

RELATIONSHIP BETWEEN BRAND EQUITY AND CONSUMER PURCHASE DECISION: A CASE OF AN INTERNATIONAL BRAND OF FOOTWEAR

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ABSTRACT

Footwear has immense effects on the fashion industry and goes beyond fashion to cater to other functions such as sports, office, urban streets and technical outdoor. The objective of the study is to discover the relationship between brand equity and consumer purchase decision in an international brand of footwear. There are four elements in the brand equity model which are brand awareness, perceived quality, brand association, and brand loyalty. A total of 384 young adults participated in this study. In order to test the hypotheses, correlation coefficient was applied to identify the relationship between brand equity elements and consumer purchase decision in an international brand of footwear. The results suggest a noteworthy relationship between brand equity and purchase decision and the most significant determinant of brand equity is perceived quality. Hence, sustainable brand equity is significantly associated with consumer purchase decision in an international brand of footwear.

Keywords: Brand equity; footwear; international brand; purchase decision

INTRODUCTION

Consumers are provided with a huge variety of footwear in the industry and have difficulties in making purchase decisions. According to American Orthopedic Foot and Ankle Society (AOFAS) (2016), the best designed shoes in the world will not do their job if they do not fit properly and it will cause foot problems. Therefore, they need to rely on heuristics in their choices although they are not aware of the heuristics behind their decision-making. Hence, branding is the most powerful mental shortcut available to the consumer (Leighton & Bird, 2014). It is significant to study about "why we buy it". Brands play a prominent role towards consumer purchase decision in this scenario.

According to the report of Packaged Facts (2009), between 2004 to 2008, the global footwear market grew at a compound annual growth rate of six percent. This was due to the largely increased sales in the emerging economies of Latin America and Asia. About eighty percent of authentic and athletic footwear as well as active sportswear in the market are branded (Tong & Hawley, 2009). Newberry (2008) revealed that Nike, Adidas and Reebok are the three global sportswear brands that have thirty-three percent of the global active sportswear and athletic footwear market in 2007. He also posited that the volume of branded footwear is expected to grow and reach approximately 15 billion pairs by 2010 (Newberry, 2008). The Tourism Minister of Malaysia, Datuk Seri Dr Ng Yen Yen (2009-2013) said that the local footwear manufacturing industry has reached a staggering RM1 billion in sales by 2012.