

# The relationship between brand association and brand equity in the brand relationship management

Jin Wang

Faculty of Business Management in Guangzhou Hua Xia Technical College, China

## Abstract

In this article, the paper used the different perspective of scholars studying to demonstrate these two factors of relationship that it can be produced a brand awareness to improve customers' cognition. Based upon this view, the paper introduced a special conceptual relationship between brand equity and brand association as two varies significant factors how to interactive to improve a brand quality in the field of brand management. However, the majority of existing literatures respectively target brand equity or brand association itself function at the research filed of brand management. It is worthy of point out that these two factors should be combined with to exploring the brand influences. For an important reason is that these two factors are interactive and thus assist in providing the developing platform of the brand relationship. As a result, analyzing the relationship between brand equity and brand association is very necessary.

**Key words:** Brand management, brand marketing, brand equity, brand association

## INTRODUCTION

Brand as a kind of influence factor, which has been become a communicational channel to arouse customers' recognition. This is because the each item of a brand represents an influence dynamic to simulated customers' evaluation. In the brand management of file, the most existing branding studying respectively explores the functions of brand culture, brand equity and brand association, etc. Some researchers considered that "the heart and soul of the brand" (Asker, 1996, p.3.; Till et al, 2011, P.92) as the significant element within brand association. For this reason is because customer's psychological cognition produces the evaluation standard of a brand image. In the studying aspect of the brand equity, brand equity equals band value, represents the brand of market efficiency in the marketplace. Some scholars considered that the item of brand equity can produce or stimulate consumers' buying awareness, such as brand name and product of functions, instead of those related brand information.

From the above these points of view, this studying clearly reviewed brand equity of concept at the first section. The previously studying shows that customers memory produced the brand image to improve the range

of the brand attributes. It needs to be pointed out that brand association of item can be built a potential relationship between brand equity and brand association. In order to exploring the influenceness of brand association, some brand scholars found out that brand attribute and consumers' memory are able to improve and enhance the effectiveness of brand equity within the research file of brand management (Uggla, 2004).

Thus, brand association of concept will be evidently illustrated at the second part; this is in order to exploring the relationship between brand equity and brand association.

It is worth mentioning that the entity of brand equity and the functional association directly affect the development of the brand relationship. As a result, the paper clearly analyzes and expounds why the element of brand entity and the role of the functional associations are able to build a linkage of brand relationship between customers and the brand. Interestingly, it is not only one way for brand managers to create or maintain the brand relationship between the brand and customers but a number of different tactics can be approached. This is because the service element has been applied in the

concept of the brand equity in order to improve the brand managerial effectiveness.

### **What brand equity is?**

In the areas of brand management, brand equity has become a very important concept that helps brand practitioners to improve the effectiveness of brand in the marketplace. The concept of brand equity represents not only the implication of added-value, but also becomes the guideline for brand management in the marketplace. Raggio and Leone (2007) concluded that brand equity is a desire of perception to attract customers' purchasing intention. It is worth mentioning that Lenoe, et al (2006) pointed out that brand equity produced brand loyalty, brand awareness and brand association, and these elements directly increase customers' brand knowledge, drive customers' purchasing behaviour. Thus, brand equity can become a moderator to guide a brand in marketing activities to contact their customers.

Several researchers clearly expounded the implication of brand equity. From the managerial perspective, Wood (2000) stated that the concept of brand equity is the managerial foundation of a brand relationship between brand and the customer. In this case, brand managers through application of the features of brand equity to create the form of a consumer-oriented approach so as to improve or enhance a brand and its awareness with their customers or potential buyers in the marketplace. In the process of consumer-oriented management, the feature of the brand equity produces the situation of desire, as it is a pattern of a promise of benefit to stimulate customers' attitude and cognition (Raggio & Leone, 2007).

It needs to be pointed out that some academics illustrated that the brand equity not only covers the measurement of the tangible brand value, but also drives the identification of some intangible brand assets, such as the value of proprietary technologies, the capability of the cooperators and the size of market share (Ambler, 2007; Simon & Sullivan, 1993; Kim, & Kim, 2005). Simon and Sullivan (1993) stated that a firm's brand equity usually adopts their financial perspective to measure the effectiveness of brand value in the marketplace. For instance, whether the proprietary technologies of the company enhance the level of the brand value in the marketplace, and whether the size of the market share drives the increase of the brand value in the marketplace.

Hence, brand equity included a financial concept. Based upon these points of view, brand equity is a moderator, which manages and regulates a brand development in the marketplace. However, some academics illustrated that the brand equity not only covers the measurement of the tangible brand value, but also drives the identification of some intangible brand assets, such as the value of proprietary technologies, the capability of the cooperators and the size of market share (Ambler, 2007; Simon and Sullivan, 1993; Kim and Kim, 2005).

### **What is brand association?**

Brand association results from customers' memory toward a brand image. Keller (1993) clearly stated that brand association includes attributes, benefit and brand attitude, and that these three elements help customers have different responses toward a brand image.

Interestingly, Biel (1992) reported that brand association as brand image can be segmented into commercial image, goods image and user image. And each of these brand images can be separated into functional attributes and emotional attributes. In this case, Krishnan (1996) considered that "brand association can be used as a general term to represent a link between two nodes, which suggest brand association in customers mind" (Chen, 2001, p.440). Here it's evident that Chen (2001) clearly identified an accurate brand association model which makes brand maintainers easy to use the element of brand association to improve the brand relationship between the brand and customers. In this model, brand association is divided into product association and organisational association. Each of these two sub-association segments used different perspectives to develop brand image in the marketplace.

It needs to be pointed out that brand association is the key factor which drives the development of brand relationship, because brand association produces customers' brand loyalty and the effectiveness of the brand-word of mouth (BWOM). These elements will assist the establishment of the brand relationship between the brand and customers. Aaker (1992) clearly illustrated that brand association resulting from the customers' feelings and cognitions toward a brand. Fournier (2011) stated that in the managerial process of brand relationship, the maintainer of brand relationship should attempt to gain customers' feelings as well as their thoughts about the brand, and these factors will become important drivers to help brand practitioners to develop a good brand relationship with their customers. Thus, it can be seen that brand association is the platform of a brand relationship development, which guides brand maintainers how to use the sources of brand equity to develop the brand relationship between the brand and customers.

### **The relationship between brand association and brand equity**

From the perspective of brand relationship management, the characteristics of the brand equity and brand association are two very important elements, which help brand practitioners to develop the brand relationship with their customers. Brand equity is a brand of the external and internal performance (activities), which changes and increases customers' psychological cognition toward a brand images. Thus Till, et al, (2011) summarized that the elements of the brand equity produces the differential

effects of the brand knowledge to guide customers' cognition. As a result, Leone, et al (2011) clearly illustrated that brand association belongs to the part of brand equity, because "strong, favourable and unique brand association are essential as sources of brand equity to drive customer behaviour" (Leone et al, 2011. P.126).

Interestingly, Mayer (2003) considered that brand association is not only an individual brand theory, but it also has the measurable feature to test the effectiveness of brand equity in the marketplace. This is because customer's feelings become the measurable standard of an intangible value toward a brand. Several brand scholars support this by pointing out that the factors of buyers' benefit that has become a tangible measurable standard, such as the element of brand price and the element of brand packing, etc ( Keller, 1993; Mayer, 2003; Brodie and Glynn, 2006).

As discussed in this section, brand association is a part of brand equity, which provides the foundation of brand equity development. Also, the roles of the brand association have the measurable characteristic to identify the effectiveness of brand equity in the marketplace. This is because customers' feelings and cognitive capacity produce their brand association toward the performance of the brand equity in the marketplace. As a result, the relationship between brand association and brand equity are interacted, which helps brand maintainers to improve the brand relationship between the brand and customers.

### **The role of brand equity and the functional association in the brand relationship management**

The entity of brand equity will drive customers to have the product's functional association so as to improve customer's attention toward a positive brand image. Brand entity is a kind of form that drives or improves customers' cognition and behaviours in the marketplace, (Brodie and Glynn, 2010) support this by indicating that the entity of the brand, as a method, can influence customers' behaviour, such as the brand name and symbol. This is because brand name and symbol are the tangible factors (effects) of brand equity and always evoke customer's potential brand cognitions. Stuart and Muzellec (2004) discovered that brand name and logo have an intangible power to affect the abilities of the customers' evaluation as brand name, logo is a promise, and in this case, the customers' initial evaluation toward a brand usually is based on the brand name and brand logo as well as a brand slogan.

As mentioned above, it is evident that the entity of brand equity produces the notions of brand loyalty and image to customers. From the perspective of brand loyalty, it is very important in the brand relationship management, because the concept of brand loyalty produces an important role to affect buyers' purchasing decision (Keller, 1993). For example, brand recognition

improves the level of customers' brand loyalty, because brand recognition produces the form of the word of mouth to influence customers' cognition (Keller, 1993; Pitta & Katsanis, 1995). Thus, this helps fill the gap of brand relationship between the brand and the customers. From the perspective of brand image, the brand image can improve customers' attitude. Richard et al (1995) concluded that brand image drives the favourable or unfavourable situation to affect customers' attitude. Similarly, Pitta and Katsanis (1995) illustrated that a brand's performance produces brand image to affect customers' attitude, such as price and quality. The brand image is an important part in the concept of the brand equity, because the brand image affects customers' purchasing behaviour (brand loyalty). As a result, it can be seen that the entity of brand evokes the customer's psychological cognition to drive the brand relationship development. Therefore, the role of brand association combines with the entity of brand equity and thus creates a link between the brand and customers.

### **The role of the service-based brand equity and the NPR-association within the brand relationship management**

The roles of the non-product-related (NPR) element assist the establishment of the brand relationship between the brand and customers as well, because "how a customer thinks that product or service is or has and what is involved with the its purchasing or consumptions" (Keller, 1993, P.4). Also, the external aspects of the product and service will affect customers' evaluations in the marketplace (Keller, 1993; Chen, 2001). From the perspectives of this analysis, the role of the service-based brand equity drives customers toward a positive brand association so as to improve the level of the brand relationship. As a result, the concept of the service becomes an important factor, which is used in the brand relationship management. This is because the concept of the service integrated all brand equity sources in order to build or maintain a great brand image for customers. Brodie and Glynn, (2010) illustrated that the service-based brand equity does not reflect on how to increase the implication of the service value to companies. The more significant implication is that this concept provides promises to customers and enhances the brand image. It needs to be pointed out that the attributes of the usage imagery of brand association is the precondition of brand relationship development. Walter and Ritter (2003) claimed that the function of firms service network do not only increase the service quality in the marketplace. The important implication is that this form increases the awareness of customer's purchase value, and indirectly improves the relationship between the brand and customers. As a result, Reid, et al, (2005) stated that the communicational implication is in order to maintain the relationship between the brand and customers, through

the use of communicational form to influence customer' perception toward a brand.

### **Brand attitude and brand equity within the brand relationship management**

Customers who have a good brand attitude will assist the establishment of the brand relationship between the brand and customers, because the implication of brand attitude affects customers brand choice. Brand maintainers produce the process of brand association, they should emphasise on how to increase customers' attitude as it is very necessary.

In terms of brand attitude, the concept of value is a key element which influences the development of brand relationship. Morgan and Hunt (1994) illustrated that the concept of the value represents buyers' purchasing attitude and a product of positive assessment so as to drive customers willing to pay or do. This is because brand equity is a range of marketing activities (Brodie and Glynn, 2010), which produces the concept of brand value to attract customer's purchase desire. In the managerial process of brand equity, the element of the brand name represents brand commitment. In this context, the commitment becomes a key condition which drives marketers to enhance the brand relationship between brands and customers. Because, the role of commitment can help brand maintainers to create an enduring desire to attract customer's purchase intention (Zaltman and Deshpande, 1992).

Similarly, the element of brand equity also produces the concept of the trust to increase customers' loyalty. In the process of the brand attitudinal maintenance, the concept of the trust results from a series of brand promotional activities. In this context, "trust is defined as a willingness to rely on an exchange partner in whom one has confidence" (Moorman et al, 1993, P.82). Based upon this perspective, the role of trust produces the attitude of trustworthiness for customers who believe in brand sales behaviour. Therefore, some brand scholars have analyzed that brand equity and how it can be identified by the resources of intangible assets to influence or change the attitude of customer value. (Ambler, 1997; Kim and Kim, 2005; Raggio, and Leone, 2007; Brodie and Glynn, 2010 ).

### **The value of brand equity and the element of the benefit in the brand relationship management**

In the concept of brand association, the concept of the benefits are "the personal value consumers attach to the product or service attributes that is what consumer think the product can do for them" (Keller, 1993, p.4). Similarly, in the process of brand maintenance, the notion of benefits equal customer's purchase value. Krishnan (1996) stated that the value preconditions of brand equity usually come from customers' perspective of how customers

think about brand performance, such as brand price and brand service in the marketplace. Hence, it can be seen that the concept of value is "the cornerstone of business market management because of the predominant role that functionality or performance plays in business markets." (Walter et al, 2001, p.366). At the same time, several marketing scholars also illustrated that the concept of the value is the developing soul of the relationship, this is because the value is a key 'supporter' and 'provider', which assists a business organisational maintainers to enhance or improve the effectiveness of the relationship development in the marketplace (Morgan and Hunt, 1994; Ulaga and Eggert, 2006; Wilson and Jantrania 1994). For this reason is that the customers' loyalty or satisfaction produces the cognition of the buyers-perceived value (Ravald and Grönroos, 1996). Thus, the customer psychological evaluation will affect the establishment of the brand relationship.

It is worth mentioning that the method of the brand alliance also integrates the value of brand equity to change or improve a customer cognitive capacity toward a positive brand image. In the aspect of the experiential benefits, Keller (1993) considered that the sources of the brand equity enrich customers' brand knowledge that influences customers' attentions and behaviour. At the same time, Brodie and Glynn, (2010) analyzed that brand equity as a vehicle represent the value of everything associated with marketing activities (p.391). According to this point of view, Wilson and Jantrania (1994) indicated that firms share the sources of the value with their partners in order to enhance the competitive power in the marketplace; in this context, they not only improve the business' cooperative relationship to create the relational value, but this method also ultimately maintains the brand relationship between the brand and the end-customers. Walter and Ritter (2003) clearly illustrated that the brand value of the cooperative pattern can produce a positive brand awareness and image for customers, this is due to customers' needs being satisfied. Based upon these points of view, it can be summarized that the cognition of customer value comes from firms offering the benefit of the correct value-providing which produces customers brand association.

As a result, it can be seen that the value of brand equity combined with the element of benefit creates and increases the customer psychological cognitions, which builds the precondition of the brand relationship between the brand and customers.

### **Brand equity and brand association are the strategic core of the brand relationship development**

Brand equity provides the strategic platform of the brand relationship development and the brand association creates the developing opportunity of the brand relationship. In the marketplace, brand equity provides the different elements to help brand maintainers, which

establishes the various method of the brand strategy to enhance the brand effectiveness for customers. Based upon this context, the different characteristics of several brand equity were clearly defined by Brodie and Glynn (2011). The characteristics of these different brand equities, the elements of each brand equities create the foundations of the brand development. Interestingly, brand scholars also discovered that the concept of the brand association is the developing guidelines of a brand relationship. This is because brand association comes from customers' different brand associative cognition or memory as an evaluation of standard to assess the performance of the brand equity in the marketplace. Thus, "Asker (1996) pointed out that brand association is the heart and soul of the brand" (Till, et al, 2011. P.92). Based upon these reviews, it can be seen that brand equity and brand association are being interactive so as to maintain the establishment of the brand relationship between the brand and customers.

Till et al (2011) clearly illustrated that the brand association of three factors are based on the brand equity to influence customers' association. From the perspective of the strength, any marketing activities can influence customers' positive or negative evaluation toward a brand name or image. In the process of the brand relationship maintenance, some brand promotional methods are based on the element of the brand equity to produce the strength of buyers' associations. Researchers discovered that a series of brand promotional activities generate the desire of customers' involvement so as to drive the development of the brand relationship (Fournier, 2011; Grewal, et al, 1998). In the concept of the brand association, the aspect of the favourability combines with the element of brand equity also improves the connection of the brand relationship between the brand and customers. This is because the performances of some brand equities drive customers' positive or negative feeling toward a brand. Grewal, et al, (1998) illustrated that the relationship between brand name and brand price discount influence customers' evaluation, and indirectly change the strength of customers' association toward a store name. As a result, brand academics suggested when brand maintainers build a link in brand relationship, brand practitioners should be concerned about how the brand equity is able to improve the customers' favourable emotion towards the brand (Fournier, 2011; Till et al, 2011). Therefore, it can be seen that marketing activities or messages increase customers association, and creates the linkage of the brand relationship between customers and the brand.

### **Brand equity and brand association enhance the influence of the brand relationship**

In the process of brand relationship management, in order to enhance the brand influence that some brand maintainers have used the brand associative uniqueness,

which creates the relevant brand positional strategies, reduce the gap of the brand relationship between the brand and customers (Till, et al, 2011., Fournier, 2011). This is because customers' associative effects result from the presentations of the product's different feature, and these presentations evoke customers' imagines, such as the implication of the brand name or the characteristics of products. Therefore, the brand associative uniqueness combines with the nature of products assist marketing personnel to create a brand relationship strategy (Till, et al, 2011).

Fournier (2011) pointed out that brand-positioning is a key step in the brand relationship management, and this way it will influence the creation of the brand relationship with customers. However, it should be noted that a buyers psychological perceptions, judgments and inferences are very important elements that drive the linkage of the brand relationship between the brand and customers. For this reason, the implication of the brand name or the characteristic of products affect customers' emotion, such as perception and inferences. The emotional factor is the part of the brand association that effectively steadies the role of the brand equity so as to improve the establishment of the brand relationship with customers (Fournier, 2011).

Interestingly, some brand academics considered that customer's cultural elements can influence the concept of the brand equity to become an independent variable, which affects the occurrence of the brand relationship (Thompson, et al, 2006., Fournier, 2011). From this perspective, it can be seen that the importance of the brand association and the brand equity is able to drive the creation of the brand relationship. Researchers discovered that the effect of the personality brand name with the nature of products results in emotional effectiveness, which is able to increase the customer emotional level (Bao et al, 2008). For this reason, the personality brand name builds a uniquely defined role to changes customers' attitude, also products' characteristic improve the customer satisfactory level (Sallem, et al, 2009). Therefore, the creation of the brand relationship is based on the customer's emotional role. And the brand equity and brand association provides the influence role within the brand relationship management.

## **CONCLUSION AND IMPLICATION**

From the perspective of brand research, exploring and analysing the relationship of these two items driving and enhance customer's purchase desire and maintain a long term of customer's buying intention toward a brand image. Thus, this research is in order to gain and show the brand equity and brand association have the inter-connection to generate a kind of driving forces to customers. The importance of the brand equity is due to this concept does not only include the external and internal brand of

all source to influence customers' behaviours, but also helps brand maintainers to create a linkage of relationship between products and customers. What's more important is that the brand equity results in the concept of added-value for firms to enhance the influence of a brand image. A series of the activities or presentations of the brand equity results customer's brand associative insight.

It needs to be pointed out that this article only targets the background of the traditional marketplace to analyze branding influenceness and consumers' cogitative behaviour. Whether or not this research content is able to applying on the E-branding on the field of online marketplace? How to use the relationship between brand equity and brand association as the significant factors driving consumers intention on the online marketplace? This is also needed to be explored.

## REFERENCE

- Aaker DA (1992), Managing the most important asset: brand equity, *Planning Review* 20(5), 56-58.
- Ambler T (1997). How much of brand equity is explained by trust? *Management Dscision* 35(4),283-292.
- Biel AL (1992). How brand image drive brand equity. *Journal of Advertising Research* 6 (11/12), 9.
- Brodie RJ, Glynn MS, Little V (2006). The service brand and the service dominant logic: missing foundational premise or the need for stronger theory. *Marketing Theory* 6(3), 363-379.
- Brodie RJ, Glynn MS (2010). Brand equity and the value of marketing assets, *Marketing Theory: A Student Text*, pp. 379-480.
- Chen ACH (2001). Using free association to examine the relationship between the charcteritic of brand association and brand equity. *Jouranal of Product & Brand Management* 10(7),439-451.
- Fournier S (2011). Consumer's relationships with brands, *Perspectives on Brand Management*, 1, 229-252.
- Keller KL (1993), Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. *Journal of Marketing* 57, 1-22.
- KimWG, Kim HB (2005). The relationship between brand equity and firms' performance in luxury hotel and chain restaurants. *Journal of Tourism Mangment* 26,549-560. Doi: 10.1016/j.tourman.2004.03.010.
- Krishnan HS (1996). Chracteristics of memory association: A customer-based brand equity perspective. *International Journal of Research in Marketing* 13, 389-405.
- Leone RP, Rao VR, Keller KL, Luo AN, McAlister L, Srivastava (2006). Linking Brand Equity to Customer Equity. *Journal of Service Research* 9(2), 125-138. Doi: 10.1177/1094670506293563.
- Morgan RM, Hunt SD (1994). The Commitment-Trust Theroy of Relationship Marketing. *Journal of Marketing*, 58, 20-38.
- Moorman C, Deshpande R, Altman G (1993). Factors Affecting Trust in Market Research Relationships. *Journal of Marketing*, 57, 81-101.
- Zaltman G, Deshpande R (1992). Relationships Between Providers and Users of Marketing Research: The Dynamics of Trust Within and Between Organizations. *Journal of Marketing Research*, 29, 314-29.
- Ravald A, Grönroos C (1996). The value concept and relationship marketing. *European Journal of Marketing* ,30(2),19-20. doi: 10.1108/03090569610106626
- Raggio RD, Leone RP (2007). The theoretical separation of brand equity and brand value: Managerial implications for strategic planning. *Journal of brand management* 14(5), 380-395.
- Reid M, Luxton S, Mavindo M (2005). The relationship between Integrated marketing communication, market orientation and brand orientation. *Journal of Advertising* 34(4), 11-23.
- Pitta DA, Katsanis LP (1995). Understanding brand equity for successful brand extension, *Journal of Consumer marketing* 12(4), 51-64.
- Richard EP, John T, Cacioppo, David S, (1995). The role of Attitude toward the Ad as a Mediator of advertising effectiveness: A test of competing explanations. *Journal of Marketing Research XXIII*, 130-143.
- Schmitt BH, Geus P (2006), Are brand forever? How brand knowledge and relationship affect current and future purchase. *Journal of Product & Brand management* 15(2), 98-105.
- Simon CJ, Sullivan MW (1993). The measurement and determinants of brand equity: A financial approach. *Marketing Science* (12)1, 28-52.
- Stuart H, Muzellec L (2004), Corporate makeovers: Can a hyena be rebreanded? *Journal of brand management* 11(6), 472-482. doi: 10.1057/palgrave.bm.2540193.
- Ulaga W, Eggert A (2006). Value-Based Differentiation in Business Relationships: Gaining and Sustaining Key Supplier Status. *Journal of marketing*,70 (1), 119-136.
- Ugla H (2004). The brand association base: A conceptual model for strategically leveraging partner brand equity. *Journal of Brand Management*(2004)12, 105–123; doi:10.1057/palgrave.bm.2540208.
- Walter A, Ritter T (2003). The influence of adaptations, trust, and commitment on value-creating functions of customer relationship. *Journal of Business &Industry Marketing* 18 (4/5), 353-365. doi:10.1108/08858620310480250.
- Walter A, Ritter T, Gemünden HG (2001). Value Creation in Buyer-Seller Relationships: Theoretical Considerations and Empirical Results from a Supplier's Perspective. *Industrial Marketing Management*, 30, 365-377.
- Wilson TD, Jantrania S (1994). Understanding the value of a relationship. *Asia- Australia Marketing Journal* 2(1), 55-66.
- Wood L (2000). Brand and brand equity: definition and management, *Management Decision* 38 (9), 662-669. doi:10.1108/00251740010379100.
- Till BD, Baack D, Waterman B (2011). Strategic brand association maps: developing brand insight. *Journal of Product & Brand Management* 20 (2), 92-100. doi: 10.1108/1061421111121080.