. The brand equity is the increase in perceived desirability and satisfaction conveyed to a product by a brand [11]. The high brand equity is considered as a competitive advantage, since the company can set higher prices for its products, based on it [12].

On the other hand, the proper perception of the brand by the customers also has a positive and direct effect on their intention to purchase [13]. The buying intention is an attitudinal variable for measurement of the customer's future association with the brand and therefore, the prediction of the customer's upcoming behavior is vital for the company in that it should be carefully estimated [14]. In fact, the buying intention is an appropriate concept for prediction of the real buying behavior [15].

Also, it is a combination of consumer's interest and possibility to buy a product [10]. Buying intention refers to the consumer's willingness to purchase a particular brand, in the normal course of the future, and to resist its change [16],

as the increase in the intention to purchase means the rise in purchase possibility [17]. The researchers are able to use the intention to purchase as an important index for estimation of the customer's behavior [18].

On the other hand, one of the areas of interest of the brand managers, and the sports brands in particular, is the creation of meanings in the minds of the consumer through the establishment of identity and authenticity for the brand. Indeed, authenticity is a key component of branding and the core of creating a successful brand is to understand how to create and develop a brand identity and originality [19]. The authenticity of the brand provides a framework for brand's total integrity through which the limits of the positioning can be determined, its instrumentation can be legalized, and the individuality and durability can be assured. The concept of authenticity reminds us that a brand cannot accept all kinds of positioning.

A brand may have the capacity to accept anything at the time of its initiation, but the time and symbols that it accepts mean a territory, and therefore give it boundaries to that domain [2]. The credibility of a brand, according to Sweiny and Swite, is formed in the course of many years of activity and communication with customers and satisfying and fulfilling what was promised to customers, as well as providing services and goods of superior quality, or least desirable for customers, resulting from the company's ability and expertise. This authenticity and authenticity can also be created over time through the company's customer-replicated cross-relations. If the trust in the company is eliminated, the brand will also disappear quickly [20].

In terms of the relation between the brand's authenticity and marketing, it can be said that today's marketing view is the focus on the customer and his behaviors, and therefore, the companies and organizations should always be sensitive about it. On the other hand, studying the practical history in this regard, indicates that they are scarce and sporadic in our country, and no extensive and exclusive studies can be found in this regard. Ranjbarian et al (2012), concluded in their study that the perceived quality affects the perceived as well as the customers' satisfaction and his intention to re-buy [21].

In addition, the perceived value affects the customer's satisfaction and his intention to re-buy. Shirkhodaei et al (2013) reported that the brand equity has a positive and direct effect on the customer's intention to buy [13]. Tabatabaei et al (2013) conducted a study aimed at investigation and interpretation of the factors effective on the brand equity and the individual-oriented dimensions of the model of consumer psychology from the brand on the intention to purchase a generalized item. They concluded that the brand's equity factors and the individual-oriented dimensions of the model of consumer psychology from the brand have a positive and significant relationship with the intention to purchase a generalized item [20].

The results of Senthilnathan & Tharmi's (2012) and Nigam & Kushik (2011) study, titled "investigation of the relationship between the brand equity and intention to buy", indicate that there is a strong relationship between the dimensions of the brand equity (brand recognition, brand loyalty, brand association, and the perceived brand quality) and the intention

to buy the product, as the perceived brand quality had the highest score, and the brand association had the lowest score [22] and [23]. Roozi et al (2013) concluded that among the components of brand equity, the brand loyalty has the maximum effect on the intention to buy [24]. Shirzadi & Ghuchani (2015), investigating the effect of the brand authenticity on the brand trust, concluded that there is positive and significant relationship between the brand authenticity and brand trust [25]. Liu et al (2015), in their study, dealt with the investigation of authenticity perception in China market, and concluded that the Chinese customers do not measure the products based on the perceived binary relationship between the authentic and non-authentic products [26].

Also, the results of this study suggest the authenticity measurement by Chinese customers is done in hierarchical and relational manner and not on authentic and unique basis. However, regarding the importance of the variables such as the brand authenticity, brand value, and the intention to

purchase, no studies have been conducted on sports brands.

In branding research, Clare (1993) and Chaudhuri (1995) have used two different perspectives (client and financial) to interpret brand equity. Customer-based prospects value brand equity as a general assessment of individual responsiveness to a brand [27]. From the financial perspective, brand equity is defined as a financial value created by brands [19]. From a customer-based perspective, Aker (1991) defines brand equity as a set of assets (and responsibilities) associated with the brand name and symbol that delivers the value to the product or service broker adds to the company or its customers [6]. He initially categorized brand equity into five dimensions: brand awareness, brand connectivity, perceived quality, brand loyalty, and other brand assets (such as patent, trademark and branch affiliation), While the latter dimension is usually not considered in marketing research [6].

In the following, the conceptual model of research is shown in Figure 1.

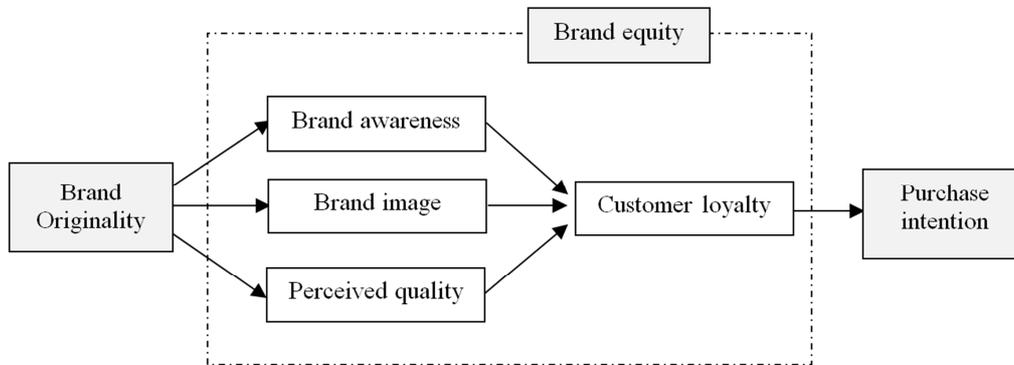


Figure 1. The Conceptual model.

3. Methodology

The current study is of applied type in terms of the objective, and correlation type in terms of the method. Also, regarding the data collection procedures, it is of research-descriptive type which deals with description of the specifications of the samples and generalizing these features to the statistical population. The statistical population includes all the people using ADIDAS brand for their sports clothes, whose number is unknown due to the lack of enough information about the customers of this brand. Therefore, for determination of the sample size, the Cochran's sample size formula was used, and in a pilot study, 384 persons were chosen and the sample. The Aaker Brand Equity Questionnaire (2010) and Cadier Brand Authenticity Questionnaire (2010) were used as the measurement tools. The validity of the measurement tools was confirmed by using the construct validity and confirmatory factor analysis, and its reliability was confirmed by Cronbach's alpha test.

4. Findings

The results obtained from the descriptive data showed that 48% of the samples were male and 37% of them were female. The highest frequency of the education level was

31% for Diploma, and 29% for Bachelor degree. 13% of the samples were younger than 25 years old and 27% were between 26 and 35 years old. The highest income belonged to 2 to 3 million Tomans with 39% and the lowest income belonged to less than 1 million Tomans with 4%. 32% of the samples came to the shop for buying between 3 to 4 times a year, and 8% of them came to the shop between 7 to 8 times, yearly.

Table 1. Descriptive findings of the study.

The statistics	F	P
Gender	Male	48%
	Female	37%
	No answer	15%
Education	Diploma and lower	31%
	Associate	18%
	Bachelor	29%
	Masters and above	11%
	No answer	11%
Age	Less than 25 years old	13%
	26 to 35 years old	27%
	36 to 45 years old	22%
	Above 45 years old	24%
	No answer	14%
Income	Less than 1 million	4%
	1 to 2 millions	20%
	2 to 3 millions	39%
	More than 3 millions	16%

The statistics	F	P
No answer	83	21%
1 to 2 times	34	9%
3 to 4 times	124	32%
Purchasing in one year	105	27%
5 to 6 times	32	8%
7 to 8 times	65	17%
9 to 10 times	28	7%
More than 10 times		

F: Frequency
P: Percentage

According to the results of the path coefficient analysis, it was determined that the significance level for the variables was less than 0.05 and the CR level was higher than 1.96. Therefore, it can be concluded that the effect is significant. The numbers in the estimation and standard estimation columns reports the effectiveness level. The positive amount of this value indicates the positivity and directness of the effect.

Table 2. The results of path analysis of the research variables.

Independent variable	Dependent variable	Estimation	Standard estimation	Standard error	C.R.	Significance level	Result
Brand authenticity perception	Brand recognition	0/731	0/698	0/069	10/661	0/000	approved
Brand authenticity perception	Brand image	0/872	0/707	0/080	10/873	0/000	approved
Brand authenticity perception	Perceived quality	0/550	0/570	0/063	8/896	0/000	approved
Brand recognition	Brand loyalty	0/302	0/255	0/059	5/077	0/000	approved
Brand image	Brand loyalty	0/251	0/250	0/051	4/955	0/000	approved
Perceived quality	Brand loyalty	0/671	0/522	0/071	9/446	0/000	approved
Brand loyalty	Buying intention	0/903	0/793	0/050	17/931	0/000	approved

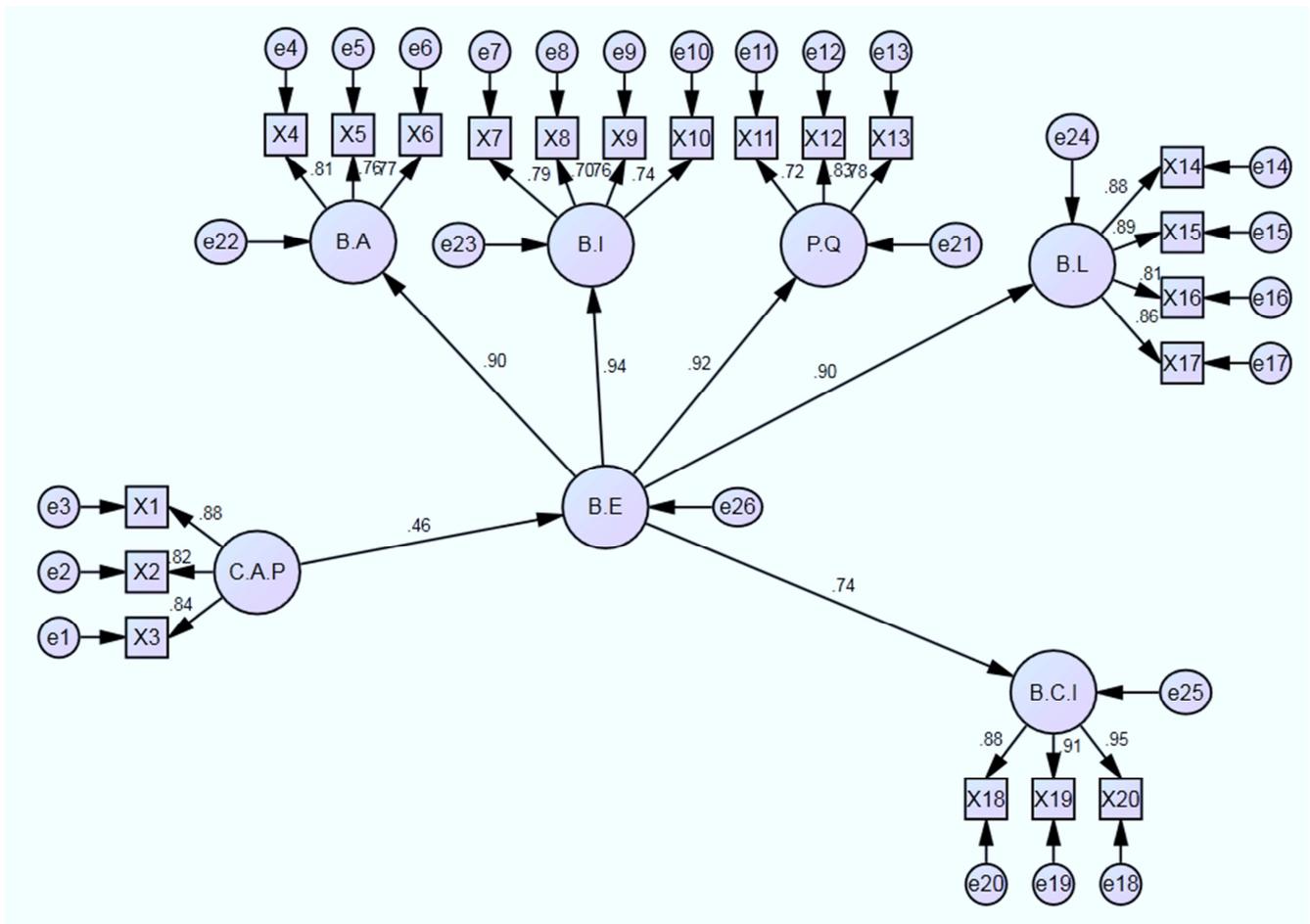


Figure 2. The research model.

The Chi-square to degree of freedom ratio is called the relative Chi-square, and is considered to be a good indicator for judging the model and supporting data. The values 1 to 5 are interpreted appropriate for this index and the values close to 2 to 3 are interpreted as very good. Schumacher and

Lumex deem the values 1 to 5, Karmines and Mc Iver deem values 2 to 3, Olman in 2001 deems the values 1 to 2, and Clyne (2005) deems the values 1 to 3 as acceptable. In the table above, the value of 965/3 is reported and indicates the acceptable status for the model. The NFI value or the

Benthaler-Bonnet standardized fitness index is 0.906 which, according to the standard value of 0.9, that is the optimal limit of this index, this model is approved and has a good fitness. The amount of RFI or relative fitness index is obtained as 0.885 which, according to the standard value of 0.90, refers to the undesirable fitness of the model. The IFI value or the increasing fitness index is 0.928 which, according to the standard value of 0.90, refers to the optimal fitness of the model with reference to this index. The value of TLI or Tucker-Lewis fitness index is 0.912, which according

to the standard value of 0.90, refers to the optimal fitness of the model with reference to this index. The CFI value or the comparative fitness index is 0.928 which, according to the standard value of 0.90, refers to the optimal fitness of the model with reference to this index. In order to improve the RFI index, the software proposed corrections which led to the creation of a covariance relationship between some variables, which, due to the lack of compliance with theoretical framework, were not applicable and thus, were not applied to the model.

Table 3. Results of Structural Equation Model fitness indices.

Index type	Persian equivalent	Standard level	Developed model	Result
CMIN/DF	Relative Chi-square	5 >	3/965	Optimal
NFI	Bontler-Bonnet Normalized Index Index	> 0/90	0/906	Optimal
RFI	Relative fitness index	> 0/90	0/885	Non-optimal
IFI	Increasing fitness index	> 0/90	0/928	Optimal
TLI	Tucker-Lewis fitness index	> 0/90	0/912	Optimal
CFI	Comparative fitness index	> 0/90	0/928	Optimal

5. Conclusion

The results of the study with the approach of the structural equation model show that perception of the Brand authenticity has a positive and direct effect on brand equity and the customers' intention to buy Adidas brand. The results of this study are in line with the results of previous studies.

Accordingly, the focus on the content and the basis of the variable theory of "brand perception" and the efforts to facilitate a better understanding of the product brand to customers can be the most important and key factor in achieving the desire to buy in customers.

Since the today's marketing approach is customer-based, the identification of brand identity and authenticity has important applications and results for managers. The main message of this view is that companies should have a better perception of the impact of their brand on the mind of the customer. Another message is that companies have to decide when they need to change their brand strategy and how to do it when confronted with the needs of consumers. Also, this change in the strategic decisions and company's brand strategy, is consistent with the brand identity, authenticity and firmness of the company.

In fact, Adidas brand authenticity provides a framework for the overall integrity of the brand, through which a special value is created in the minds of the customer. In fact, the brand equity is the ultimate value or added value that a product produces due to its authenticity and name it creates. Regarding the Adidas' brand, it can be argued that the brand not only affects customers, but also it affects all groups in the distribution channel, all of which will be effective in choosing and enhancing customer buying intention.

An increase in buying intention means increasing the likelihood of buying. Adidas brand consumer intention is not only formed by the brand's attitude, but also by a set of rival brands. The purchase intention is influenced by the opinions of others as well as unpredictable factors. Unpredictable

factors may change their intention right at the time the client wants to take action. However, preference and even buying intention do not always lead to the real choices and purchases. These factors may lead to buying behavior, but may not have the result. Adidas brand dealers are therefore recommended to advertise this brand in various advertising channels which are focused on the authenticity of this brand.

It is also necessary to develop mechanisms that enable employees to communicate effectively with their customers, and as a critical part, the effective customer relationship workshops should always be held to develop effective communication with customers. Additionally, to create an image distinct from competitors, as well as brand image optimization, advertisements that incorporate Adidas's premium features (quality) should be used.

Also, the results showed that the satisfaction with the behavior of the staff of the branded stores in relation to customers was moderate. In this regard, it is necessary to develop mechanisms that enable employees to communicate more effectively with customers and to play an important role in the sales process. In this regard, it is necessary to establish client relationship courses for employees in order to communicate effectively with customers. Also, attention should be paid to the implementation of customer relationship standards in various proposed subsidiaries for developing customer relationships.

In addition, surveys have shown that customer satisfaction is not appropriate when it comes to answering services. In this area, it is suggested that this time be reduced to a minimum by equipping the headquarters and providing adequate resources.

In sum, the main weakness of the research community is due to inadequate understanding of the target market. By focusing more on targeted marketing studies and better understanding of customers (recognizing needs, classifying customers, and their tastes) and trying to better introduce products, this can be a source of brand introduction to customers. By developing brand perceptions, this brings the

brand's value and importance to its customers, and ultimately the tendency to buy them.

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