## DIRECT AND INDIRECT EFFECTS OF MARKETING EFFORT ON BRAND

### AWARENESS AND BRAND IMAGE

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# DIRECT AND INDIRECT EFFECTS OF MARKETING EFFORT ON BRAND AWARENESS AND BRAND IMAGE

#### **ABSTRACT**

The marketing effort orientated to towards strengthening the brand means to increase the degree of knowledge of the brand name. In this paper we want to show the relationship between brand awareness and brand image. Starting out from a theoretical review, we set out a model of direct and indirect effects of the marketing effort -as the brand's antecedents- on brand awareness and brand image. Via the empirical support used, a questionnaire of a sample of consumers, we try to find out how the marketing efforts of companies affect its brands and how brand awareness level influences the associations linked to it and how they form its image.

**KEY WORDS:** Brand Image, Brand Awareness, Direct and Indirect Effects, Measurement Model.

#### 1. INTRODUCTION

The aim of this paper is to find out the effect of the marketing effort, measured by means of the perceptions of the consumers, on two dimensions of brand equity: brand awareness and brand image. This paper is included within a major investigation that seeks to develop and to contrast a model which allows the measurement of the brand equity through: (1) the influence of the marketing effort of the companies (measured by means of actions of prices, product, distribution and communication) on dimensions of brand equity -perceived quality, brand loyalty, brand awareness and brand image- and (2) the relationships established between them.

The marketing effort, translated partially to (1) perceived advertising spending, (2) distribution intensity and (3) store image, is considered as (a) antecedent in the formation of the level of knowledge of the brand name (Rossiter & Percy, 1987; Aaker, 1991) and (b) determinant of the associations linked to its image (Alba & Hutchinson, 1987; Yoo, Donthu & Lee, 2000). Apart from the direct effect of these precedents on both dimensions of brand equity, we try to demonstrate the indirect effect that brand image receives via the dimension of brand awareness.

From the theoretical review on brand value we construct a theoretical model of causal relationships between the marketing efforts and the dimensions of brand equity. This is defined as a set of assets and liabilities linked to the brand, which adds or subtracts value to or from a product in its relationships with customers (Aaker, 1991). To contrast the model, the structural equations model is applied.

In our case, the constructs or latent variables are two of the dimensions of brand equity, according to Aaker (1991). Following, Yoo et al. (2000), we analyse how each of the components of brand equity is affected previously by the perception of the market about the marketing effort the company develops concerning brands.

To verify our model we carry out an empirical research of a consumers' sample of a consumption product (fruit juice) which we submitted to a questionnaire of attitudes. Once its reliability and validity was determined, this questionnaire could be used for the application of the structural model.

#### 2. CONCEPTUAL REVIEW

#### 2.1. Brand awareness

Brand awareness is the potential capacity that a consumer has of recognising or recalling the name of the brand as an offer of a certain category of product. Thus, brand awareness is an exercise of identification of the brand name under different conditions (Rossiter & Percy, 1987) and, therefore, the probability of a brand name coming to the mind of the consumer and the facility with which this happens (García Rodríguez, 1998).

The literature in marketing explains the concept of brand awareness for the application of two important measurements in order to understand it (Alba & Chattopadhyay, 1986; Keller, 1993; Gómez & Rodríguez del Bosque, 1996): (1) the reminded that fits with the *spontaneous* recall and that refers to the brand being present in the memory of the consumer and is mentioned by the latter without the need of any external stimulus; and (2) the recall *attended* that the brand name is knowledge as an offer of a category of products amongst a set of suggested brands.

Brand awareness is a dimension of brand equity that affects the decisions of the consumer both at the affective level and at the behaviour level. In the affective area, a brand known by the consumers creates a feeling of pleasure and familiarity in them (Aaker, 1991) that increases the probability of purchasing it from among alternatives. In low-implication decisions, the brand knowledge is established as the only criterion of customer behaviour (Petty & Cacioppo, 1986).

Brand awareness is an instrument of predominant selection amongst consumers without experience of use of the product and stops experimentation with new products and brands (Hoyer & Brown, 1990).

Finally, brand awareness favours the creation of associations brought about by the product, which are in the origin of the creation of brand image (Keller, 1993). This equally facilitates the forming of the arrival of new information that serves to guarantee the knowledge and to support and assure the image perceived by the consumer.

# 2.2. Relationship between brand awareness and brand equity

Brand awareness is a key element in the generation of brand equity. If a company knows the degree of recall that its brand reaches in the market that is used as an instrument to expand the product in the market, since brand awareness affects the purchase intention, even being able to

positively affect the perceptions and attitudes towards the brand (Aaker & Álvarez del Blanco, 1995).

This way, we speak of four forms of adding value to the brand (Aaker, 1991): (1) the knowledge as an anchor to which other associations link themselves, (2) the familiarity and the pleasure felt towards the known brands, (3) the commitment that is established between company and consumer, and (4) considering the brand among the alternatives in the choice of a product category.

The effort in communication that the company carries out must centre on trying to link to the name a series of attributes or characteristics that the consumer considers to be important. The name acts as a file cabinet in the mind of the consumer which can be filled with linked names, facts and feelings (Aaker, 1991).

The familiarity is determined by the brand recall and is highly influential in products of low implication in the purchase. For Alba and Hutchinson (1987) it is a constant variable that reflects the direct or indirect experience of the consumer with regard to the brand. For the products of habitual consumption and that form a part of domestic consumption, the familiarity of the brand consumed for the whole life and recognised by its presence in our homes since childhood consistently determines the purchase decision.

For advertising efficiency, the recall based on familiarity can improve the relationship between exposure and recollection (Aaker, 1991) since the words and the known names provide a major sensation of pleasure. The studies also reveal the presence of familiarity obtained by the advertising intensity and by the experience of use, which favours the knowledge and the posterior revitalisation of old brands in which, the communication effort being eliminated, the aspect of familiarity and pleasure affect behaviour and the inclination towards these brands. This aspect is equally studied (Kent & Allen, 1994) to demonstrate how the competitive interferences via advertising have a minor effect when the brands that they interfere with are less known that the ones interfered.

Brand awareness, influenced by the advertising recall, affects the decision of purchase not only in the aspect of the behaviour, but even at the affective level, forming positive attitudes towards the product that lead to the buying of this product and to obtaining major quotas for the company (Aaker & Day, 1974).

A known brand is the result of a big effort by the company. A brand attains acknowledgement because it represents for the consumers the commitment of a company: the company puts its name at risk and communicates that the product has a set of attributes valued by the consumers. As Aaker (1991) reported, if a brand name is recognised it is logical to think that this is due to some motive: the company carries out an intensive advertising campaign, it has been present in the market for many years, it possesses the best and most intense channels of distribution or is successful and is being used satisfactorily by a great number of consumers.

A consumer who has not been exposed to the advertising impact of the known brand, but knows that many consumers use it, can manage to believe the brand is superior and attribute this to it a great advertising effort.

A last form of contribution of value of brand awareness comes from the known brands being in mind at the stage of selection and evaluation of alternatives within the process of the purchase decision. The recall of a brand or its knowledge can be decisive in incorporating it into the small group of alternatives that will be in mind at the moment of choosing goods. Of equal consideration is the image in mind that vitally affects the buying decision of frequent purchases as a decision taken before leaving home (Aaker, 1991).

### 2.3. Brand image

Brand image helps in the process of purchase decision by the consumer since it is the basis of (1) differentiation of product; (2) brand name extension; (3) providing a reason to buy, and (4) creating positive feelings about brand, simultaneously (Aaker, 1992). Brand image provides the basis of developing the company strategy of communication (García Rodríguez, 1998), facilitating (1) knowledge of product, (2) associations with different tangible and intangible attributes and (3) positioning.

As Aaker (1991) reported in the classification of the dimensions of brand equity, associations of brand name, positioning and brand image have been thought of in a very connected way, to the point that both the association and the image are thought perceptions organised in a rational manner, which can reflect the objective reality (identity) or not, but will influence the purchase decision. The positioning implies a frame of reference with regard to the competition, linked with the previous concepts. The position occupied by competitors will depend on the idea that the

consumers keep in mind of the place that they grant to every product or brand (Ries & Trout, 1993).

Keller (1993) defines brand image as the set of perceptions (...) that are demonstrated by the different associations and that are kept in the memory of the customers. Schneider (1990) considers it to be the set of objective representations -characteristics, materials, results- to which is joined the subjective ones, such as the attributes and the symbols perceived by the individuals of a product or a company.

The Marketing Science Institute considers brand image as the set of associations elaborated in the imaginative capacity of the consumer, who allows the brand to reach a more important volume of sales than if it did not have a brand name. This supposes recognising brand image as having the possibility of generating value for the company and its positive repercussion on product sales.

For the companies, the determination of brand image, the creation of brands positioned in privileged places, and its communication to the customers may motivate them to shift their purchase decision.

## 2.4. Relationship between brand image and brand equity

One of the dimensions of brand equity is associations that the consumers link with the brand name. This is why the image is often placed in the origin of the purchase decision and in that of the maintenance of the brand loyalty. In this way, the brand associations contribute an important value for the consumers and for companies and also guarantee a relationship based on the repurchase decision maintaining the degree of satisfaction. As Aaker (1991) reported, there are five sources of value for the company: (1) the contribution to the process of obtaining information, (2) the differentiation of the brand, (3) the attainment of reasons for the purchase, (4) the creation of positive attitudes towards the product, and (5) the establishment of the bases for brand extension strategy.

The associations help the companies to transmit to the consumer, in a simple way, information about the specifications of the product, the advantages that it provides, the solutions that it contributes and the personality of the brand. Besides, brand image helps in the process of

purchase decision, facilitating information and evoking recalls and satisfactory experiences to customers that positively affect their behaviour.

An association strongly-linked to the brand, means for the product a solid base for differentiation and a competitive advantage in the face of the competitors who will have a more complicated approach to the position of the brand (sustained on a solid and credible association). This means a handicap for the competition.

When the associations rely on the attributes and/or on the benefits of the brand for customers, these grant a good reason for purchasing the brand. There are associations that provoke sensations of pleasure and positive feelings in the brand. These associations are created or reinforced by the presence of famous prominent figures loved by public opinion, or with the creation of symbols or nice prominent figures of fiction who seek to create an affectionate sensation in the consumer.

When a brand achieves a strong association it can tackle brand extension strategies, launching other products with the same brand name. It achieves the penetration of its brand in the new category taking advantage of the pull of brand image reached by its principal product.

# 3. MODEL OF RELATIONSHIPS AND EFFECTS BETWEEN BRAND AWARENESS AND BRAND IMAGE

Based on the concept of brand equity (Aaker, 1991) and the components that integrate and explain it, we have the perceived quality, the brand loyalty, the brand awareness and the brand image.

Diverse authors (Leuthesser, 1988; Farquhar, 1989; Nomen, 1996) warn that the brand equity is a strategic aspect of business management that can be created, supported and intensified by means of the strengthening of each one of its dimensions. Equally, they admit that any marketing effort has a potential effect on the brand equity by the impact accumulated of the investments carried out.

The components of the model of relations that we establish are two of the dimensions of the brand equity, (1) brand awareness and (2) brand image; and the antecedents that intensify its effect: (a) perceived advertising spending, (b) distribution intensity and (c) store image.

## 3.1. Establishing hypotheses for verification

In the development of the structural model that we propose, brand awareness and brand image are influenced by the action of the different efforts of marketing of the companies, besides the indirect effect that brand image receives via the component brand awareness. Thus, these causal relationships determine the formulation of a series of hypotheses that try to explain (1) the direct effect of the commercial precedents on the components of the brand equity and (2) the indirect effect between components (brand awareness and brand image).

In our investigation three variables of the marketing-mix have been gathered that suppose, on the one hand, the positive effect of the perceived advertising spending, the store image and the distribution intensity on the dimensions of the brand equity; and, on the other hand, the indirect (positive) effect of the component brand awareness on brand image. The perception of the advertising effort contributes to the success in the generation of the brand equity (Maxwell, 1989; Chay & Tellis, 1991; Simon & Sullivan, 1993; Boulding, Lee & Staelin, 1994). The image of the store, ensuing from the management of the retailers and the manufacturers, is used as a marketing tool to manage to increase and to improve the brand equity (Srivastava & Shocker, 1991): when products are present at a specific retailer's, there is an effect on brand awareness. The degree of intensity with which a product is distributed plays an important role in order to affect the decision of the consumers by the value that they grant to the brands in their purchase (Yoo et al, 2000). As some authors indicate (Ferris, Oliver & Kluiver, 1989; Smith, 1992), the consumers will prove to be more satisfied by being able to find their brands in a high number of establishments. So, the customers have the certainty of finding their favourite brands at any moment and place. This presupposes that the high intensity of the distribution favours the high value given to the brands.

When the consumers perceive a high effort in advertising, this constitutes an indicator of the confidence that the persons in charge of marketing have in the product (Kirmani & Wright, 1989). The perceived advertising spending has positive effects, not only on brand equity as a construct, but also on each of its components: brand loyalty, brand awareness, perceived quality and brand image (Cobb-Walgren, Ruble & Donthu, 1995). So, between the different advertising

actions by the company and the dimensions of the brand equity causal relationships can be established.

The effort in advertising as a basis for attaining brand awareness is positively related to the intensity of the advertising investment (Deighton, 1984; Hoyer & Brown, 1990). The brands achieve knowledge through marketing communications and the advertising investment is the main promotional tool for products in the consumer market (Villarejo & Sánchez, 2005).

. Hypothesis 1 ( $\gamma$ > 0): The major perceived advertising spending that the company invests in the brand positively affects brand awareness.

The associations linked to the brand are mental pictures that the consumer perceives after recognising them in the messages that the company sends. The positive associations that form a high brand image are transmitted to consumers through advertising and advertising strength (Keller, Heckler & Houston, 1998).

. Hypothesis 2 ( $\gamma > 0$ ): The major perceived advertising spending that the company undertakes for the brand positively affects brand image.

As Yoo et al. indicates (2000), the distribution via establishments with a good image and prestigious name supposes for the market a sign of the brands that they distribute being of good quality.

Besides the fact of the influence of the store image on the quality perception, to be present in establishments that have a positive image supposes for the brands a major attraction in order to be accepted by the consumers. The customers will feel attracted towards the establishments in which they find brands that they identify with the same perception of quality that they attribute to the retailer. In this respect, diverse works (Zeithaml, 1988; Rao & Monroe, 1989) show how the good image of the retailer provokes a high level of satisfaction in the consumer. Simultaneously this increases expectations of quality which transmit to other nearby consumers who will thus feel attracted towards the establishment with the hope of finding brands of high quality.

This attraction towards the store and towards the associations linked to the retailer will make the distributed brands receive the reflex of the same associations. This is why the store image determines brand image and the set of positive associations linked to it.

Hypothesis 3 ( $\gamma > 0$ ): The store image positively affects the set of associations linked to the brand and that agree with its brand image.

The intensity of the distribution represents the number of points of sale in which the product is available. One speaks about distribution intensity when the product is sold in a great number of retailer establishments all over the market. The fact that the store image is related to some constituent elements of the brand equity does not prevent the intensity with which a brand is distributed also being able to affect its image. In fact, some companies prefer selective or exclusive distribution for its products with the intention of managing to differentiate its brands by a high quality.

Nevertheless, the degree of intensity in the distribution does not affect in an equal way all the categories of products, differences between the distribution of goods of convenience and lasting goods being clear. However, according to some authors (Ferris, Oliver & Kluyver, 1989; Smith, 1992), the consumers will prove to be more satisfied if they can find the products in a great number of establishments, meaning that they will have the certainty of finding their favourite brand at any moment and place.

This increase of satisfaction provokes a favourable predisposition towards the brand by which the associations linked to it are improved and, therefore, the brand image is increased. The intensive presence in the establishments supposes a major degree of knowledge of the brand too, so the increases in the distribution intensity will have a positive effect on the recognition attained by the brand name and its brand awareness.

Once the relationships between the perceived of intensity level in the distribution and the components of the brand equity are established, we set out the hypotheses relative to the causal relationships between these variables:

- . Hypothesis 4 ( $\gamma$  > 0):The level of intensity perceived with which a product is distributed as a brand positively affects a brand's degree of awareness.
- . Hypothesis 5 ( $\gamma$  > 0):The level of intensity perceived with which a product is distributed as a brand positively affects its brand image.

Finally, and as Aaker and Álvarez del Blanco (1995) indicate, brand awareness indirectly affects behaviour, as it has a positive influence on perceptions and attitudes towards the brand.

Furthermore, a link is assumed between the different brand associations that make up the image. A new hypothesis that establishes a relationship between brand awareness and brand image is suggested:

Hypothesis 6 ( $\gamma > 0$ ): High levels of brand awareness positively affect the formation of the product's brand image.

After having established the existing relationships between the perception of the advertising effort, the store image and the distribution intensity on two of the components of the brand equity, we graphically portray the proposed structural model which gathers together the hypotheses raised. In the development of the model (see *figure 1*) brand awareness and brand image are influenced by the effect of the instruments of marketing used by the company that act as precedents.

Perceived Advertising Spending

H1 (+)

BRAND AWARENESS

Store Image

H3 (+)

H4 (+)

BRAND IMAGE

H5 (+)

Figure 1: Model of effects of marketing efforts on brand awareness and brand image

## 4. METHODOLOGY

## 4.1. Proposed measurement scales

The complete formulation of the measurement scales used in the research can be seen in table 1.

In order to develop the measurement process for the different elements involved, we have followed Bollen's recommendation (1989): (1) identify the dimensions and latent variables that

represent the concept to be measured; (2) create indicators based on the past theoretical position; and (3) specify the relationship between the observable indicators or variables and the latent concepts or variables that they explain.

Table 1: Measurement scales

Item	Enunciation	Variable (Sources)
PAS1	I think advertising is, in general, very good	
PAS2	In general, I like the advertising campaigns for X brand	Perceived
PAS3	My opinion about X's Advertising is very high	Advertising
PAS4	The ad campaigns for X seem very expensive, compared to campaigns for competing brands	Spending (Yoo, Donthu and
PAS5	I think X brand is intensively advertised, compared to competing brands	Lee, 2000;
PAS6	The advertising campaigns for X are seen frequently	Martín, 2002)
PAS7	I remember the last advertising campaigns for X	
SI1	The retailers where I can to buy X brand sale high quality products	
SI2	The retailers where I can to buy X brand are quality places	Store Image
SI3	The retailers where I can to buy X brand are prestige places	(Yoo et al. 2000;
SI4	The retailers where I can to buy X brand haven't nice ambient	Villarejo,2002)
SI5	The retailers where I can to buy X brand sale very popular brands	
DI1	Compared to its competitors, I can find X brand in more retailers	Distribution
DI2	X choose with extreme care, than competitors, the retailers where it sales its products	Intensity (Smith, 1992; Yoo
DI3	X brand is available in the most stores	et al. 2000)
BA1	I know what X looks like	
BA2	I can recognize X among other competing brands	Brand Awareness
BA3	I am aware of X brand	(Yoo et al. 2000)
BA4	I know X brand	
BI1	Some characteristics of X come to my mind quickly	
BI2	I can quickly recall the symbol or logo of X	
BI3	X has a strong personality	
BI4	I have a clear impression of the type of people who use X brand	
BI5	X has a strong image	Brand Image
BI6	The intangible attributes X brand are reason enough to buy it	(Aaker and Álvarez
BI7	X provides a high value in relation to the price we must pay for it	del Blanco1995;
BI8	X is a very good brand	Lassar et al.1995;
BI9	X is a very nice brand	Yoo et al.2000)
BI10	X is a very attractive brand	
BI11	X is an extremely likeable brand	
BI12	X is a different brand	

The consumer normally has a perception of the brand in terms of the marketing communications spent by the company. Advertising expenditure, as the main marketing communications tool in the consumer market, should be kept in consideration when determining its effect on consumers and the perception that its messages are provoking among different target individuals. The scale

developed to measure the advertising spending perceived by the consumer consists of seven indicators.

The store image is a measurement of the quality perception that the consumers have about the retailers where they have the brand available. To measure its influence we use five items in which preventing enunciating the trade name has been preferred. The answers lead to a general abstraction about the establishment in which the consumer usually acquires the product. All the items of this scale have a similar construction in which we mean to recognise the perceptions of the consumers about the retailer where (the consumer) can buy the product. As soon as people are thinking about a particular establishment, they must think about the different attributes that go hand in hand with this store.

Distribution intensity tries to measure the perception that the consumers have in relation to the number of points of sale in which one finds the sought-for brand available. Therefore, it is an index of the intensity perceived in the distribution of the product. According to Yoo et al (2000), which adapts and modifies the scale raised previously by Smith (1992), we have considered necessary three indicators that try to give an approximation of the perception with regards to the intensity with which the product-brand is commercialised.

High levels of brand name recognition are those that present the brand with a high degree of brand awareness. For this reason, knowledge and recognition of the brand compared to its competitors are indicators that serve to form the measurement scale for this dimension.

The brand associations that form its image are related to a series of tangible and intangible attributes associated with the brand, which conditions a favourable attitude to choosing the brand. These aspects linked to the brand are collected as an item in the scale.

# 4.2. Empirical research and findings

This paper attempts to test a model of causal relationships between the antecedents and the components of brand equity. Therefore, in order to test the effectiveness of the proposed method, our research should focus on one product category and the brands that operate in this market. The choice of fruit juices as the product category is justified based on three criteria: (1) the influence of brands in the consumer market and the buyers' sensitivity to them are higher; (2) the market distribution between fruit juices brands in Spain shows various (not many) brands in tough

competition, with none of them having significant differences from the others; (3) the high rate of consumption of this product in Spanish homes. The market of fruit juices in Spain, distributes almost half of its volume (49.8 per cent) between four companies that commercialise six brands: A brand (21.2 per cent), B brand (16.8 per cent), C and D brands (5.9 per cent), and E and F brands (5.9 per cent).

Table 2: Research details

PRODUCT AREA	Families consumers of natural juices		
GEOGRÁFIC LOCATION	Seville (Spain)		
SURVEY METHODOLOGY	Personal questionnaire (buying decider under 18 years old)		
TYPE OF SAMPLING	Proportional simple		
SAMPLE SIZE	N = 325		
SAMPLING ERROR	±5,43%		
LEVEL OF SIGNIFICANCE	95% $Z_{\alpha} = 1,96$ $p=q=50\%$		
DATE	January, 2005		

The technical data sheet for the research, included in *table 2*, summarizes the design of the empirical work performed. The proportional affixation was performed based on the different urban areas of the city. Of all the 325 individuals who answered our questionnaire in a useful way, almost 70 per cent were women. This is explained by the fact that chosen product is consumed at home, so the decision to acquire it and what brands to choose depends on the person who has this purchase responsibility.

# 4.3. Analysis and evaluation of the measurement tools

This section evaluates the measurement scales used in our research (Likert, 1-7). We performed the reliability and validity analysis by estimating its validity, one-dimensional qualities and internal consistency.

The process adhered to in the measurement scale evaluation is summarized in the following way: (1) we applied *Cronbach's alpha* statistic considered as an adequate index of the inter-item consistency reliability of independent and dependent variables (Steves, Pastor & Casanovas, 2002) supplied by the SPSS programme; and (2) we performed the confirmatory factor analysis aimed at (2.1) testing the one-dimensional qualities of the scales, (2.2) testing the construct validity of each of them, and (2.3) providing a more robust reliability measurement through internal consistency.

### Evaluation of the scale of the Perceived Advertising Spending-PAS

The initial scale of seven indicators was refined through the reliability analysis provided by Cronbach's alpha statistic. Once the scales had been estimated via the asymptotic distribution-free (ADF) method (AMOS 6.0), and the indicators that did not pass the required individual reliability level had been removed, results were obtained for the convergent validity and individual reliability. The results indicate a positive evaluation of the scale (see *table 3*). The measurement model adjustment and the internal consistency -measured by the compound reliability and the extracted variance- were acceptable.

Table 3: Evaluation of PAS scale

Validated Item	Cronbach's alpha	Standardised loading	Individual reliability: R <sup>2</sup>	Composite reliability	Variance extracted
Perceived Advertising Spending PAS1, PAS2, PAS3, PAS5, PAS6	0,8699	> 0,7	> 0,5	0,9309	0,7305
	Fit measures*	GFI=0,933; RGFI=0,935; RMSEA=0,170; CFI=0,842; NFI=0,830; IFI=0,844; AGFI=0,798			

<sup>(\*)</sup> GFI: goodness of fit index; RGFI: relative goodness of fit index; RMSEA; root mean square error of approximation; CFI: comparative fit index; NFI: normalised fit index; IFI: incremental fit index; AGFI: adjusted goodness of fit index.

## Evaluation of the scale of the Store Image-SI

We carry out the checking of the reflective character of the items that compose the initial scale (five) through the reliability analysis. Though the Cronbach's alpha is placed at an acceptable level (under 0.7), it improves by eliminating the indicator *SI4*. The new scale is submitted to the test of normality multivariate (AMOS 6.0), and we obtain values of asymmetry and curtosis above acceptance level. The four items scale present the indicator *SI5* with a low level for standardised loading and individual reliability; so it is immediately eliminated.

Table 4: Evaluation of SI scale

Validated Item	Cronbach's alpha	Standardised loading	Individual reliability: R <sup>2</sup>	Composite reliability	Variance extracted
G	0,8810	> 0,7	> 0,5	0,9050	0,7617
Store Image SI1, SI2, SI3	Fit measures	GFI=0,968; RGFI=0,968; RMSEA=0,168; CFI=0,974; NFI=0,941; IFI=0,946; AGFI=0,808			

The results' summary in *table 4* indicates a good level for Cronbach's alpha, for an individual and a complete scale. The high level of composite reliability of the construct and the fine proportion of extracted variance makes us accept the scale.

## Evaluation of the scale of the Distribution Intensity-DI

The initial scale of three items, refined through the reliability analysis, demonstrates a low value of alpha of the scale in order to accept it (< 0.7, see *table 5*). Besides, the indicator *DI2* reaches a level low of individual reliability and its elimination would improve alpha of the global scale. Nevertheless, the loss of information that the suppression of any items of the scale supposes, advises us of the maintenance of it in the scale finally accepted.

Table 5: Evaluation of DI scale

Validated Item	Cronbach's alpha	Standardised loading	Individual reliability: R <sup>2</sup>	Composite reliability	Variance extracted
Distribution	0,6229	> 0,5	> 0,35	0,7616	0,5229
Intensity DI1, DI2, DI3	Fit measures	FI=0,923; CFI=0, AGFI=0,		; IFI=0,757;	

## Evaluation of the scales of the dimensions of the brand equity

A reliability analysis was first performed on the initial scale of four indicators that measure "brand awareness". Two indicators do not exceed the required value; however, (1) given that the levels are not too far off and (2) to avoid losing information, it has been decided to maintain the scale with four indicators. The reliability analysis through *Cronbach's alpha* statistic shows us that the total scale correlation does not improve after removing any one indicator.

Table 6: Evaluation of the dimensions of brand equity scales

Validated Item	Cronbach's alpha	Standardised loading	Individual reliability: R <sup>2</sup>	Composite reliability	Variance extracted
Brand Awareness BA1, BA2, BA3,BA4	0,8336	> 0,6	> 0,4	0,8492	0,5877
	Fit measures	GFI=0,984; RGFI=0,985; RMSEA=0,017; CFI=0,997; NFI=0,965; IFI=0,997; AGFI=0,919			
Brand Image	0,8588	> 0,7	> 0,5	0,9297	0,6895
BI3, BI5, BI8, BI9, BI10, BI12	Fit measures	GFI=0,879; RGFI=0,882; RMSEA=0,139; CFI=0,737; NFI=0,715; IFI=0,744; AGFI=0,717			

The "brand image" scale initially presents twelve indicators; *Cronbach's alpha* statistic shows an acceptable level. Once the model is estimated through the ADF procedure and the less reliable indicators are sequentially removed, the scale is finally formed by six indicators. All results of evaluation of both dimensions can be seen in *table* 6.

### 5. DISCUSSION ABOUT THE STRUCTURAL MODEL AND RESULTS

Following the evaluation and analysis of the measurement tools, an analysis of the structural model was carried out. The previous structural model that tested the hypotheses set forward in this paper was correctly specified and identified; so that a favourable influence between the precedents (efforts of marketing: perceived advertising spending, store image and distribution intensity) and two dimensions of brand equity (brand awareness and brand image) were confirmed.

Once the measurement model had been tested for suitability, the estimation of structural models followed. The validated indicators of the exogenous measurement model and the average values of the validated scale indicators for the dimensions of brand equity (the average values used are a result of the validation of the scales used for measuring the dimensions of brand equity; these being perceived quality, brand loyalty, brand awareness and brand image) were included. This measurement was adopted to make the estimation procedure for complete models possible (Babin & Boles, 1998); its complexity makes it difficult to use all of the validated indicators. Therefore, using the average values is accepted according to the work criteria of Podsakoff and McKenzie (1994).

The structural model set out the causal relationships between the selected efforts of marketing and two components of brand equity. The indirect effect that perceived advertising spending and distribution intensity has on brand image was also proposed, through the favourable effect caused by the level of brand awareness.

The global goodness-of-fit measures for the model reach acceptable values in the main indicators. The parameters related to the adjustment of the first of the structural models are shown in *table* 7. This table showed that the relationship between perceived advertising spending and brand image has a high and significant standardised parameter ( $\gamma$ = 0,296). The results allow us **to verify** *Hypothesis 1*. This hypothesis stated the favourable influence that perceived advertising spending has on the goods in determining their brand awareness.

The second hypothesis is confirmed in the structural model, with a high and significant standardised parameter ( $\gamma$ = 0,238; t=4,524). Therefore, *Hypothesis* 2 was confirmed, according to which perceived advertising spending has a favourable influence on the brand image of products.

Hypothesis 3 establishes that the store image has a favourable influence on brand image. This hypothesis was confirmed in the structural model, with a high and significant standardised parameter. The effects of the distribution intensity of the fruit juices, produced a favourable influence (Hypothesis 4) on brand awareness of the brand name, though with a lesser value for a standardised parameter (we need to lower significance level); whereas, Hypothesis 5 was only confirmed in the opposite direction, so between distribution intensity and brand image a favourable influence cannot be confirmed.

The indirect effect that perceived advertising spending and the distribution intensity has on brand associations was also confirmed; this is carried out through the effect caused by the level of brand awareness. This allows us **to confirm equally** *Hypothesis* 6 of our research, since the high value of the parameter structural corroborates it in this way.

Table 7: Structural model estimates

Variable	Composite reliability	Variance extracted
Perceived Advertising Spending	0,9679	0,8587
Store Image	0,9492	0,8620
Distribution Intensity	0,9415	0,8905

Causal relationship	Hypothesis	Standardised parameter	t-value
Perc. Adv. Spend. → Brand Awareness	H1. CONFIRMED	γ=0,296	5,931
Perc. Adv. Spend. → Brand Image	H2. CONFIRMED	$\gamma = 0.238$	4,524
Store Image → Brand Image	H3. CONFIRMED	$\gamma = 0.253$	5,271
Dist. Intensity → Brand Awareness	H4. CONFIRMED	γ=0,084	1,665
Dist. Intensity → Brand Image	H5. NOT CONFIRMED	$\gamma = -0.162$	-3,183
Brand Awareness → Brand Image	H6. CONFIRMED	β =0,290	3,136
Fit measures	GFI=0,808; RGFI=0,840; RMSEA=0,138; CFI=0,568; NFI=0,527; IFI=0,572; AGFI=0,763		

# 6. RESEARCH CONCLUSIONS AND LIMITATIONS

The positive effect of brand awareness on the perceived brand image for consumers is achieved via the three marketing efforts: (1) the perceived advertising spending; (2) the store image; and (3) the distribution intensity. The perceived advertising effort that the company manufacturer of fruit juices carries out on its brand has positive effects on brand awareness. The recall of brand name can mean an increase in the confidence level that the brand has on the expected performance of the product.

The associations that consumers make regarding a brand and its image are configured (1) by their own experience and the non-formalized information they receive about the product, and (2) by the information transmitted by the companies with regard to their product quality and excellence. Especially in the consumer market, this information is transmitted through a company's advertising (Smith, 1992).

The buyers of fruit juices have determined the importance and the influence on them that the effort in advertising that the manufacturers carry out has. They do this to try to promote a series of associations linked to the brand and that serve to achieve the positioning in the mind of the consumer.

To summarise, perceived advertising spending showed a favourable causal relationship for two components of the brand equity analysed. The higher the spending on advertising for the brand, the higher the level of brand awareness and the more associations linked to the fruit juice and forming its brand image.

The image of the store where the consumer acquires the fruit juices serves to shape in the mind of the consumer an association linked to the brand of fruit juices that he acquires in the abovementioned establishment (Zeithaml, 1988).

The level of intensity in the fruit juices retailing, though it has showed a low positive influence (value of the structural coefficient) on brand awareness, that is, that a greater presence in the stores increases the brand's level of awareness of the name of the brand of juices; in the case of brand image, the favourable relationship proposed in the initial hypothesis has been confirmed in the opposite sense.

Concerning theoretical implications, we present the positive effect of brand awareness on the perceived brand image for consumers (Keller, 1993). Furthermore, for managerial decisions is good to know that the group of associations linked with the brand increases the favourable attitude towards the product as its recognition and the level of awareness increases. This causal relationship is significant and quantitatively important for the products researched; leading us to the conclusion that brand awareness and name recognition for fruit juices in the consumers favours attitudes toward the brand and improves its image. So, Brand awareness favorably affects the perceived brand image for consumers.

# Limitations of the study and future research directions

In our research, we have been able to determine some of the causal relationships proposed, but the relationship between intensity distribution and the brand equity dimensions has not a clear influence. It is, therefore, difficult to establish a general conclusion for the relationship of this marketing effort with components of brand equity.

The results reached by some of the indicators in the comparison of both structural models did not exceed the minimum required limits. This can be explained by the fact that they are causal models which are preliminary and partial; the interaction of other marketing efforts, such as pricing and deals, needs to be studied.

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