

EFFECTIVENESS OF SELECTED MARKETING ACTIVITIES IN CREATING BRAND EQUITY IN THE SOUTH AFRICAN CLOTHING MARKET AMONGST BLACK GENERATION Y STUDENTS

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Vanderbijlpark

2015

DECLARATION

I declare that:

“Effectiveness of selected marketing activities in creating brand equity in the South African clothing market amongst black Generation Y students”

is my own work, that all the sources used or quoted have been indicated and acknowledged by means of complete references, and that this thesis has not previously been submitted by me or any other person for a degree at this or any other university.

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To whom it may concern

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*Effectiveness of selected marketing activities in creating brand equity in the
South African clothing market amongst black Generation Y students.*

The responsibility of implementing the recommended language changes rests with the author of the thesis.

Yours truly,



Linda Scott

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ABSTRACT

KEYWORDS: Generation Y students, marketing activities, brand equity, fashion clothing marketing, South Africa

The global fashion market is an increasingly desirable industry sector for many marketers. The apparel and textile industry, in particular, is one of the largest and most globalised industries worldwide. The fashion industry is experiencing significant change due to clothing retailers transforming into transnational businesses, thereby increasing the availability of clothing fashion brands in more countries worldwide. In South Africa, the fashion retail industry is experiencing a proliferation of international brands, which makes it increasingly challenging for national brands to compete with international brands. Owing to this intensifying competition in the fashion industry, the need for effective differentiation, such as branding, is becoming even more significant. Specifically, effective brand management is required to build and maintain a strong brand. Strategic brand management is a key component of a company's marketing strategy, which focuses on achieving the planned strategic marketing goals such as creating brand identification and establishing strong brand associations with consumers. Owing to the increasingly important role of building strong brands and becoming the preferred brand amongst consumers and capturing consumers' loyalty, fashion marketers and retailers, have to focus on creating brand equity, which involves the development and implementation of various marketing activities. Brand equity refers to a set of either benefits or liabilities linked to the brand, the brand name and brand symbol, which can add to or detract from the value of the product or service provided to the consumer.

For the Generation Y cohort, individuals born between 1986 and 2005, branded clothing plays an immense role in their purchasing behaviour. In South Africa, the African portion of the country's Generation Y cohort (referred to as the black Generation Y cohort) amounted to 84 percent in 2014, rendering the cohort an important market segment. Those with a university degree are likely to be of specific interest to marketers given that having a tertiary qualification is generally linked to a higher future earning potential and higher social status in a community.

The significant growth of the South African textile, clothing, footwear and leather goods retail industry and the intensifying competition, combined with the significance of the

black Generation Y students market, emphasises the need to understand this lucrative market's brand perceptions.

The primary objective of this study was to propose and empirically test a model that measures the extent to which selected marketing activities influence clothing brand equity amongst black Generation Y students within the South African context.

The sampling frame consisted of a list of the 26 registered South African public HEIs, which included 11 traditional universities, nine comprehensive universities and six universities of technology. From the sampling frame, a non-probability judgement sample of three HEI campuses situated in the Gauteng province was selected. Of these, one is a traditional university, one a university of technology and one a comprehensive university. Thereafter, a single cross-sectional non-probability convenience sample of 750 full-time undergraduate black Generation Y students aged between 18 and 24 was taken. A structured self-administered questionnaire was utilised to gather the required data for this study. The questionnaire includes a scale measuring participants' perceptions of different marketing activities and a scale measuring participants' perceptions of different brand equity dimensions, including brand awareness, perceived quality, brand associations, brand loyalty and overall brand equity. The captured data was analysed using descriptive statistics analysis, correlation analysis and structural equation modelling.

As per the structural equation modelling, the proposed model suggests that pricing activities, product activities, store image activities and advertising activities have a direct positive influence on brand awareness, brand associations, perceived quality, brand loyalty and overall brand equity of clothing brands. The findings of this study provide insight into which marketing activities are effective in creating brand equity, how these marketing activities are linked to the brand equity dimensions and how they can be manipulated to generate and maintain strong brand equity amongst the black Generation Y market segment in South Africa.

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CHAPTER 1

INTRODUCTION AND PROBLEM STATEMENT

1.1 INTRODUCTION

The global fashion market is an increasingly desirable industry sector for many marketers. In 2013, the fashion industry, encompassing the design, manufacturing, distribution, marketing, retailing, advertising and promotion of apparel, contributed US\$1.5 trillion of the total income of the retail industry (Amed, 2013) and represented one of the largest contributors to the global economy (Singer, 2015). The apparel and textile industry in particular is one of the largest (Fashion United, 2014) and most globalised industries (Ditty, 2015), and accounted for 55 percent of the total fashion market volume in 2013 (Bodimeade, 2013). In South Africa, the clothing retail industry generates approximately R50 billion yearly (Makholwa, 2011). In May 2015, South Africans spent R14 319 million on apparel, textiles, footwear and leather merchandise, which represented an annual growth rate of 6.7 percent in terms of retail trade sales, making this industry the second largest contributor to the nation's economy (Stats SA, 2015:8).

The fashion industry is experiencing significant change. Clothing retailers such as H&M and Zara, are transforming into transnational businesses that hold and control production facilities in two or more countries, thereby increasing the availability of clothing fashion brands in more countries worldwide (Lee *et al.*, 2008:295). Wise (2014) points out that the need for increasing sales, coupled with the opportunity to target untapped markets, is what encourages brands to expand into international markets. The fashion retail industry in South Africa is experiencing a proliferation of international brands, since major fashion retailers like Topshop, Bebe, Cotton On, Thomas Pink, Superdry (Moorad, 2013), Zara and Gap opened stores in South Africa during 2011 (PwC, 2012:15); furthermore, H&M is expected to open in 2015 (Reuters, 2013). Despite this increased availability of international brands, coupled with the South African fashion retail industry's vulnerability to low-priced and low-quality clothing imports (Media Club South Africa, 2014; Ronan, 2015), this industry is dominated by national brands such as Edcon, Woolworths, Mr Price, Truworths, Pep and Foschini Group (PwC, 2012:15). In attempts to protect these national brands, South Africa's government imposed high import duties on finished clothing, which makes it increasingly challenging for international brands to compete with

national brands (Sprinks, 2014). Another initiative to motivate South Africans to support local manufactured clothing is the 'think twice campaign'. This campaign was launched in January 2015 with the objective of raising awareness regarding the origin of clothing (Retief, 2015).

With the intensifying competition in the fashion industry, the need for effective differentiation is becoming even more significant (PRNewswire, 2015). As a result, branding assists with differentiating a product from competitors (Kotler & Keller, 2012:625; Sinha *et al.*, 2011:191) by linking a specific name or symbol to the product (Das, 2011:162). A brand, as defined by Kotler and Armstrong (2010:242), is "a name, term, symbol, design, or a combination of these, that identifies the products or services of one seller or group of sellers and differentiates them from those of competitors". A brand is the most distinguishing aspect of a company (Tafoya, 2013:11). A fashion brand in particular, is any cosmetic, apparel, or accessory product with unique characteristics that differentiates the product from competing products (Levy & Weitz, 2012:105). Brands may also be classified as national or international brands. A national brand is a brand that is distributed nationwide (Schulz, 2012:14), whereas an international brand is sold in two or more countries (Whitelock & Fastoso, 2007:264). According to Jung and Sung (2008:27), consumers perceive international brands as different from national brands because of the symbolic meanings attached to the brands within a particular society. Consumers generally favour international brands over national brands, as they are often associated with higher status (Lee *et al.*, 2010:470; ENCA, 2015). Therefore, for a national brand to compete with international brands, effective brand management is required to build and maintain a strong brand (Kang, 2010:15).

Brand management refers to the process of maintaining and improving a brand (Sandner, 2010:85) in terms of adapting the brand when changes in the market occur (Mohammadian & Dehabadi, 2012:1769) as well as establishing new brands or leveraging existing brands (Sandner, 2010:87). Strategic brand management is a key component of a company's marketing strategy (Santos-Vijande *et al.*, 2013:151), which focuses on achieving the planned strategic marketing goals such as creating brand identification and establishing strong brand associations with consumers (Botero, 2010:6). Therefore, the emphasis is on increasing the consumers' perceived value of a brand over time (Hulland, 2005:4) in order to build a lasting brand (Esch *et al.*, 2006:98). As such, strategic brand management involves the creation and implementation of marketing activities in order to create and manage brand equity (Keller, 2013:58; Rindell

& Strandvik, 2012:279). This task is imperative for competitively positioning a brand in the consumers' minds (Baker, 2010) in order to maintain existing customers and to attract new customers (Radder & Huang, 2008:432).

The most simplistic definition of brand equity is the added value a brand gives to a product over and above its functional benefits (Elliot *et al.*, 2012:233). Aaker (1996:7) defines brand equity more specifically as a set of either benefits or liabilities linked to the brand, the brand name and symbol, which can be added to or subtracted from the value of the product or service provided to the consumer. From the literature, two brand equity perspectives are identified, namely the firm perspective and the consumer perspective (Veloutsou *et al.*, 2013:239). While firm-based brand equity is associated with the financial value of a brand as an asset (Aggarwal *et al.*, 2013:180), consumer-based brand equity involves assessing the consumer's response to a specific brand (Fayrene & Lee, 2011:34). Schiffman and Kanuk (2014:187) opine that the financial value of a product depends on how the consumer perceives the superiority of the brand and, therefore, brand equity is considered a consumer-based concept. Baalbaki (2012:5) concurs and highlights that the financial value of the brand is an outcome of the consumer response to the brand. Therefore, according to Veloutsou *et al.* (2013:239), high positive customer perceptions are essential for a company to achieve financial success.

A review of the literature suggests that brand awareness, brand associations, perceived quality, brand loyalty and other proprietary assets such as patents and channel relationships depict the dimensions that should be present to obtain brand equity (Jooste *et al.*, 2009:369; Kloppe & North, 2011:34; Veloutsou *et al.*, 2013:239). However, concerning consumer-based brand equity, the dimension relating to the other proprietary assets is excluded, since this dimension is firm-based and, therefore, does not represent a consumer perspective (Veloutsou *et al.*, 2013:239). Brand awareness refers to the strength of a brand in a consumer's memory, which is reflected by the consumer's ability to recall a brand over all other available products in the market (Kim, 2012:423). Perceived quality refers to a consumer's personal judgment about a brand's overall quality and superiority in comparison with other competing brands (Chattopadhyay *et al.*, 2009:111). The link an individual has with a brand and its main attributes is called brand association (Pappu *et al.*, 2006:698) and according to Keller (1993:5), is indicative of whether or not the consumer's needs have been satisfied. Brand loyalty refers to a consumer's insistence on a particular brand, which they express through the

repurchasing of a product, as well as resisting purchasing other brands (Lee *et al.*, 2010:471). While high brand awareness, favourable brand associations, high perceived brand quality and brand loyalty result in strong brand equity (Yoo *et al.*, 2000:196), Schäfer (2005:30) accentuates that brand loyalty is the key dimension for achieving brand equity.

Owing to the increasingly important role of building strong brands in becoming the preferred brand among consumers (Soenyoto, 2015:105) and capturing consumers' loyalty (Moore & Fairhurst, 2003:386), marketing and retail managers have to focus on creating brand equity (Okazaki & Taylor, 2008:9). Building brand equity involves the development and implementation of various marketing activities (Treffers, 2012:12). More importantly, creative and unique marketing strategies are essential in effectively differentiating a brand from competing brands (Lee *et al.*, 2008:295; Wigley & Provelengiou, 2011:141). The marketing strategies, as set out in a company's marketing plan, delineate the marketing mix elements designed to achieve the marketing objectives (Venter & Jansen van Rensburg, 2009:8). These marketing mix elements, also referred to as marketing activities (Schindler, 2012:4), include four elements of marketing, namely product, price, promotion and place (Lamb *et al.*, 2010:455). A product refers to the service or physical good that is offered to the market (Elliot *et al.*, 2012:215), while price refers to the amount of money that needs to be paid in exchange for the product or service (Strydom *et al.*, 2011:159). Promotion involves activities such as advertising and sales promotion, used for communicating the product qualities to the market (Kotler & Armstrong, 2010:66). The last element, place, is associated with making the product available where and when the consumers require it (Lamb *et al.*, 2010:456), which involves the distribution of the product through retailers (Venter & Jansen van Rensburg, 2009:260,263). However, from a consumer's perspective, the store image of the retailer is more prominent than the physical distribution of the product, especially since young consumers' scepticism regarding certain retail outlets originates from the retailer's image (Mafini *et al.*, 2014:1,8).

The youth significantly influence the allocation of spending power across the different product categories (Radder & Huang, 2008:233). They are considered fashion leaders (Kestler & Paulins, 2014:316) and, therefore, influence other consumers' products and brand decisions (Doran, 2011; Schawbel, 2015). As such, consumers are brand conscious from a young age and establish their brand preferences between the age of 15 to 25 years (Radder & Huang, 2008:233). For this reason, fashion marketers aim at

attracting young consumers, in order to capture their loyalty throughout their lifetime (Bickle, 2011:163). Generation Y consumers – consumers born between 1986 and 2005 (Markert, 2004:21) – are one of the largest market segments in the world (Foscht *et al.*, 2009:223) and have unprecedented spending power (Kim *et al.*, 2010:248). In South Africa, the Generation Y consumers account for 38 percent of the total South African population, where the African segment of this cohort (hereafter referred to as black Generation Y) account for 84 percent of the total Generation Y cohort (Stats SA, 2015). While the members of this segment vary between the ages of 10 and 29 years, the majority are university students (Kinley *et al.*, 2010:563).

The South African student population comprises 938 000 students, who each spend an estimated average of R45 216 per year. Together this equals a potential spending of R41.1 billion per year. As such, students are spending more than the average South African consumer, who spends an estimated average of R25 208 per year (Student Village, 2014:10,15). Students' spending increased with 7.95 percent over the last four years (Shange, 2015). Consequently, with the estimated population size and the purchasing power of Generation Y, it is worthwhile for marketers to understand the effectiveness of marketing activities in creating brand equity.

Given that the members of the Generation Y cohort are mostly university students pursuing a tertiary qualification (Kinley *et al.*, 2010:563), they are associated with a higher future earning potential (Bevan-Dye *et al.*, 2009:174), which is likely to lead to a higher level of consumption, making them an attractive marketing segment to target (Motale *et al.*, 2014:122). Moreover, black Generation Y members are likely to become members of the Black Diamonds. Black Diamonds are black middle class consumers under the age of 44, who have tertiary qualifications and perform white-collar work (Radebe, 2013). The size of this segment has grown substantially by approximately 250 percent from 2004 to 2012 (Shevel, 2013), representing 16 percent of the total population segment (Radebe, 2013). Furthermore, Black Diamonds spend more than white consumers in the same class (Dolan, 2014) and the spending of approximately 400 billion in 2012 (Shevel, 2013) signifies their significant spending power (Digital Fire, 2012).

Members of the Generation Y cohort are of particular interest to fashion marketers because this generation are fashion and brand conscious, especially to higher priced items such as clothing (Kinley *et al.*, 2010:563). Almost three quarters of Generation Y students' high value product purchases are dedicated to clothing, footwear and

accessories (Student Village, 2010:24). Martin and Turley (2004:466) concur by stating that trips to the mall rank amongst Generation Y consumers' top priorities, with shopping for clothing as the top activity. This is consistent with the findings from Student Village (2010:18), who focus on youth marketing, indicating that black students spend substantially more on fashion products compared to students from other ethnic groups. Bakewell and Mitchell (2003:96) highlight that when Generation Y members come of age they will have exceptional purchasing power and clothing will remain one of the top priorities, as approximately two-thirds of their spending will be directed at the clothing market.

According to Grotts and Johnson (2013:282), Generation Y consumers look to brands to define themselves and cement their place in society. Members of the Generation Y cohort are image-driven and have a high need for acceptance from their peers (Williams & Page, 2011:44). The extent to which the youth are significantly influenced by the effects of a powerful brand is evident in the Izikhothane battles, which occur predominantly amongst the youth of low income households across South Africa's black townships who are exceptionally brand conscious (Madireddy, 2014). In order to demonstrate the lack of concern for luxury branded material possessions such as mobile phones and clothes, due to the ability to afford more of the same, contestants dance around, showing off their expensive material items to each other and to the crowd. The champions are decided by the crowd, whereby the crowd cheers for the Izikhothane that impressed them the most with their abundance of wealth as depicted by the destruction of their high-value items (Madireddy, 2014; Ongley, 2014).

Branded clothing plays an immense role in the Generation Y segment's purchasing behaviour (Van Eck *et al.*, 2004:11; Fernandez, 2009:92; Tjandra *et al.*, 2013:26). The proliferation of different media channels increases Generation Y consumers' awareness of the variety of brands and lifestyles (Bakewell & Mitchell, 2003:95). As a result, a unique targeting approach is required when marketing to this cohort (Bakewell & Mitchell, 2003:95), one that will testify that fashion marketers clearly understand Generation Y consumers' shopping patterns (Bickle, 2011:163).

The size of the black Generation Y market along with their current spending on clothing and their future earning potential makes them a significant lucrative target market. For this reason, it is essential for marketers and retailers to understand this market segment clearly, as well as their perceptions regarding the importance of marketing activities in creating brand equity. More information is needed about this specific group, as an

understanding of this segment will substantially contribute towards the design of more effective marketing strategies.

1.2 PROBLEM STATEMENT

An extensive search of the literature revealed several studies that have been conducted in the international markets regarding consumer-based brand equity. Of these studies identified, only a few explored the different components essential in building brand equity. Previous research pertaining to the creation of brand equity focused on the role of advertising (Baldauf *et al.*, 2009; Buil, *et al.*, 2013; Chattopadhyay *et al.*, 2010; Chen & Green, 2009; Gil *et al.*, 2007; Kim & Hyun, 2011; Neerakkal, 2012; Tong & Hawley, 2009b; Villarejo-Ramos & Sánchez-Franco, 2005; Yoo *et al.*, 2000), sales promotion (Buil *et al.*, 2013; Chattopadhyay *et al.*, 2010; Neerakkal, 2012; Tong & Hawley, 2009b; Villarejo-Ramos & Sánchez-Franco, 2005; Yoo *et al.*, 2000), store image (Chattopadhyay *et al.*, 2010; Neerakkal, 2012; Tong & Hawley, 2009a; Yoo *et al.*, 2000), celebrity endorsement (Chattopadhyay *et al.*, 2010; Tong & Hawley, 2009b), price (Chattopadhyay *et al.*, 2010; Kim & Hyun, 2011; Yoo *et al.*, 2000) and distribution (Chattopadhyay *et al.*, 2010; Kim & Hyun, 2011; Neerakkal, 2012; Yoo *et al.*, 2000), on brand equity. Furthermore, there are three scholarly studies on the effect of event sponsorship, peer recommendation, (Chattopadhyay *et al.*, 2010), after-sale service, sales people (Kim & Hyun, 2011) and brand image on brand equity (Lee *et al.*, 2009), respectively.

Although these studies made significant progress in the field of examining marketing activities' influence on brand equity, none of these studies investigated the importance of the product element for building brand equity, even though it is a fundamental part of the marketing mix strategy (Grewal & Levy, 2008:270) and has the potential of creating strong brand equity (Madhavaram *et al.*, 2005:71). The four marketing mix elements, combined, form an integrated marketing programme (Kotler & Armstrong, 2010:66) and, therefore, it is essential for the marketer to consider all four of the elements when designing marketing strategies (Du Plessis *et al.*, 2010:2-3). While earlier studies focused on simultaneously examining various marketing activities' influence on building brand equity, none measured the product element's influence on brand equity. The study conducted by Yoo *et al.* (2000) found that price, store image, distribution intensity, advertising spending and price deals influenced the brand equity of athletic shoes, camera films and televisions through its influence on brand awareness/brand

associations, perceived quality and brand loyalty. In the study conducted by Chattopadhyay *et al.* (2010), price, store image, distribution intensity, celebrity endorsement, advertising, sales promotion, peer recommendation and event sponsorship were found to have an influence on brand awareness and perceived quality, which influences the brand equity of passenger cars and, therefore, drives the consumers' choice in cars. Furthermore, the study conducted by Neerakkal (2012) found that store image, distribution intensity, advertising spending and price deals have an effect on the brand equity of athletic shoes, cell phones and body soaps as a result of its influence on brand awareness, perceived quality and brand loyalty. An extensive search of the literature unveiled no similar studies conducted on the lucrative Generation Y target market in South Africa. Therefore, an absence of research relating to this topic remains, especially on the influence of product, as part of an integrated marketing mix strategy, on brand equity. Moreover, there is a dearth of empirical research on this topic in the South African context.

The significant growth of the South African textile, clothing, footwear and leather goods retail industry and the intensifying competition, combined with the size of the black Generation Y students market and their current and potential spending on clothing products, has emphasised the need to understand this lucrative market's brand perceptions (Pappu *et al.*, 2005:143). This will aid marketers and retailers to manage their brands more effectively (Treffers, 2012:12). Through a better understanding of this market's perceptions of marketing activities and brand equity as well as their interrelationship, fashion marketers could more effectively manage their marketing activities to ultimately create or maintain brand equity, for the purpose of gaining a competitive advantage and more effective brand differentiation against competing brands.

1.3 OBJECTIVES OF THE STUDY

The following objectives were formulated for the study:

1.3.1 Primary objective

The primary objective of this study was to propose and empirically test a model of selected marketing activity determinants of clothing brand equity in the South African market amongst black Generation Y students in order to guide marketing strategies for effectively targeting this market.

1.3.2 Theoretical objectives

In order to achieve the primary objective, the following theoretical objectives were formulated for the study:

- Outline the fundamental principles of marketing and fashion marketing
- Review the fashion marketing process
- Conduct a review of the literature pertaining to the marketing mix elements
- Conduct a review of the literature pertaining to branding
- Conduct a review of the literature pertaining to brand equity
- Review the brand equity models and delineate the different brand equity dimensions
- Conduct a review on the literature pertaining to the characteristics of members of the Generation Y cohort.

1.3.3 Empirical objectives

In accordance with the primary objective of the study, the following empirical objectives were formulated:

- Determine black Generation Y students' top-of-the-mind-awareness of clothing brands
- Determine black Generation Y students' top-of-the-mind-awareness of clothing stores
- Determine the perceptions of selected marketing activities (price, product, store image, advertising) in fostering clothing brand equity amongst black Generation Y students
- Determine black Generation Y students' brand equity perceptions (brand awareness, perceived quality, brand associations, brand loyalty and overall brand equity) towards clothing brands
- Empirically test the proposed model of selected marketing activity determinants of clothing brand equity in the South African market amongst black Generation Y students.

1.4 HYPOTHESES

Subsequent to the literature review in Chapters 2 and 3, and the construction of a correlation matrix to assess nomological validity between the different pairs of constructs, the following ten hypotheses were formulated for the study in Chapter 5:

- H₀1: Marketing activities' influence on brand equity is not a nine-factor structure composed of perceptions of pricing-, product-, store image- and advertising activities on brand awareness, brand associations, perceived quality, brand loyalty and overall brand equity of clothing brands.
- H_a1: Marketing activities' influence on brand equity is a nine-factor structure composed of perceptions of pricing-, product-, store image- and advertising activities on brand awareness, brand associations, perceived quality, brand loyalty and overall brand equity of clothing brands.
- H₀2: Store image activities (a) and advertising activities (b) do not have a significant direct positive influence on black Generation Y students' clothing brand awareness.
- H_a2: Store image activities (a) and advertising activities (b) have a significant direct positive influence on black Generation Y students' clothing brand awareness.
- H₀3: Pricing activities (a), product activities (b), store image activities (c) and advertising activities (d) do not have a significant direct positive influence on black Generation Y students' perceived quality of clothing brands.
- H_a3: Pricing activities (a), product activities (b), store image activities (c) and advertising activities (d) have a significant direct positive influence on black Generation Y students' perceived quality of clothing brands.
- H₀4: Store image activities (a) and advertising activities (b) do not have a significant direct positive influence on black Generation Y students' clothing brand associations.
- H_a4: Store image activities (a) and advertising activities (b) have a significant direct positive influence on black Generation Y students' clothing brand associations.

- H₀5: Advertising activities do not have a significant direct positive influence on black Generation Y students' clothing brand loyalty.
- H_a5: Advertising activities have a significant direct positive influence on black Generation Y students' clothing brand loyalty.
- H₀6: Product activities do not have a significant direct positive influence on black Generation Y students' overall brand equity of clothing brands.
- H_a6: Product activities have a significant direct positive influence on black Generation Y students' overall brand equity of clothing brands.
- H₀7: Brand awareness does not have a significant direct positive influence on black Generation Y students' perceived quality of clothing brands.
- H_a7: Brand awareness has a significant direct positive influence on black Generation Y students' perceived quality of clothing brands.
- H₀8: Brand awareness (a) and perceived quality (b) do not have a significant direct positive influence on black Generation Y students' clothing brand associations.
- H_a8: Brand awareness (a) and perceived quality (b) have a significant direct positive influence on black Generation Y students' clothing brand associations.
- H₀9: Brand awareness (a), perceived quality (b) and brand associations (c) do not have a significant direct positive influence on black Generation Y students' clothing brand loyalty.
- H_a9: Brand awareness (a), perceived quality (b) and brand associations (c) have a significant direct positive influence on black Generation Y students' clothing brand loyalty.
- H₀10: Perceived quality (a), brand associations (b) and brand loyalty (c) do not have a significant direct positive influence on black Generation Y students' overall brand equity of clothing brands.
- H_a10: Perceived quality (a), brand associations (b) and brand loyalty (c) have a significant direct positive influence on black Generation Y students' overall brand equity of clothing brands.

1.5 RESEARCH DESIGN AND METHODOLOGY

The study consists of a literature review and an empirical study. For the purpose of this research, quantitative research, using the survey method, was undertaken in the empirical portion of the study. Given that, this study focussed on understanding and predicting consumer behaviour, a positivism approach was adopted. A descriptive research design with a single, cross sectional sample was followed.

1.5.1 Literature review

In order to support the empirical study, the necessary literature was accumulated from South African as well as international secondary data sources such as journal articles, business articles, textbooks, newspaper articles, the Internet and online academic databases including EBSCOhost, Google Scholar and Emerald Insight.

1.5.2 Empirical study

The empirical portion of this study comprises the following methodology dimensions:

1.5.2.1 Target population

The target population relevant for this study were full-time undergraduate black Generation Y students aged between 18 and 24, registered at South African higher education institutions (HEIs) in 2014. The target population was defined as follows:

- Element: Black Generation Y full-time undergraduate students aged between 18 and 24 years.
- Sampling Unit: South African registered public HEIs.
- Extent: Gauteng, South Africa.
- Time: 2014.

1.5.2.2 Sampling frame

The sampling frame consisted of a list of the 26 registered South African public HEIs, which include 11 traditional universities, nine comprehensive universities and six universities of technology (Universities South Africa, 2015). From the sampling frame, a non-probability judgement sample of three HEI campuses situated in the Gauteng province was selected. Of these, one was a traditional university, one a university of

technology and one a comprehensive university. The Gauteng province was selected due to this province comprising the largest share of the South African population, namely 24 percent (Stats SA, 2015). The three HEIs were selected because of their close geographic proximity, which reduces cost and time, making the research more manageable.

1.5.2.3 Sample method

The sampling method used in this study entailed a single cross-sectional non-probability convenience sample of full-time undergraduate black Generation Y students, aged between 18 and 24. In an attempt to overcome the limitations of convenience sampling, demographic questions relating to province of origin, gender, ethnic group, mother tongue language and age were included in the questionnaire. This also aided in determining the extent to which the sample is representative of the target population and, accordingly, the degree to which the results of this study may be generalised to that population.

1.5.2.4 Sample Size

For the purpose of this study, a sample size of 750 full-time undergraduate black Generation Y students was selected. This sample size is in the range of other studies of a similar nature such as Tong and Hawley (2009b) (sample size of 660), Kim (2012) (sample size of 579) and Yoo *et al.* (2000) (sample size of 569). The sample size of 750 full-time undergraduate black Generation Y students was distributed between the three selected HEI campuses.

1.5.2.5 Measuring instrument and data collection method

A structured self-administered questionnaire was utilised to gather the required data for this study. In order to measure the extent to which marketing activities create brand equity in the clothing market amongst black Generation Y students, the relevant literature on various marketing activities, brand equity and brand equity dimensions was analysed, which provided details on the marketing activities. The participants were requested to complete a structured questionnaire consisting of three sections.

The first section (Section A) gathered the participants' demographic information and preferred clothing brands and clothing stores. The second section (Section B) included the items pertaining to the selected marketing activities. This 12-item scale measured the

participants' perceptions of different marketing activities and comprised four constructs, namely price (two items), product (three items), store image (three items) and advertising (four items). The third section (Section C) included the 20-item scale measuring the participants' perceptions of different brand equity dimensions and overall brand equity, comprising five constructs, namely brand awareness (four items), perceived quality (four items), brand associations (four items), brand loyalty (five items) and overall brand equity (three items). The participants' perceptions were measured on six-point Likert scale ranging from strongly disagree (1) to strongly agree (6). The questionnaire was accompanied by a cover letter explaining the purpose of the study as well as requesting participation from the participants and providing relevant contact details.

In order to ascertain its reliability, the questionnaire was piloted on a convenience sample of 41 students not included in the sample. These results were coded and tabulated. The results of this pilot test were considered in finalising the questionnaire for the main study.

A self-administered questionnaire using the drop-off survey method was applied to collect the required data for this study. A structured format was applied to conduct this study, where lecturers at each of the three HEI campuses were contacted telephonically to request permission to carry out the survey. After permission was granted, the participating lecturers were shown the questionnaire accompanied by the ethics clearance certificate obtained from the Ethics Committee of the Faculty of Economic Sciences and Information Technology at the North-West University (Vaal Triangle Campus). Thereafter, the questionnaires were hand-delivered to the participating academic staff members to be distributed to the undergraduate students for voluntary completion during class time. After two weeks, the academic staff members were contacted telephonically, whereby arrangements were made for the collection of the completed questionnaires. This approach was followed for all three participating HEI campuses in 2015.

1.5.3 Statistical analysis

The IBM Statistical Package for Social Sciences (SPSS) and Analysis of Moment Structures (AMOS), Version 22, were used to analyse the captured data. The following statistical methods were used on the empirical data sets:

- Reliability and validity analysis

- Descriptive statistical analysis
- Correlation analysis
- Structural equation modelling.

1.6 ETHICAL CONSIDERATIONS

The research study conformed to the ethical standards of academic research. The required permission was obtained from the academic staff members of the institutions involved. Voluntarily participation was assured, and no participant was forced to participate against his or her will. All participants were free to decline or withdraw at any point in the research process. The confidentiality of the participants' information was guaranteed and their identities and interests were protected.

Furthermore, the North-West University's Ethics Committee assessed the measuring instrument along with the outline of the research methodology to be followed in the study. This assessment focussed on ensuring that the target population and sampling frame that are of interest to this study exclude persons that could be classified as being vulnerable and that the measuring instrument to be used in this study did not request any sensitive information. The measuring instrument successfully passed the committee's standards and received the following ethical clearance number: **ECONIT-ECON-2014-017**.

1.7 DEMARCATION OF THE STUDY

This research project concerns black Generation Y students between the ages of 18 and 24 years, registered at South African public HEIs in 2014. Three HEI campuses located in the Gauteng province of South Africa were considered for this study. Of the three campuses selected from the sampling frame, one was a traditional university campus, one a comprehensive university campus and one a university of technology campus.

1.8 CONTRIBUTIONS OF THE STUDY

The amount of fashion retailers entering, and subsequently competing in the South African fashion industry has increased, which intensifies the competition amongst national and international brands. In an attempt to achieve success and grow a brand has to stand out from competing brands and, therefore, fashion marketers are required to differentiate their brands from competing brands effectively and create a competitive

advantage. Strategic brand management is fundamental for succeeding, since it focusses on increasing the value of the brand and creating a competitive advantage through controlling marketing activities. Owing to the intensifying competition, it has become even more important to understand how the marketing activities should be managed to increase brand equity.

This study aims at empirically testing a model to demonstrate marketing activities' effectiveness in creating brand equity in the clothing market amongst black Generation Y students in South Africa. Findings from this study provide insight on understanding which marketing activities are effective in creating brand equity, how the marketing activities are linked to the brand equity dimensions and how it can be controlled to generate and maintain brand equity amongst the black Generation Y market segment. The results of this study have important implications for South African and international marketing practitioners and retailers involved in the management of marketing activities and brand equity, seeking to target this market segment. Marketers and retailers could use the results of this study as a guide for selecting and developing appropriate marketing strategies to generate and maintain brand equity in the South African clothing market amongst black Generation Y students, giving brands a competitive advantage and effectively differentiating their brand from the competing brands.

The literature search unveiled a lack of empirical research on this topic, with South African black Generation Y students as the target population. As a result, this study contributes to existing studies and the literature of marketing activities and its effect on brand equity creation in South Africa and internationally. In addition, this study contributes to the ProGenY research project of the North-West University, Vaal Triangle campus, which focuses on developing a profile of Generation Y students' consumer psychology in South Africa.

1.9 CHAPTER CLASSIFICATION

In accordance with the gap in the literature concerning the effectiveness of selected marketing activities in creating brand equity in the South African clothing market amongst black Generation Y students, one primary objective, seven theoretical objectives and five empirical objectives were formulated in this chapter. For the purpose of addressing these objectives, the remainder of this thesis consists of the following chapters:

Chapter 2 of this study provides a detailed literature review on marketing, fashion marketing and the various marketing activities that are essential to the fashion marketer in marketing fashion products. A definition of marketing is provided, followed by a discussion on the relationship between fashion and marketing. Subsequently, a detailed definition of fashion marketing is provided and the fashion marketing process is discussed. The elements of the marketing mix are outlined, where after an in-depth discussion on each individual element follows, given that it is the main focus of this chapter.

In Chapter 3, an in-depth discussion relating to branding and brand equity are provided. Branding is defined in detail and a discussion on building brands is included, as well as a discussion on the value of a brand to the user and the branded company. The different types of brands also are differentiated clearly in this chapter. The focus of this chapter is on discussing brand equity, which involves a detailed definition of brand equity, followed by a discussion on building brand equity. Furthermore, this chapter outlines the different brand equity models and includes an in-depth discussion on the brand equity model utilised in this study, with regards to the different brand equity dimensions and their relationships. The last section of this chapter focuses on the Generation Y consumers, which is the target market of this study. The chapter concludes with a proposed model of selected marketing activities' influence on brand equity creation in the South African clothing market amongst black Generation Y students.

Chapter 4 provides a discussion on the theoretical background of the research methodology that was followed in this study. The first discussion in this chapter relates to the research design and research approach, followed by the sampling procedure. In addition, the sampling procedure section involves discussions regarding the target population and the sample frame of this study, the sample method that is used, as well as the sample size. A discussion on the data collection method was also included with reference to the questionnaire design, format and layout. Furthermore, the pre-testing of the questionnaire, administration of questionnaire, preliminary data analysis and statistical techniques that were used in this study are outlined and discussed.

The emphasis of Chapter 5 is on the results obtained from the pilot study and the main study. The first section of the main study results include a discussion on the characteristics of the sample used in this study, followed by a discussion on the reliability of the measurement instrument used in this study. Furthermore, a discussion on the descriptive statistical analysis are included, as well as the results of the correlation

analysis. The last section of this chapter relates to a discussion on the results obtained from the empirical testing of the model of effectiveness of selected marketing activities in creating brand equity in the South African clothing market amongst black generation Y students.

In Chapter 6, a review of the study is provided as well as a discussion on the conclusions drawn from the study. In addition, this chapter outlines the findings of the study along with its recommendations. Furthermore, the limitations of the study are discussed, as well as the future research opportunities.

1.10 GENERAL

- Tables and figures are included where required throughout the thesis.
- Where tables and figures have no specified reference, it refers to own research.
- The annexures are provided at the back of the thesis.
- Referencing is done in accordance with the 2012 version of the NWU referencing guide: Harvard Style.

1.11 CONCLUSION

The competition in South Africa's fashion industry intensified, due to the increased availability of international fashion brands in South Africa. Consequently, fashion markets are faced with the challenge of effectively differentiating their product offerings in order to stand out from their competition. An effective way of differentiating a product is by making use of branding, which involves linking the product to a specific name. Accordingly, the perceived value of the product increases, which is known as brand equity. Brand equity is created when the brand awareness and the perceived quality of the brand increased, favourable brand associations are established and brand loyal customers are created. In doing so, creative marketing strategies should be implemented, which require that fashion marketers clearly understand their target market in terms of their perceptions of the marketing activities and brand equity dimensions.

This chapter introduced the study by providing background and the context of the study. In addition, this chapter provided an overview on the changes in the fashion industry and highlighted the challenges concerning the proliferation of international brands in South Africa. This accentuated the importance of effectively using marketing activities to create or enhance brand equity. The research problem identified in this study is that there is an

absence of published literature relating to how the marketing activities of clothing brands influence brand equity, specifically in the South African context. Fashion is of particular interest to the South African Generation Y target market, since approximately three quarters of high value product purchases are clothing items. Therefore, the study focuses on the South African Generation Y cohort. In accordance with the problem statement, one primary objective, seven theoretical objectives, and five empirical objectives were formulated in this chapter.

Subsequent to the outline of the research design and methodology followed in this study, a discussion pertaining to the ethical considerations was included. Thereafter, the demarcation of the study was outlined and the contribution of the study was discussed. In addition, this chapter included a section on the classification of the chapters covered in this thesis.

The following chapter, Chapter 2, involves a literature review on fashion marketing. The fashion marketing process is outlined and the various marketing mix elements that contribute towards creating brand equity are discussed. This discussion addresses the first three theoretical objectives set out for this study.

CHAPTER 2

FASHION MARKETING

2.1 INTRODUCTION

In accordance with the first three theoretical objectives set out in Chapter 1, this chapter provides a discussion on fashion marketing. The purpose of Chapter 2 is to introduce the fashion marketing mix elements, also referred to as marketing activities (Schindler, 2012:4), used to build and protect brand equity, which consequently creates a competitive advantage. These discussions provide the basis for the antecedents of marketing activities' influence on brand equity creation.

Marketing plays a significant role in the success and ultimately the survival of all companies (Kotler & Keller, 2012:25; Walsh & Lipinski, 2009:569), regardless of the size of the company (Bickle, 2011:2). More specifically, the marketing efforts employed by the company directly impact whether a brand is recognised either internationally or only in a specific region or country (Bickle, 2011:xxi). Grönroos (2006:397) explains that marketing is one of the eight business functions in a company, which focuses on strategies for effective management of the marketing mix elements, namely product, price, place and promotion. These strategies are outlined in the company's marketing plan, together with an outline of how the company's objectives will be achieved, including strategies for addressing possible opportunities and threats in the industry (Rath *et al.*, 2012:30). Given that a combination of marketing mix elements are used to offer value to customers and in order to achieve the company's sales and profitability goals (Rath *et al.*, 2012:19), it is essential that all four of the marketing mix elements are considered when designing the company's marketing strategy (Du Plessis *et al.*, 2010:2-3). Moreover, Anon (2006:24) emphasises that clearly defined marketing activities are fundamental for achieving success and a competitive advantage.

Owing to globalisation, the fashion industry has experienced significant changes such as differences in social trends and advances in technology. As a result, fashion companies are facing new challenges and opportunities in order to keep up with new trends and new untapped markets (Rath *et al.*, 2012:21-22). Moreover, the increase in consumers' income in several countries (Rath *et al.*, 2012:22) coupled with brands being available in more countries worldwide (Lee *et al.*, 2008:295) lead to an increase variety of product choices available to consumers (Moorad, 2013). As a result, the increased competition

between clothing brands (Witepski, 2014) added to the pressure companies experience to stay abreast of the competition (Lee *et al.*, 2008:295; Wigley & Provelengiou, 2011:141). In an attempt to differentiate themselves from their competitors, companies have realised the value of creative marketing strategies in gaining consumers' attention and loyalty (Lee *et al.*, 2008:295; Moore & Fairhurst, 2003:386; Wigley & Provelengiou, 2011:141).

As indicated in Chapter 1, the purpose of this study was to propose and empirically test a model that measures the extent to which selected marketing activities influence South African black Generation Y students' clothing brand equity. The primary aim of this chapter is to discuss fashion marketing in order to lay the foundation for the marketing activities that influence brand equity of clothing brands. Therefore, the focus of this chapter is on reviewing the role of the marketing mix elements in creating an effective marketing strategy. In order to illustrate the importance and relevance of fashion marketing to the fashion industry, a brief discussion on marketing and fashion marketing is provided. In addition, this chapter includes an overview of the marketing activities used by fashion marketers to enhance brand equity of fashion brands. Subsequently, all four elements of the marketing mix are discussed in detail. Therefore, marketing is defined in Section 2.2, followed by a discussion on the relationship between fashion and marketing in Section 2.3. In Section 2.4, fashion marketing is defined, while Section 2.5 includes a discussion on the fashion marketing process and Section 2.6 introduces the fashion marketing mix activities. Owing to the nature of this study, an in-depth discussion of the marketing activities employed by fashion marketers and retailers for co-ordinating the elements of the marketing mix are required. Therefore, fashion product activities, pricing activities, distribution activities and promotion activities are discussed in Section 2.7, Section 2.8, Section 2.9 and Section 2.10 respectively.

2.2 MARKETING DEFINED

Various marketing definitions have emerged over time, and for the purpose of this study, these definitions have been taken into consideration. Traditionally, marketing was thought of as a tool used to increase sales (Kotler & Armstrong, 2010:19), such as effective advertising or skilled salespeople that motivate consumers to purchase a product or service (George, 2014:3). Gbadeyan (2011:10) points out that, while increasing sales is an important marketing objective, the preliminary focus of marketing is to satisfying consumers' needs in order to achieve long-term profitability goals.

Kotler and Armstrong (2010:19) define marketing as “a social and managerial process through which individuals and groups obtain what they need and want by creating and exchanging products and values with others”. Cannon *et al.* (2008:6) propose that marketing is the utilisation of activities to anticipate specific consumer needs and direct the flow of products from the manufacturer to the consumer in order to satisfy these needs. Easey (2009:6) adds that, while marketing is a process where a company anticipates, identifies and satisfies consumers’ needs, the focus is on meeting long-term objectives. Kotler and Armstrong’s (2010:19) definition refers to marketing as a process of value-creation and relationship building with consumers, in order to gain value from them in return, in the form of sales and profits. A more recent definition of marketing by Elliot *et al.* (2012:3) states that marketing is a process and activity that focuses on creating, communicating, delivering and exchanging valuable offerings to consumers. As indicated by these definitions, marketing is concerned with three main concepts, namely consumer needs and wants, consumer value and the process of exchange between the manufacturer or retailer and the consumer.

Needs are defined as the comprehensive natural and emotional requirements that inspire a consumer’s behaviour (Kotler & Keller, 2012:31). For example, consumers need clothes to protect them against natural elements, such as rain and cold (Bickle, 2011:7). When the need is directed towards a specific object that could satisfy the need, it becomes a want; hence, a want is a higher-level need (Kotler & Keller, 2012:32). Subsequently, the want becomes a demand when the want is supported by purchasing power (Kotler & Armstrong, 2010:20), which is the ability and willingness to pay for a specific product or service (Palmer, 2011:17). According to George (2014:3), in order for a company to be successful, consumer needs, wants and demands must take priority; therefore, Palmer (2011:16) explains that all the marketing activities should be directed at satisfying consumer’s needs. Schramm-Klein and Morschett (2006:279) and Bickle (2011:7) point out that because marketing is organised around consumers’ needs, marketers should continuously analyse consumers’ needs.

George (2014:5) and Palmer (2009:17) explain that consumer value is the difference that exists between the benefits derived from owning and/or using a product or service and the cost involved in obtaining that product or service. Hult *et al.* (2014:9) concur that consumer’s perceptions of value are created by integrating their perceptions of the product with the monetary costs of obtaining it. Consequently, consumers will only make an exchange when they feel that the benefits of the product or service are of more value

than the cost of the exchange (Strydom, 2011:5). Hult *et al.* (2014:9) highlights that consumer value is a key element in managing long-term relationships with customers. Therefore, it is essential that marketers determine what value the consumers seek in a product (Shanker, 2012:19).

Marketing is an on-going process of achieving voluntary exchanges between two individual parties (George, 2014:3-4), known as buying or selling (Rath *et al.*, 2012:4). As such, one party sacrifices something of value to another party in order to receive something in return (Palmer, 2011:19). These exchanges enable companies to earn something of value in return, such as profit (Rath *et al.*, 2012:4). However, there are various prerequisites for an exchange to occur, such as there should be at least two participants involved, of which each participant should have something that the other participant values and both participants must be willing to sacrifice something of value (Dibb *et al.*, 2012:9). Furthermore, Lamb *et al.* (2010:5) add that participation in the exchange is voluntary and that each participant may feel free to accept or reject the offer.

This section has concentrated on defining the term marketing and outlined the basic concepts of marketing. The next section presents an overview of fashion and marketing, thus providing insight into why marketing is important for the success of fashion companies.

2.3 FASHION AND MARKETING

Fashion signifies the mass adoption of a particular style, trend or design (Jackson & Shaw, 2009:88). As such, fashion is considered a symbolic innovation that reflects society, culture and how people define themselves. According to Solomon and Rabolt (2009:4), fashion is similar to a spoken language, however it is context-dependent and, therefore, the same item can be interpreted differently by different consumers in different situations. While the term fashion is associated with a wide range of consumer products (Hines & Bruce, 2007:2), the most familiar category (Rath *et al.*, 2012:8) and the one of interest to this study is clothing and other physical and material items put on the human body (Pentecost & Andrews, 2010:44). For the purpose of this study, fashion refers to a popular trend, style or design of clothing (Jackson & Shaw, 2009:88) that is accepted and desired by a substantial group of people (Rath *et al.*, 2012:8; Solomon & Rabolt, 2009:6) at a given time (Frings, 2008:62).

The purpose of applying marketing in the fashion context is to identify consumers' desired fashion products (Easey, 2009:5), which as a result, influences the design and selling approach of the products (Rath *et al.*, 2012:2). In addition, marketing is used to inform consumers of new products (Rath *et al.*, 2012:2) and to assist the marketer to co-ordinate the elements of the marketing mix to achieve success and growth (Easey, 2009:5). However, with the shortened life span of fashion products today (Barnes, 2013:193), along with consumer's increased income and larger variety of product choices available, fashion marketers and retailers are pressured to continuously introduce new styles in a short time period (Frings, 2008:40; PwC, 2012:15). Therefore, fashion marketing comprises its own opportunities and challenges that result from the changing nature of fashion (Rath *et al.*, 2012:7). Consequently, target markets remain unpredictable and marketers and retailers remain uncertain of what consumers want until they want it (Barnes, 2013:193). Barnes (2013:193) advises that in order to overcome this challenge, fashion marketers and retailers must ensure that their products are fashionable enough to retain consumers' interests and as a result are purchased by consumers.

For the purpose of this study, it is necessary to understand the term fashion marketing and to investigate the main aspects of this definition. Therefore, the subsequent section will relate to defining fashion marketing.

2.4 FASHION MARKETING DEFINED

Fashion marketing involves the application of a business philosophy and techniques that focuses on consumers of clothing and clothing-related products, for the purpose of meeting long-term business objectives (Easey, 2009:7; Završnik & Mumel, 2007:11). As such, fashion marketing affects all business processes and activities, from product design to after-sales support (Rath *et al.*, 2012:5). Barnes (2013:194) accentuate that fashion marketing focuses on understanding consumers' fashion needs and wants, and subsequently utilises strategic and operational activities to satisfy these needs and wants. From these definitions, it is evident that, while fashion marketing is defined in its own terms, the focus remains on the three main concepts of marketing, namely consumer needs and wants, consumer value and the process of exchange. Therefore, fashion marketing is not viewed as a separate marketing discipline but only an adaption of basic marketing principles that have been developed and practiced across a wide spectrum of consumer offerings (Bickle, 2011:xix; Rath *et al.*, 2012:7). Easey (2009:7)

agrees but points out that although fashion marketing is the adaption of basic marketing principles, the marketing activities applied should be directed towards the fashion market. Barnes (2013:193) highlights that in fashion marketing, significant emphasis is placed on the communication and promotion aspects of the product.

Against this background on the definition of marketing and fashion marketing, it is evident that fashion marketing is a process, which fashion marketers and retailers need to understand in order to market fashion products effectively in order to achieve long-term business success and growth. Therefore, a discussion of the fashion marketing process follows in the subsequent section.

2.5 FASHION MARKETING PROCESS

The marketing process involves a continuous cycle of actions and reactions between a company and its customers in an attempt to create value and satisfy customers' needs (Mackay, 2005:4). The marketing process pertaining to the development of fast-moving consumer goods, where consumers are the centre of product development activities, is strongly guided by marketing research and, therefore, referred to as marketing-led. In contrast, the fashion marketing process pertaining to the development of fashion products and brands, where the product is developed before the company can reasonably determine its target market, is strongly guided by the product; therefore, referred to as product-led or design-led. This process focuses on designing a product that designers predict will sell each season (Cooper, 2013:342; Jackson & Shaw, 2009:1,122). This infers that fashion products are created mainly based on fashion designers' perceptions of consumers' needs and wants, instead of involving the consumers in the development of products. As such, the designers control the product choices available to consumers (Jackson & Shaw, 2009:26,122). The fashion marketing process is presented in Figure 2.1.

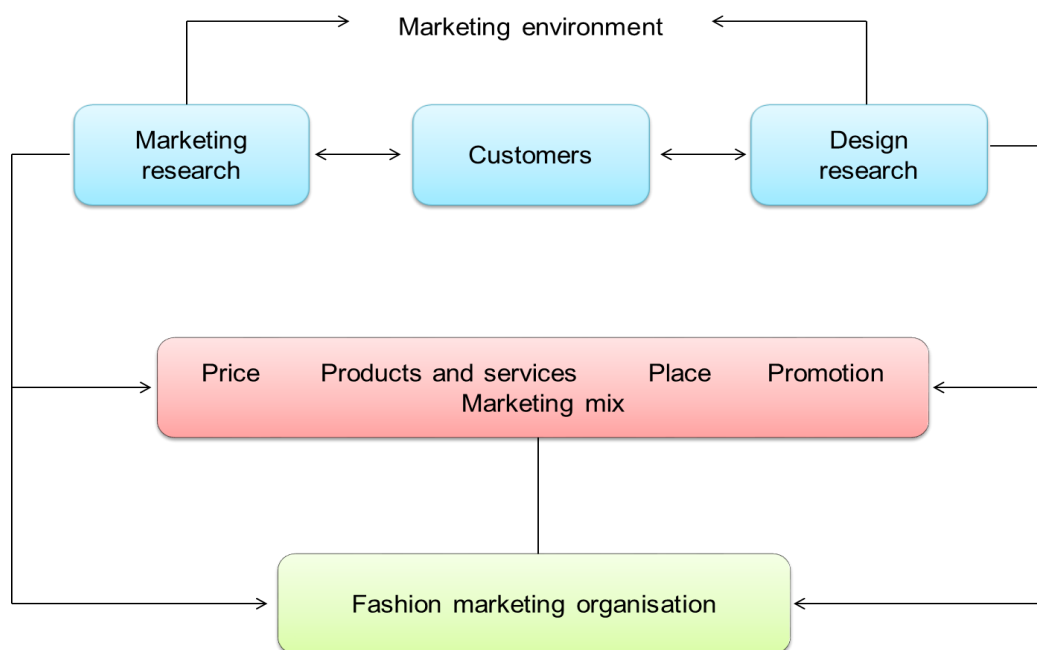


Figure 2.1 The fashion marketing process (Easey, 2009:15)

A fundamental step in the fashion marketing process is to understand the marketing environment together with its changes prior to implementing marketing activities for satisfying consumers' needs (Dibb *et al.*, 2012:14). The marketing environment refers to the business environment in which the fashion company operates and markets their products. Any change in this environment may influence the company's activities, including changes emanating from fashion designers' new styles or designs or from factors that are beyond the designer's or manufacturer's control such as an increase in the employment-population may stimulate demand for office clothing. Consequently, these changes have a substantial effect on the operations of a fashion company (Easey, 2009:15,26). Easey (2009:15,31) and Rahman *et al.* (2014:53) emphasise that the consumers' role in fashion marketing is that they have the power to either accept or reject the designs offered to the market. Therefore, it is imperative for the marketer to understand the fashion consumer. Various authors (Joyce, 2015; Ogah *et al.*, 2014:44; Easey, 2009:98) agree that marketing research is an essential tool for understanding consumers' needs and wants. The information obtained from marketing research assists fashion marketers and retailers with designing new products, and selecting promotion and advertising strategies (Ehmke *et al.*, 2005:1; Easey, 2009:99). Conversely, design research is an internal part of product design (Easey, 2009:16) that focuses on

interpreting consumers' lives and moods and using them as inspiration to design desirable clothes (Easey, 2009:157; Perkel, 2014).

The marketing mix elements are an integral part of a fashion company's marketing strategy and are set out in the marketing plan (Ferraioli, 2015; Kotler & Armstrong, 2010:22). These strategies serve as a conceptual framework that emphasises key marketing management decisions required to develop products that will satisfy consumers' needs (Palmer, 2011:21). As such, the fashion marketer or retailer needs to manage the elements of the marketing mix in order to offer value to consumers, as well as achieving the company's sales and profitability goals (Easey, 2009:141; Hejase *et al.*, 2012:35; Rath *et al.*, 2012:19). According to George (2014:14) and Kotler and Armstrong (2010:62), the marketing mix comprises four elements that all begin with the letter P, namely product, place (distribution), price and promotion, hence named the 4Ps.

For the purpose of this study, that is measuring the effectiveness of selected marketing activities in creating brand equity amongst Generation Y students, the elements of the marketing mix warrant investigating, due to marketing activities being designed around these elements (Williams *et al.*, 2011:383). The next section presents an overview on the fashion marketing mix activities.

2.6 FASHION MARKETING MIX ACTIVITIES

Fashion marketers need to employ different tools to market fashion products and consequently achieve both marketing and company objectives (Lamb *et al.*, 2010:16). The marketing mix, as devised by Edmund McCarthy in 1960, is perceived by various authors (Ahmad *et al.*, 2013:210; Easey, 2009:142; Mirabi & Goohari, 2015:84) as the most popular combination of different marketing tools, or elements, as a means of translating marketing planning into practice. These marketing mix elements are often referred to as marketing activities (George, 2014:14; Schindler, 2012:4, Yoo *et al.*, 2000:202), which are actions taken to facilitate exchanges between the company and its customers (Schindler, 2012:4). The fashion marketing mix activities involve executing a combination of marketing mix tasks (Fu, 2011:156) such as product development, product pricing, product distribution and marketing communication (Williams *et al.*, 2011:382).

Easey (2009:16,238) points out that one of the fashion marketing manager's most important tasks is to manage the marketing mix elements successfully for the purpose of

achieving the company's goals. As such, sound planning, coordinating and effective implementation of all of the components of the marketing mix are essential. Sharing the same view is Belch and Belch (2012:8), and Kotler and Armstrong (2010:66), who accentuate that, in order to market a company's products effectively, a combination of the different marketing mix elements are essential in the development of an integrated marketing plan. Qing *et al.* (2014:206) concur and advise that product development, pricing, distribution and marketing communication should not be planned in isolation, but rather simultaneously, in order to ensure a sound integrated marketing plan.

The intensifying competitive fashion industry makes it essential for marketers and retailers to ensure that the marketing mix is relevant to the target market (Easey, 2009:22). As such, Dibb *et al.* (2012:15) and Lemma (2014:100) suggest that in order to ensure long-term effectiveness, the marketing mix elements should be adapted when changes in the market occur. However, it is important to note that because of the relationship between the four marketing mix elements, any change in one of the elements, such as a change in the product, may affect the promotion element; hence, requiring corresponding changes to be made (Du Plessis *et al.*, 2010:2-3).

The main topic of this study pertains to the different elements of the fashion marketing mix. Therefore, the remainder of this chapter will include discussions on each element of the fashion marketing mix in order to provide insight into the marketing mix activities essential to the fashion marketer, namely fashion product activities, fashion pricing activities, fashion distribution activities and fashion promotion activities. A discussion of fashion product activities follows.

2.7 FASHION PRODUCT ACTIVITIES

The product refers to the range of available products and services, such as a physical good, service or idea offered (Hult *et al.*, 2014:324) for use, consumption, attention or acquisition (Kotler & Armstrong, 2010:234) to satisfy a need or want (Perreault & McCarthy, 2008:275) in exchange for something of value, such as money or time (Lamb *et al.*, 2010:239). Of all the marketing tools, product activities are the most important, considering that it is the main reason why consumers make a purchase (Jackson & Shaw, 2009:87). Therefore, strategic marketing planning starts with creating a product offering that provides value to consumers (Kotler & Armstrong, 2010:234). Lamb *et al.* (2010:239) assert that pricing-, distribution- and promotion activities may only be planned after product development, as these activities have to relate to the product activities.

More so, the pricing, distribution and promotion activities are only effective if these are connected to a strong and sought after product.

Owing to the nature of fashion, new product development plays a significant role in the fashion industry, given that consumers' demand for new products is what drives the fashion industry (Easey, 2009:145-146). In a design-oriented company, such as a fashion house, the product is the centre of all operations and, therefore, the most important element of the fashion marketing mix (Timonen, 2012:24). Essentially, the creation of desirable clothes (Rosenau & Wilson, 2006:84) is a fashion-marketing imperative (Bickle, 2011:46) in that the company's success is dependent on the product's ability to satisfy consumers' needs (Hult *et al.*, 2014:324).

In the fashion industry, it is fundamental for a company to offer consumers products that are in fashion, in terms of a particular season or market. In order to plan efficient fashion product activities, the fashion marketer must have sound knowledge of the different product levels, the classification of fashion products, the development and management of fashion products as well as the different stages of the fashion product life cycle. The following section outlines the five different product levels that the fashion marketer has to address when developing and managing fashion products.

2.7.1 Fashion product levels

A product comprises a complex bundle of benefits that the fashion marketer has to develop in order to satisfy consumers' needs. (Kotler & Armstrong, 2010:235). Biyani and Gupta (2014:11) concur and state that each fashion product offered to consumers may be viewed on different levels, where each level indicates an added value that consumers attach to the product; thereby, adding more value to the overall product. While Kotler (2000:395) originally developed a model that illustrates five levels that add value to a product offering, namely the core benefit, basic-, expected, augmented- and potential product, Jackson and Shaw (2009:89) suggest that marketers view fashion products in three levels, namely the core benefit, actual product and the augmented product.

The need to be fashionable is what drives consumers to purchase fashion items. However, each item has a basic functional benefit (Jackson & Shaw, 2009:89). The core benefit refers to the basic benefit that directly relates to the consumers' fundamental need or problem (Elliot *et al.*, 2012:216; Lamb *et al.*, 2010:239). In terms of fashion, a

coat would be used for the basic benefit of providing warmth (Jackson & Shaw, 2009:89). Palmer (2011:266) stipulates that each product has a core benefit; thus, a reason for being purchased. Therefore, according to Kotler and Armstrong (2010:235), it is critical that the fashion marketer clearly determines the core problem or need for which the product is designed.

The actual product level focuses on delivering the features and attributes that the consumer expects to receive when purchasing the fashion product (Elliot *et al.*, 2012:216; Lamb *et al.*, 2010:239). These expected attributes could relate to a specific design or feature, a certain level of quality, specific packaging or brand name (Kotler & Armstrong, 2010:235). Jackson and Shaw (2009:89) illustrates that with regards to fashion items, the attributes included in an expected product would be the fabric, colour and aspects such as the pockets of a coat.

The augmented product is planned around the core benefit and the actual product and focuses on adding additional benefits and services (Kotler & Armstrong, 2010:235) that are not necessarily required by the consumer but are added to increase the product's value (Elliot *et al.*, 2012:217), such as after-sales services, guarantees and credit facilities (Palmer, 2011:267). Consequently, consumers' expectations often are exceeded, giving the company a competitive advantage and a method of differentiation (Lamb *et al.*, 2010:239-240). Barnes (2013:194) believes it is at this product level where fashion-marketing activities are essential, given that consumers purchase clothing for reasons beyond the basic need of protection, such as to express their personal characteristics and personality. In addition to fashion products comprising various levels, they also are classified into different categories, which are described in the next section.

2.7.2 Fashion product classification

Products are classified as either business products or consumer products (Hult *et al.*, 2014:326). Business products, also known as industrial products (Kotler & Armstrong, 2010:236) are those products that are purchased for further processing or for use in conducting a business, while consumer products are purchased by final consumers for personal consumption (Elliot *et al.*, 2012:218). Owing to the topic of this study relating to fashion products, the focus will be on consumer products, which consist of convenience, speciality and shopping products (Easey, 2009:147), as illustrated in Figure 2.2.

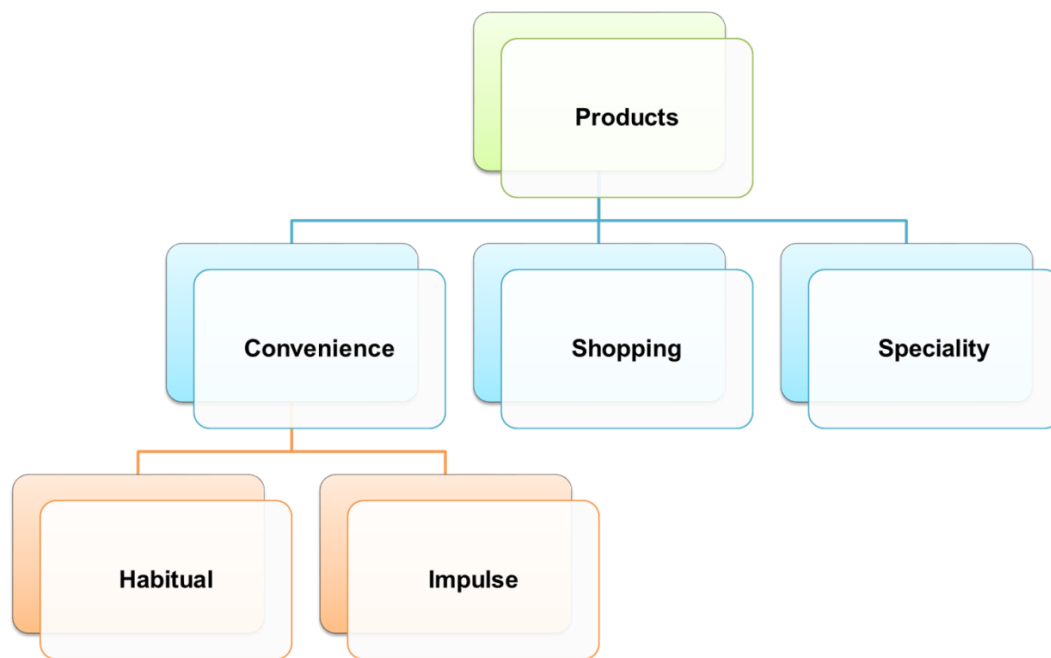


Figure 2.2 Classification of consumer products (Easey, 2009:148)

Convenience products are relatively inexpensive products that are purchased frequently, immediately and with a minimum purchasing effort (Kotler & Armstrong, 2010:327). Convenience products are classified further as staple products, which are purchased habitually or impulse products that are purchased without pre-planning (Easey, 2009:148). While both these types of products are purchased without the consumer investing a significant amount of time and effort in the decision-making, staple products are purchased on a routine basis, such as soap (Cannon *et al.*, 2008:241), while impulse products are purchased immediately and without planning, such as sweets (Lamb *et al.*, 2010:242).

Shopping products are products that are bought less frequently (Kotler & Armstrong, 2010:237) and require more purchasing effort compared to convenience products (Palmer, 2011:262). As such, a significant amount of time and effort is invested in gathering information, and comparing the suitability, quality, price and style of the different products available (Kotler & Armstrong, 2010:237). Examples of shopping products include clothing, furniture and major appliances (Kotler & Keller, 2012:349). Shopping products may be classified as either homogenous or heterogeneous shopping products. Homogenous shopping products are products that have essentially the same physical characteristics and quality as similar products from other suppliers; therefore,

one product may easily be substituted for the other, such as fast moving consumer goods (Lamb *et al.*, 2010:243). Cannon *et al.*, (2008:243) point out that because homogeneous products' main difference lies in the price, consumers tend to be price conscious when purchasing homogeneous shopping products. In contrast, heterogeneous shopping products are products that are readily distinguishable from competing products and cannot be easily substituted for one another, such as furniture and clothing (Lamb *et al.*, 2010:243). Cannon *et al.* (2008:243) emphasise that product style and quality are essential aspects that consumers consider when purchasing heterogeneous products.

Speciality products are products with unique characteristics, such as designer clothing (Dinis, 2006:20; Palmer, 2011:262), prestigious brands (Amato *et al.*, 2012:22; Easey, 2009:148) and haute couture, which are extremely expensive and fashionable clothing (Fashion One, 2015; Wong, 2015). Easey (2009:148) states that speciality products are associated with high quality or high perceived value of which consumers are willing to travel great distances to purchase. According to Hult *et al.* (2014:329), speciality products are purchased only occasionally. Moreover, speciality products are distributed exclusively and, therefore, available from selected retailers only (Palmer, 2011:262). In general, consumers do not compare speciality products (Kotler & Armstrong, 2010:237), since alternatives or substitutes seldom exist (Elliot *et al.*, 2012:219). According to Lamb *et al.* (2010:245), brand names and quality are the most important considerations when consumers purchase speciality products. Kincade and Gibson (2010:130) concur and state that consumers are prepared to pay higher prices for fashion products with exclusive features, unique attributes or a strong brand image.

In terms of the fashion industry, most of the clothing items are classified as either shopping products or speciality products, since shopping for clothes requires a great amount of purchasing time and effort from the consumer and fashion products have unique characteristics and are often only available from selected stores.

Easey (2009:149) and d'Avolio *et al.* (2015:109) opine that when fashion marketers attempt to analyse consumers' purchasing motives, it is more accurate to classify fashion products in terms of classics, fads or fashions, also referred to as trends (Reilly, 2014:31). Classic products are fashion styles that remain in fashion for several seasons, or even years (Burke, 2013:80). These products are described as a timeless style (Easey, 2009:150) that takes the form of a simple design (Frings, 2008:66) such as the classic black dress, tailored women suits (Easey, 2009:150) or pencil skirts that remain

similar throughout the changing seasons (Sims, 2013). Therefore, these products undergo minimal changes (Easey, 2009:149-150). Although the style of classic products are considered to be suitable for all markets (Sims, 2013; Solomon & Rabolt, 2009:13), they rarely appeal to the majority of consumers, mostly only to consumers that do not seek new fashion products each season (Easey, 2009:149). Conversely, fads are fashion styles that rapidly become fashionable and gain popularity, but then quickly disappear; therefore, they have a short shelf-life, such as the ultra-low rise jeans or legwarmers (d'Avolio *et al.*, 2015:109; Furnham, 2015; Solomon & Rabolt, 2009:15). According to Frings (2008:66), the style of these products is copied easily and, therefore, the market quickly becomes saturated. Fads mostly appeal to the youth (Burke, 2013:80), particularly young females (Sims, 2013) who seek new fashion styles (Easey, 2009:151). Trends and fads may seem similar (Higham, 2009:106), however, trends gain popularity slower than fads and decline gradually, therefore, they remain in fashion for a longer period of time (Easey, 2009:151). Trends typically change from season to season (d'Avolio *et al.*, 2015:109) such as the short front and long back skirts or the colour-blocking trend (Sims 2013). While classic products enjoy long product life cycles, fads often result in high profit margins. Owing to the intense competition in the fashion industry, fashion companies are required to evolve and, consequently, might choose to market both classic and fad merchandise (Bickle, 2011:33). In addition to addressing the different product levels and types of consumer products, fashion marketers must also make various other product decisions, which will be reviewed in the following section.

2.7.3 Developing and managing fashion products

Fashion marketers manage a variety of products simultaneously in order to stimulate interest in the company and its products (Bickle, 2011:46). Hult *et al.* (2014:332) advise that when a fashion marketer manages a number of product lines that a company offers its customers, a clear understanding of how the product line evolves is required. According to Kotler and Armstrong (2010:239), the fashion marketer needs to co-ordinate the company's product activities across three levels, namely the individual product, the product line and the product mix.

2.7.3.1 Individual product decisions

An individual fashion product or product item (Palmer, 2011:267) refers to a specific version of a product (Lamb *et al.*, 2010:245). Important decisions relating to the individual product include decisions about product attributes, branding, packaging,

labelling and product support services (Biyani & Gupta, 2014:13; Lamb *et al.*, 2010:240). Frings (2008:221) and Palmer (2011:270) emphasise that each individual clothing item should be distinctive and powerful enough so that consumers, without depending on the strength of other clothing items, would prefer it. Given that branding is discussed in Chapter 3, only a discussion pertaining to product attributes, packaging, labelling and product support services follows.

Product attributes communicate the distinct benefits of the product, such as features, style and image (Cannon *et al.*, 2008:237). More specifically, the product features differentiate the product offering while the product style describes the appearance and design of a product (Kotler & Armstrong, 2010:240-241). Wong *et al.* (2009:1752) opine that the product image, which refers to the message that is being communicated about the product (Strydom, 2011:118), is an essential element of a product item, given that it provides more information regarding the product. For this reason, Chen and Chang (2009:133) accentuate that fashion marketers and retailers must ensure that the product image is in accordance with the target market's product-image expectations. According to Lamb *et al.* (2010:245), branding (refer to Chapter 3) is a key strategy in developing a suitable product image.

Packaging plays a significant role in the marketing of the fashion product. Although packaging is not directly part of a fashion product, it adds value to the product. As such, packaging encompasses any gift-wraps, tissue paper and boxes used to hold consumers' purchases, including the product's hangtag. A hangtag is an information tag attached to fashion products (Bickle, 2011:48). This labelling method assists with identifying fashion products and brand names and provides information that is essential for decision making, such as who manufactured the product, where it was manufactured and how it is to be cared for (Elliot *et al.*, 2012:239). Appropriate product support services also add value to the product offering, however, the essence lies in constantly determining if the offered services are satisfactory and whether additional services are required (Kotler & Armstrong, 2010:243).

2.7.3.2 Product line decisions

A group of products that are related closely (Hult *et al.*, 2014:332) or are similar in design or style are referred to as a product line (Bickle, 2011:51) or a product collection (Rosenau & Wilson, 2006:161). These products are grouped together because they are manufactured in the same way, used for the same function, purchased by the same

target market, offered at the same retail outlets and within the same price range (Cannon *et al.*, 2008:240). Kotler and Armstrong (2010:244) indicate that the key product line decision is to decide on the length of the product line, which refers to the number of products in the product line. Kotler and Armstrong (2010:244) further explain that the company's objectives and resources influence the length of the product line; therefore, product lines may either be augmented by adding products or reduced by discontinuing products. Palmer (2011:267) opines that a successful product line satisfies all the different needs of a specific target market. Bickle (2011:51) advises that when a company wants to attract a wide target market, different product lines, representing different product quality levels, may be designed to satisfy consumers' diverse needs. Bickle (2011:46) also accentuates that a product line plays a profound role in portraying the image of a fashion company or brand.

2.7.3.3 Product mix decisions

A product mix, also known as product assortment (Grewal & Levy, 2008:271), refers to the entire collection of products that a company offers to consumers (Palmer, 2011:267). Product mix decisions entail decisions regarding adding a new or eliminating an existing product from the product mix, such as adding a new product line or lengthening any existing line (Grewal & Levy, 2008:273), to expand the business and to increase the profitability or market share (Easey, 2009:163). While fashion marketers initially focused on clothing, footwear and accessories, retailers are including additional items to their product mix to differentiate them from competitors more effectively (Jackson & Shaw, 2009:102). Easey (2009:163) explains that prior to each season the fashion marketer must make decisions regarding the width and depth of the fashion content. The width, breadth (Lamb *et al.*, 2010:247) or variety (Grewal & Levy, 2008:272) of a product mix refers to the amount of product lines a company offers to the target market (Hult *et al.*, 2014:332). The product depth refers to the different varieties of products in every product line (Kotler & Armstrong, 2010:246). Kotler and Armstrong (2010:245-246) further adds that a product mix can also be described in terms of length, which relates to the amount of products in every product line. Moreover, decisions need to be made regarding the product mix consistency, which describes how closely the different product lines relate to each other. Lamb *et al.* (2010:247) explain that companies can alter their product mix by increasing the breadth of the product mix so that it appeals to different market segment needs, or increase the length of the product line for the purpose of attracting buyers with

different preferences. Kotler and Armstrong (2010:246) concur and add that companies may expand the product mix by including more versions of each product.

The fashion marketer must continuously manage its product mix, which may require changes throughout the product life cycle, especially since fashion products are driven by consumer demand and fashion trends (Kincade & Gibson, 2010:118). For this reason, the fashion life cycle is essential to a fashion product's success and, therefore, is discussed next.

2.7.4 Fashion life cycle

Each product goes through a life cycle (Lamb *et al.*, 2010:282). Concerning fashion products, the cycle is referred to as the fashion life cycle, or fashion cycle (Solomon & Rabolt, 2009:12). The fashion life cycle encompass the different stages a product goes through while in the process of gaining market acceptance and growth (Lamb *et al.*, 2010:282). The time that a product takes to move through its life cycle is subject to the type of product and as a result of the fast change in fashion, a variety of product life cycles exist (Jackson & Shaw, 2009:107). According to Lamb *et al.* (2010:283), the traditional product life cycle includes four stages, namely the introduction stage, acceptance stage, culmination stage and decline stage. However, Jackson and Shaw (2009:107) added a design development stage to the fashion life cycle, which takes place prior to the introduction stage. Kincade and Gibson (2010:111) highlight that each of these different stages of the fashion life cycle are faced with its own opportunities and challenges.

The design development stage is undertaken prior to launching the product (Jackson & Shaw, 2009:107). This stage is associated with the transformation of design ideas into products, through developing prototypes (Nayak & Padhye, 2015:34). During this stage the product design is customised in terms of colour, size, fabric and patterns (Hur *et al.*, 2013:5). At the end of the design development stage, a design output is produced, which takes the form of an incomplete product that meets some product requirements. The key decision in this stage is to assess and determine whether the design output is ready for production (Karimi, 2012:302). Given that no sales occur during this stage, the expenses associated with the design development causes a financial loss for the company (Jackson & Shaw, 2009:107).

During the introduction stage, the product is introduced to the market for the first time (Grewal & Levy, 2008:315). According to Solomon and Rabolt (2009:13), it is during this stage that innovative, designer products are slowly accepted by the fashion trendsetters, willing to try out new trends (Kincade & Gibson, 2010:112). Owing to only a few quantities of the product being produced, production costs and selling prices are initially high (Frings, 2008:65), and as a result the product is only available at a few retail outlets (Jackson & Shaw, 2009:108). Lamb *et al.* (2010:283) emphasise the essence of promotion activities at this stage, given that it is used to inform consumers about the new product and its benefits.

During the acceptance stage, competing companies copy new product styles (Frings, 2008:65). As a result, the product is becoming a mainstream product; therefore, accepted by many consumers (Kincade & Gibson, 2010:112), and available at various retail outlets (Jackson & Shaw, 2009:108). In light of this, Palmer (2011:272) states that an increase in sales and revenue are experienced in this stage, as well as a reduction in the production cost. Given the benefits associated with increased sales and revenue, competition increases as other companies start offering the same product, often at lower prices (Solomon & Rabolt, 2009:13). Therefore, the market is becoming more segmented, which results in the production of different styles and features (Grewal & Levy, 2008:317).

The culmination stage is the longest stage of the fashion life cycle (Lamb *et al.*, 2010:284). This stage is associated with a significant increase in sales followed shortly thereafter by a significant decline in profits (Hult *et al.*, 2014:337) due to the market being saturated, since the majority of consumers already have the product (Kincade & Gibson, 2010:112). As such, consumers lose interest in the current fashion trend (Solomon & Rabolt, 2009:13) and seek new products (Kincade & Gibson, 2010:112). Fashion marketers may either search for a new market segment to increase the consumption of the product, alter the product by changing its characteristics or alter the products' marketing mix elements (Kotler & Armstrong, 2010:292-293) in an attempt to increase profits (Elliot *et al.*, 2012:223).

The decline stage of the fashion life cycle is signalled by a continuous decrease in sales (Palmer, 2011:273). This decrease in sales may be because of consumers' lack of interest in the current product (Elliot *et al.*, 2012:223) or because of changes in the consumer's values and tastes (Lamb *et al.*, 2010:285). While consumers may continue purchasing the particular style (Cannon *et al.*, 2008:267) they may expect to pay reduced

prices for these products (Frings, 2008:65). Consequently, Elliot *et al.* (2012:223) suggest three possible strategies during this stage, namely discontinue the product, alter the product or withdraw any further investment in the product.

The focus of the preceding sections was on fashion product activities, with reference to the fashion product levels, types of fashion consumer products, developing and managing fashion products and the fashion product life cycle. Within the following sections, the fashion pricing activities essential to a fashion marketer will be discussed.

2.8 FASHION PRICING ACTIVITIES

Price, as defined by Strydom (2011:159), refers to the amount of money consumers need to pay in exchange for a fashion product. This element plays a fundamental role in marketing planning because it is the only marketing mix activity that generates revenue as well as communicating the company's intended value positioning of its product (Barnes, 2013:196). According to Grewal and Levy (2008:357), price is an essential component of the marketing mix as it has a significant impact on the fashion consumers' product selection. Kincade and Gibson (2010:124), and Kotler and Armstrong (2010:305) explain that it is essential for fashion marketers to understand the value consumers attach to the benefits of the products', physical attributes, quality, brand image, retailer image and retailer service when developing pricing objectives and strategies. Subsequently, marketers should determine the price value consumers are willing to exchange for the product (Grewal & Levy, 2008:10). Therefore, in order to gain a competitive advantage and sufficient product positioning, sound pricing objectives and strategies are essential (Deysarkar, 2015; Lamb *et al.*, 2010:407).

This section addresses the pricing activities important to a fashion marketer, which include a discussion on the pricing objectives, the different pricing strategies and the factors that affect pricing activities. An overview of the different pricing objectives is provided in the next section.

2.8.1 Pricing objectives

Pricing objectives are the goals that guide a company in determining the price of a product to potential consumers (Hwang *et al.*, 2011:234). According to Satit *et al.* (2012:524), these objectives should be derived from the company's overall financial, marketing, strategic and product objectives. Lamb *et al.* (2010:407) emphasise that

within a highly competitive market, it is essential to have specific and measurable pricing objectives. Hult *et al.* (2014:667) suggest that a fashion company may pursue different pricing objectives such as survival, maximise current profit, maximise sales growth and be a product quality leader.

Survival is a typical objective employed when a company faces intensive competition and low market share. Prices are set to increase sales volumes and match expenses in order to ensure the company stays in business (Dibb *et al.*, 2012:600; Hult *et al.*, 2014:667). For achieving maximum current profit, companies with weak competition set a high price that produces the most cash flow or return on investment (Lamb *et al.*, 2010:407), generating as much profit as possible (Cannon *et al.*, 2008:460). Maximum sales growth is an objective employed where companies set low prices to achieve high unit sales in order to get lower unit cost and higher long-term profit (Elliot *et al.*, 2012:255). Companies that are market leaders typically pursue a product quality leadership objective, where they aim to provide the best quality product in the market and, therefore, charges more than its competitors (Dibb *et al.*, 2012:600).

Dibb *et al.* (2012:599) emphasise the importance of developing pricing strategies that are in accordance with the pricing objective of the company. In order to achieve the pricing objectives successfully, each pricing objective requires a different price- strategy. The following section provides an overview of different pricing strategies available to the fashion marketer.

2.8.2 Pricing strategies

A pricing strategy is considered an extension of the pricing objectives (Lamb *et al.*, 2010:428), therefore, pricing strategies are based on the company's pricing objectives (Chimoriya, 2015). More specifically, Pride and Ferrell (2016:622) state that the pricing strategy is the means of achieving the company's pricing objectives. As such, a pricing strategy is used to determine a price of a product as well as to provide direction for price movements (Lamb *et al.*, 2010:428). According to Bickle (2011:50), and Kincade and Gibson (2010:137), the pricing strategies used for fashion products, in particular, are market-skimming pricing, market-penetration pricing, product line pricing, discount pricing, psychological pricing, promotional pricing, membership pricing, cost based pricing, demand or consumer based pricing, competition based pricing and value based pricing.

The market-skimming pricing strategy involves selling products at the highest possible price that the target market is prepared to pay (Dibb *et al.*, 2012:620). The objective of this strategy, as indicated by Bennet (2010:333), is to capture the value of the new product and features. Bennet (2010:334) further explains that once all the buyers in the first segment were reached, marketers offer the product at a reduced price to consumers in the next targeted market segment. In contrast, market-penetration pricing focuses on setting a low price to attract a significant amount of consumers. As such, the aim of this strategy is to gain high sales volumes and a large market share (Dibb *et al.*, 2012:620), which accordingly, discourages fashion competitors from entering the market (Easey, 2009:191).

With the product line pricing strategy or price lining strategy (Kincade & Gibson, 2010:144) each price reflects a different level of quality (Bickle, 2011:50). The aim of this strategy is to achieve maximised profits for the entire product line rather than for a single product (Hult *et al.*, 2014:677). Companies often employ discount pricing strategies to sell low-priced products in high quantities (Bickle, 2011:51). While pursuing a discount pricing strategy often is effective for rewarding customers who purchase in bulk (Štefko *et al.*, 2011:84), increase sales and profit (Wang & Wang, 2005:646) and increase in-store traffic (Bickle, 2011:51); consumers may perceive products as low quality, due to consumers associating low price with low quality (Yoo *et al.*, 2000:206).

Hult *et al.* (2014:679) indicate that psychological pricing is used when the company attempts to influence consumers' perceptions of the price of the product, for the purpose of improving the attractiveness of the price. Bickle (2011:52) add that this strategy encourages favourable feelings towards the product. On the contrary, promotional pricing involves temporarily reducing the price of products to create a sense of urgency or excitement amongst consumers (Kotler & Armstrong, 2010:337) or to encourage consumers to test a new product (Bickle, 2011:53). Whereas, membership pricing is used to establish loyal shopping patterns by requesting consumers to become a member and subsequently rewarding them with discounts (Bickle, 2011:53).

Cost based pricing pertains to determining the total cost of offering the product to the target market and then adding a reasonable rate of return to the determined price, which constitutes the price of the product (Kotler & Armstrong, 2010:308). However, this pricing strategy excludes evaluating competitors' prices (Grewal & Levy, 2008:384), economic aspects and supply and demand (Hult *et al.*, 2014:671) when considering the cost of the product. With demand based pricing, the price of products are based on the consumer

demand in the market (Elliot *et al.*, 2012:263). Therefore, high demand results in setting a high product price, whereas low demand results in setting a low price (Hult *et al.*, 2014:673). Elliot *et al.* (2012:263) warn that the success of this strategy depends on accurately forecasting fluctuations in demand and predicting consumer's price sensitivity. Competitor based pricing, on the contrary, involves setting prices according to the competitors' prices. In view of this, Dibb *et al.* (2012:618) explain that products are priced similar, higher or lower than competitors' products. Grewal and Levy (2008:385) points out that if products are priced similar to competitors' products, consumers may perceive the quality to be the same; however, if products are priced higher than competitors' products, consumers may perceive the product to be of better quality.

Value-based pricing focuses on offering consumers value for money (Bickle, 2011:53). Grewal and Levy (2008:385) point out that prior to determining the price of the product or its design, consumers' needs and value perceptions are determined. Subsequently, the products are developed to fit the consumers' value perception (Kincade & Gibson, 2010:139). Kincade and Gibson (2010:140) further explain that in an attempt to cater to different consumer segments, retail outlets offer less expensive versions of a product.

According to Jackson and Shaw (2009:137), the majority of fashion marketers seek maximum prices for their products. As such, the price skimming strategy is preferred by many fashion marketers (Chimoriya, 2015). However, Sovich (2012) opines that the pricing strategies adopted by luxury fashion brands differ significantly from those adopted by lower-end brands. In view of this, Chimoriya (2015) stipulates that for new, original fashion products, a price skimming strategy be adopted, while market penetration pricing strategy be adopted for pricing fashion products that are copied. Dhuldhoya (2015) concurs and explains that luxury fashion brands follow a price skimming strategy, given that for these brands, the price of cost is irrelevant and the focus is on a particular brand name. However, the overstocked products are sold to a secondary market at a lower price. Fiorese *et al.* (2014) agree and point out that within clearance periods specifically prices are adjusted to reduce the inventory. With regards to lower-end brands, a price discount strategy is frequently adopted (Sovich, 2012), where department stores, in particular, adopt a promotional pricing strategy for the purpose of attracting consumers to the store, anticipating that they may also purchase higher price items along with the discounted products (Chimoriya, 2015).

Within the fashion industry, the way price is set for every clothing item is different and dependent on various factors that influence pricing (Jackson & Shaw, 2009:130). Owing

to the importance of developing effective pricing strategies, it is imperative to understand these influencing factors.

2.8.3 Factors affecting pricing decisions

Pricing products are challenging and therefore, fashion marketers should be aware of the factors that affect a company's pricing decisions (Elliot *et al.*, 2010:23). Given that these factors are prone to change, pricing strategies should be managed (Jackson & Shaw, 2009:135). According to Bickle (2011:49), the starting point of pricing fashion products is the cost of the products. Therefore, all the different costs associated with the production of each clothing item should be considered when determining the price of a product (Rosenau & Wilson, 2006:85). These costs include the design, creation and production of the product, (Bickle, 2011:49) the fabrics and technology, storage and distribution (Jackson & Shaw, 2009:128).

Owing to the interdependent relationship between the marketing mix elements (Dibb *et al.*, 2012:601), Lamb *et al.* (2010:406) advise that pricing should be combined with the other marketing mix elements and should be in accordance with the perceptions created by these elements. This, as indicated by Timonen (2012:28), is due to price being dependent on the overall marketing strategy, in terms of how the product should be positioned. Kincade and Gibson (2010:131) concur and indicate that the product's position in the marketplace, product features and image will affect the pricing of the product. Furthermore, Cravens and Piercy (2009:349) are of the opinion that the intensity of the distribution as well as the techniques used for the promotion also influences pricing decisions of a product.

Another factor to consider when pricing a product is the stage of the product life cycle (Strydom, 2011:160). Chimoriya (2015) and Palmer (2011:325) explain that while a fashion product moves through different life cycle stages, adjustments to the pricing strategies are required. In light of this, Strydom (2011:160) states that the level of competition experienced during the introductory stage is insignificant, allowing companies to set a relative high price. However, as competitors enter the market, the prices of products are reduced (Bennet, 2010:327). During the growth stage, prices stabilise, followed by a price decrease during the maturity stage. This, as a result of the increased competition, is followed by a further price reduction during the decline stage (Lamb *et al.*, 2010:422). Bennet (2010:327) argues that despite increased competition,

the last remaining seller or companies with competitive advantages might be able to increase prices during the decline stage.

Consumers' tendency to compare prices of similar products is the reason why fashion marketers should consider competitor prices (Bennet, 2010:362). Easey (2009:180) admonishes that although fashion companies attempt to compete on creative design and images instead of price, homogeneous products will still involve price comparisons. For that reason, a company should acknowledge competitors' prices and consequently decide whether to adjust the prices accordingly (Hult *et al.*, 2014:653). Notwithstanding the influence of fashion competitors' prices, Easey (2009:180) adds that companies should also be aware of non-fashion competition, given that spending on non-fashion products increase when the prices of fashion products are high and unattractive.

The above sections examined the pricing activities of the fashion marketing mix; however, a product can only be purchased at a specific price if the product is made available to consumers. Therefore, the focus of the literature review will now turn to the place element of the marketing mix, namely fashion distribution activities.

2.9 FASHION DISTRIBUTION ACTIVITIES

Consumers can only purchase a product once the product is made available to them. Rosenau and Wilson (2006:84) concur and emphasise the importance of ensuring that the fashion product is made available at the place and time needed by the consumer. As such, the distribution activities have a significant role in a fashion marketing strategy (Cannon *et al.*, 2008:37) and are concerned with making products available, when and where consumers require it (Lamb *et al.*, 2010:455). Although the place element is partially concerned with the physical distribution of the fashion product (Lamb *et al.*, 2009:455), retailing, specifically, the store image of fashion retailers, is important when viewed from the consumer's perspective, and is likely to have a more significant impact on the brand loyalty of consumers. Therefore, it is necessary to provide an overview on fashion retailing, including defining fashion retailers, outlining the value of retailers, classifying the fashion retailers and the important retail strategy decisions.

2.9.1 Fashion retailers defined

Retailers are companies that purchase products with the objective of reselling them to consumers or end users (Lamb *et al.*, 2009:304). As such, they move products from the

manufacturer to the consumers (Hult *et al.*, 2014:253). Kotler and Keller (2012:469) concur and specify that retailing, therefore, involve all activities associated with selling products to the final customer. This, with regards to fashion, refers to the purchasing, displaying and selling activities of fashion merchandise (Burke, 2013:12). As a result, fashion retailers are considered the 'window' of fashion, given that they display the current fashion trends (Burke, 2013:12), and are the channel through which the consumer obtains clothing products (Easey, 2009:196). Various value added benefits are provided by retailers, which consequently are valuable to consumers and manufacturers (Hult *et al.*, 2014:486). The following section describes the value of retailers.

2.9.2 Value of fashion retailers

What makes retailers valuable is that they simplify the exchanging of products by reducing the amount of sellers that consumers have to deal with and simultaneously reduce the amount of parties that manufacturers have to deal with (Elliot *et al.*, 2012:366). In this regard, retailers offer consumers the opportunity to view an assortment of products in one place, while manufacturers obtain economies of scale (Jobber & Fahy, 2009:286). Elliot *et al.* (2012:366) are of the opinion that retailers are located closer to the consumer, which according to Cannon *et al.* (2008:341) makes shopping more convenient for consumers. Moreover, Elliot *et al.* (2012:350) accentuate that consumers are of the opinion that they receive more personal assistance from retailers than manufacturers. With fashion being a very competitive industry, fashion retailers also focus on offering, an attractive atmosphere, helpful information, and sometimes even social status (Cannon *et al.*, 2008:341). Hult *et al.* (2014:486) concur and add that the majority retailers include delivery services and credit facilities as part of their service offering.

The services and value offered by retailers are dependent on the types of retailer. Therefore, it is important to understand the differences between the types of fashion retailers as well as the different value they offer their target markets.

2.9.3 Fashion retailers classification

Although the fashion sector is becoming more prone to the influence of the Internet, the brick-and-mortar retailers are still the dominating type of selling avenue. This is most likely due to consumers' familiarity with the physical shopping activity or because of the social interactions that are coupled with shopping activities (Bickle, 2011:181). For this

reason, the focus of this section is on store-based retailers. According to Elliot *et al.* (2012:367), the main types of retailers can be categorised into general-merchandise retailers, which comprise department stores, discount stores, convenience stores, supermarkets, superstores, hypermarkets, as well as warehouses and showrooms, or speciality retailers, that include traditional speciality retailers, category killers, and off-price retailers. However, Frings (2008:360) opines that the main types of fashion retailers are department stores, speciality retailers and mass merchants.

2.9.3.1 Department stores

Department stores are large retail outlets that sell several product lines under one roof, thereby offering an extensive variety of merchandise (Lamb *et al.*, 2010:325). The merchandise is organised into separate departments (Cannon *et al.*, 2008:343) such as men's clothing, women's clothing, jewellery and cosmetics (Jobber & Fahy, 2009:296). As such, Palmer (2011:354) explains that a department store takes the form of small shops within a shop or as stated by Grewal and Levy (2008:454), it might be perceived as a collection of speciality stores. The attributing factors that attract consumers to these types of stores are the extensive variety of products (Frings, 2008:364) ranging from designer labels to inexpensive basic products (Easey, 2009:207), combined with key retailer attributes such as a pleasant atmosphere, personal assistance, delivery, returns, credit (Hult *et al.*, 2014:488) and additional services such as gift wrapping (Elliot *et al.*, 2012:368).

2.9.3.2 Speciality retailers

Speciality retailers focus on providing a large variety of products in a narrow product line (Kotler and Armstrong, 2010:390), usually products within a specific price range or specific category (Frings, 2008:360). Designer-priced merchandise is distributed through speciality retailers (Timonen, 2012:28). While the prices of products in these stores are higher compared to department stores (Elliot *et al.*, 2012:367), the stores are characterised by fashionable, trendy merchandise (Kincade & Gibson, 2010:193). As a result, they are easily identified (Frings, 2008:360). The main attractions of speciality stores are the atmosphere, intimate store size (Berman & Evans, 2010:136) and the personal assistance consumers receive from knowledgeable salespeople (Elliot *et al.*, 2012:367). However, Jobber and Fahy (2009:296) warn that because speciality stores target a specific market, they are extremely susceptible to changing tastes or increased competition.

2.9.3.3 Mass merchants

Mass merchants sell standard products at low prices (Frings, 2008:360). In fact, the low prices are mass merchants' most important retail attribute (Kim & Lee, 2014:18). The two types of mass merchants that stock fashion products are discount stores and off-price retailers (Frings, 2008:364). Discount stores focus on selling a large variety of products at low prices (Grewal & Levy, 2008:453), with the aim of achieving high sales (Jobber & Fahy, 2009:296). However, Easey (2009:204) points out that the clothing products sold through these stores are of lower quality. Conversely, off-price retailers sell manufacturers' cancelled orders, overruns or out of season products at exceptionally low prices (Hult *et al.*, 2014:493). Therefore, the merchandise sold is not available in all sizes and is limited to one colour (Kincade & Gibson, 2010:204). Décor or special services are not priorities for these retailers (Kincade & Gibson, 2010:205), due to their attempt to minimise expenses (Kotler & Armstrong, 2010:393). However, Cannon *et al.* (2008:345) indicate that some retailers are offering guarantees and moving to better locations. While store location and fast product turnover drives the success of discount stores (Jobber & Fahy, 2009:296), Berman and Evans (2010:141) emphasise that off-price retailers' success is largely dependent on long-term relationships with the suppliers to ensure low purchasing prices. Regardless of the type of retailer, each retailer has to make certain retailer decisions. For this reason, the following section provides an overview on the key retailer decisions essential to fashion marketers.

2.9.4 Retail strategy decisions

Consumers have a vast variety of stores to choose from and as a result, they select stores based on their general store evaluation (Solomon & Rabolt, 2009:446). Therefore, accurate retail positioning is fundamental, especially with intense competition in a market (Hult *et al.*, 2014:496). The focus of retail positioning is on targeting a market and establishing a distinctive feature in those consumers' minds (Elliot *et al.*, 2012:365), thereby differentiating the retailer from the competition (Hult *et al.*, 2014:496). Jobber and Fahy (2009:299) advise that in order to differentiate a retailer effectively, the marketing mix should be adjusted to appeal to the target market, which consequently gives them a reason to shop at a particular store rather than at competing stores. According to Elliot *et al.* (2012:365), and Ertekin and Gürkaynak (2011:15), store image has a key role in retail positioning.

Store image is one of the most important marketing mix variables (Birtwistle, 2004:190), therefore, an essential part of the place element. As such, store image, also referred to as store personality (Solomon & Rabolt, 2009:446), represents consumers' perceptions of a store. These perceptions are created over time based on the consumers' perceptions of the functional qualities and psychological attributes of the store (Birtwistle, 2004:190; Diallo, 2012:361). In this regard, Lea-Greenwood (2013:94) explains that consumers evaluate a store's image from a distance by looking at the window, the entrance and the other customers in the shop. Consequently, consumers select stores with an image that is consistent with their self-image and personality (Birtwistle, 2004:190). Therefore, stores that portray an expensive image will appeal to the status seeking target market, while stores that portray a bargain image will attract budget-orientated consumers (Elliot *et al.*, 2012:365). Because store image influences consumers' attitudes and intention to purchase from a store (Jackson & Shaw, 2009:228; Wu *et al.*, 2011:36) it subsequently influences a retailer's performance (Timonen, 2012:29). According to Frings (2008:418), it therefore, is essential to define the image of the retailer clearly. More importantly, Birtwistle (2004:190) emphasises the importance of determining why consumers perceive stores differently in order for marketers to make adjustments to store image factors.

Store atmosphere is a key component of store image (Ertekin & Gürkaynak, 2011:3), due to its influence on consumers' purchasing behaviour (Solomon & Rabolt, 2009:446). In view of this, retailers aim at creating an atmosphere that is complimentary, inviting and entertaining (Frings, 2008:418). The external factors that influence a store atmosphere are window displays, store signs and architectural designs (Jobber & Fahy, 2009:301). As such, these external factors are used to form a judgment about stores that consumers are unfamiliar with (Hult *et al.*, 2014:497). In terms of fashion, window displays are the most significant contributor and serve as a showcase for the particular brand, while mannequins physically represent the brand in terms of style and merchandise sold at the store (Lea-Greenwood, 2013:95). Jackson and Shaw (2009:229) advise that because the window displays are the first point of contact with the consumers, all the best-selling and new items should be displayed. In addition, Jackson and Shaw (2009:228) further state that fashion retailers are moving away from the cluttered product displays and adopting the 'less is more' approach where products are seen clearly. While Kincade and Gibson (2010:6230) emphasise the importance of accurately presenting the desired image in the storefront, Lea-Greenwood (2013:97) accentuate that the image and price as advertised in the windows should be continued inside the store.

The interior factors that influence the store atmosphere include sound, lightning and layout of the store (Jobber & Fahy, 2009:301). Jackson and Shaw (2009:227) are of the opinion that a poor store layout can weaken a product's image. Therefore, Hult *et al.* (2014:497) advises that the layout of the store should be created in such a way that it spreads consumers into the right areas. Jackson and Shaw (2009:229,232) agree and advise that the merchandise should be easily accessible and that consumers should be able to move around and try on products effortlessly. Concerning the lightning and music, Ertekin and Gürkaynak (2011:12) advise that retailers should adjust the lightning and play music that appeals to the target audience. This, as indicated by Lea-Greenwood (2013:103), would largely contribute to keeping customers inside the store. Additionally, the store personnel influence the image of the store, given that they represent the brand through their appearance and personality (Lea-Greenwood, 2013:104). Consequently, good sales staff contributes towards building customer relationships, while improperly trained or unenthusiastic staff could harm a store image (Jackson & Shaw, 2009:233-234). Furthermore, Hult *et al.* (2014:494) and Keller (2010:61-62) opine that the characteristics of the other customers in a store largely influence the image of that store.

Store location has a significant influence on the image of the store (Gupta & Pirsch, 2008:516 Kincade & Gibson, 2010:622-623) and is one of most crucial factors of the place element (Kotler & Armstrong, 2010:399). Therefore, Jobber and Fahy (2009:300) believe that the store location has an immense influence on a retailer's success. Jaravaza and Chitando (2013:307) are of the opinion that convenience is a major contributing factor in consumers' store selections. Therefore, West *et al.* (2010:348) suggest that elements contributing to the convenience for consumers should also be taken into consideration when deciding on a store location. Hult *et al.* (2014:494) concur and add that the location of the target market, characteristics of the customers and the type of products sold should also be taken into consideration. According to Jobber and Fahy (2009:300), competitor presence is another factor to be considered. In light of this, retailers can decide to be located away from competitors, or in close proximity. However, clothing stores generally are situated close to each other, allowing consumers to move from one shop to another (Elliot *et al.*, 2012:365).

This section described the distribution activities of the fashion marketing mix, with the focus on fashion retailing, specifically on the value of retailers, the types of retailers and the key retailer decisions. In the following section, the promotion activities of the fashion

marketing mix are discussed, given that a product may only be purchased if consumers are aware of the product (Irfan *et al.*, 2014:57; Huang & Sarigöllü, 2012:94).

2.10 FASHION PROMOTION ACTIVITIES

Promotion refers to the different methods used (Asamoah & Chovancová, 2011:10) to communicate a positive image of the product to potential customers or channel members in an attempt to increase demand (Cannon *et al.*, 2008:368). Cannon *et al.* (2008:368) accentuate that promotion has a significant role in communicating the product information to fashion consumers. Hult *et al.* (2014:534) advise that various marketing communication tools are utilised to inform, remind and persuade consumers of the company's products in order to encourage product acceptance and create positive brand image. In an attempt to achieve this purpose, the product features, benefits and advantages should be communicated (Kotler & Armstrong, 2010:66), which according to Lamb *et al.* (2010:339) should emphasise the uniqueness of the product.

Fashion promotion objectives are derived from the company's overall marketing objectives (Kotler & Armstrong, 2010:338). For this reason, Cravens and Piercy (2009:375) suggest that decisions regarding promotion and specific communication tasks should be guided by the target market, the product, the price of the product and the distribution strategies. Accordingly, Cannon *et al.* (2008:368) assert that the promotion element should correspond with the other marketing mix elements and, consequently, reinforce the strategy's differentiation and positioning. In order to provide insight into the fashion promotion activities that are essential to the fashion marketer, the following sections provide insights into the promotion element of the marketing mix by describing the elements within the promotion mix and discussing advertising as a fashion promotion tool.

2.10.1 Fashion promotion mix elements

Different combinations of promotion mix elements are used by fashion marketers for promoting a product and consequently achieving promotional objectives. These promotion mix elements, also known as the integrated marketing communication tools, include direct marketing, personal selling, public relations, sales promotion and advertising (Belch & Belch, 2012:18).

Direct marketing, as the name implies, involves direct communications to a particular target market through mediums such as the telephone, door-to-door visits, mail, computerised systems, television and radio (Van Rensburg & De Meyer, 2007:107). This technique is used primarily when an immediate, measurable response is required or when promoting lasting relationships (Kotler & Armstrong, 2010:507). Ouwersloot and Duncan (2008:391) add that direct marketing allows for creating and qualifying leads, which could be used to increase sales.

Personal selling is a process where a salesperson directly communicates with a prospective customer through face-to-face interaction or direct contact. (Futrell, 2011:9). Van Rensburg and De Meyer (2007:113) state that by using this tool, the consumer's attention is directed at the salesperson. Perreault and McCarthy (2008:345) are of the opinion that this method is particularly useful as it allows the opportunity to identify and understand a consumer's needs or circumstances and according to Van Rensburg and De Meyer (2007:113), is an opportunity to receive immediate feedback.

Public relations have a significant impact on public awareness (Kotler & Armstrong, 2010:467) and, therefore, is used to build or maintain a mutual understanding between the company and the public (Bennet, 2010:210). Hult *et al.* (2014:540) add that this element is effective in creating a positive image of a company. According to Kotler and Armstrong (2010:467), tools such as social networking, special events, speeches, written and audio-visual material are used. Hult *et al.* (2014:541) advise that when a company uses public relations as a promotion tool, it should be used on a continuous basis and not just during crises.

Sales promotion conversely, refers to materials and activities, such as incentives used to influence the perceived value of the product, thereby convincing consumers to purchase a product (Botha *et al.*, 2004:154; Pickton & Broderick, 2005:639). As such, sales promotions are effective for encouraging sales (George, 2011:240) through stimulating demand, encouraging brand switching and for trial amongst new products (Semenik, 2002:385).

According to Palmer (2011:425), advertising is the most effective promotion tool for reaching a wide target audience. In fact, advertising is one of the main tools used to promote the image of apparel brands (Oh & Jasper, 2006:15), especially to the Generation Y market (Fernandez, 2009:93). Hult *et al.* (2014:562) concur and explain that this tool is extremely powerful because it has an immense impact on consumers'

views of a product and, therefore, when effective, influences consumers' purchase behaviour during their lifetime. The increase in advertising spending among emerging countries such as South Africa, further illustrates the importance of the advertising industry (Zarantonello *et al.*, 2013:46). Therefore, for the purpose of this study, the focus is on one particular promotion element, advertising. The remainder of the chapter will provide an in-depth discussion on advertising as a promotion tool.

2.10.2 Fashion advertising

Fashion advertising encompasses any paid form of communication through an identified source, which is designed to convince a reader to take action now or in the future (Grewal & Levy, 2008:488). Du Plessis *et al.* (2010:38-39) specify that fashion advertising is defined in terms of above the line advertising, which refers to mass media such as television, or as described by Verhoef *et al.* (2007:54), below the line advertising such as direct mail. Grewal and Levy (2008:489) explain that when planning an advertising campaign, the success thereof is largely dependent on accurately identifying the target audience. Therefore, a clear understanding of the target audience's motives and choice criteria are essential (Jobber, 2010:469). Subsequent to understanding the target audience, the advertising objectives, advertising message decisions and media decisions are reviewed (Jobber, 2010:469).

2.10.2.1 Advertising objectives

Advertising objectives are derived from the marketing objectives (Grewal & Levy, 2008:490). As such, Cannon *et al.* (2008:429) and Jobber (2010:469) emphasise the importance of understanding these objectives, given their role in determining the type of advertisement required. Advertising is used primarily to promote a company or a product in terms of its features and benefits (Elliot *et al.*, 2012:311). Consequently, Palmer (2011:425) adds that a long-term image of a product or brand is built. This, coupled with advertising's ability to differentiate fashion brands or fashion stores, are the reasons why fashion marketers use advertising in promoting a fashion brand (Easey, 2009:224). Accordingly, effective advertising assists with moving a consumer from awareness to purchase (Kotler & Armstrong, 2010:453).

Kotler and Armstrong (2010:451) explain that although the ultimate goal of advertising is to increase sales, advertising objectives should be defined in specific terms, such as to inform, persuade or remind consumers. Elliot *et al.* (2012:313) add that these specific

objectives will assist with achieving the overall goal of an advertising campaign. Informative advertising, as indicated by Jobber and Fahy (2009:220), is used when a company targets a new market or when a new product is introduced. As such, information pertaining to the new product or features are communicated (Kotler & Keller, 2012:526), which consequently creates brand awareness (Grewal & Levy, 2008:490). Persuasive advertising, on the contrary, is used mainly during the growth and maturity stages of the product life cycle (Grewal & Levy, 2008:490). In this regard, the purpose is to stimulate demand for a product (Kotler & Armstrong, 2010:452) and to encourage consumers to take action (Grewal & Levy, 2008:490). According to Eleboda and Majekodunmi (2015:39), reminder advertising is used primarily during the maturity stage of the product life cycle, where the product already gained market acceptance. For that reason, the objective is to remind customers of the product (Grewal & Levy, 2008:491) and to maintain customer relationships (Kotler & Armstrong, 2010:453).

The next step in developing an advertising strategy is to decide on the message to communicate through the advertisement, which should effectively gain the attention and interest of the target audience.

2.10.2.2 Advertising message decisions

An advertising message is a translation of the company's advertising platform or proposition into symbols, words and illustrations (Jobber & Fahy, 2009:220). According to Fernandez (2009:93), the advertising message plays a significant role in presenting the brand values and establishing the product image. For this reason, Grewal and Levy (2008:495) emphasise that fashion marketers have to determine the underlying message prior to deciding on what appeal will be most suitable for communicating the message.

Advertising message involvement has a key role in the processing of an advertisement (Harben & Kim, 2008:90). Therefore, as part of planning the advertisement message, fashion marketers should determine how to encourage consumers to think about a product or company, so that they would react in a desired way (Kotler & Armstrong, 2010:457). Consequently, the models, message, colour and layout used in the advertisement influences consumers' attitudes towards a particular advertisement (Harben & Kim, 2008:90). Visual imagery is becoming more important, especially for the Generation Y target market (Fernandez, 2009:93). This is due to the consumers' desire for experiencing the brand (Valin, 2012:42). Therefore, Valin (2012:42) advises that with fashion advertisements, in particular, the emphasis should be on more than merely

providing information and rather be on offering pleasure and positive emotions. This would allow consumers to experience the brand through envisioning themselves in an ideal consumption world. Solomon and Rabolt (2009:339) concur and state that the way a message is communicated is frequently more significant than the message itself.

The advertising theme has an important role in the advertising campaign, because it determines how the brand is presented (Berry, 2000:129). According to Ghodeswar (2008:6), it is imperative to comprehend how the brand wants to be perceived by its target audience. Consequently, the brand identity should guide the marketer in selecting themes that appeal to the target audience. Elliot *et al.* (2012:314) emphasises that the creation of an advertising campaign message should be connected intimately with the knowledge of the target audience and the advertising objectives. Therefore, Frings (2008:427) advises that the advertising style should be altered so that it appeals to each separate target market and as such, professional clothing might be advertised by making use of status images and trendy clothing might be advertised by making use of a more physical attractive setting.

The appeal adopted to communicate a message can be informational or emotional. When an informal approach is followed, factual information is provided to assist with consumer decision-making, conversely with an emotional appeal, the focus is on satisfying emotional desires (Grewal & Levy, 2008:496-497). Kotler and Armstrong (2010:457) emphasise that regardless of which appeal is chosen, it is crucial that the advertisement is meaningful, believable and distinctive. Buil *et al.* (2013:119) concur by stating that a distinctive and creative advertisement tends to be more successful. This, as stated by Törn and Dahlén (2008:234), is because a distinctive advertisement is more likely to break through the media clutter, which as indicated by Chan (2006:424), is consequently more effective in linking the brand with the consumer's self-confidence.

This section outlined the role of messages and visual images in effective advertising. Subsequent to deciding on the message to be communicated, the fashion marketer must determine which media channel is best suited for the advertising message.

2.10.2.3 Media decisions

Media encompass all channels used for public communication, with the main media channels being broadcast media, print media, out of home media and interactive media (Du Plessis *et al.*, 2010:87). Each of the media channels consist of media classes, also

referred to as advertising mediums (Jobber & Fahy, 2009:224). Du Plessis *et al.* (2010:88) opine that this media class' options refer to the general communication system categories such as television, radio, newspapers, magazines, outdoor media and Internet. Du Plessis *et al.* (2010:87) further specify that the advertising mediums can be divided into specific media vehicles. According to Kotler and Armstrong (2010:463), the media vehicle refer to a specific media within a media class, such as magazines like the Drum, Financial Mail or Huisgenoot that are classified within the magazine media class.

Elliot *et al.* (2012:313) accentuate that the selection of the most appropriate advertising medium is a vital step in an advertising strategy. Frings (2008:430), and Jobber and Fahy (2009:222) concur and explain that the proliferation of media, which resulted in a vast variety of mediums available to fashion marketers, made the selection of the appropriate medium more challenging. A brief description of the main media channels available to the fashion marketer follows:

- **Broadcast media**

Broadcast media comprise television and radio advertising. Television advertising is used mainly for entertainment purposes (Grewal & Levy, 2008:498) or when demonstrations are required (Cannon *et al.*, 2008:433). What makes this medium attractive for marketers is that it has a large reach (Easey, 2009:224) and generally is difficult to ignore (Hult *et al.*, 2014:572). Nevertheless, Grewal and Levy (2008:499) highlight that this medium is very costly and according to Easey (2009:224), might not always be the most cost effective option. In addition, Jobber (2010:478) warns that personal video recorders (PVRs) are becoming a threat to television advertising as it allows viewers the opportunity to skip the advertisements. Radio advertising has a wide reach, however, can be used to target a selected audience (Grewal & Levy, 2008:499). Despite the fact that it is an inexpensive medium, it has been criticised for its lack of visual presentation and its short period of exposure (Grewal & Levy, 2008:499). In addition, Elliot *et al.* (2012:315) and Hult *et al.* (2014:572) highlight that with radio advertising the listener's attention is limited since it is directed at another activity occurring at the same time. According to Bickle (2011:82), television advertising is considered the most effective medium with regards to promoting fashion brands. Frings (2008:432) and Jackson and Shaw (2009:167) concur and ascribe this to the visual nature of fashion, which consequently requires that the advertisement visually illustrates the clothing. However, radio advertising can be used to provide information regarding

brand names, or to create awareness regarding clearance sales, sales promotions or the opening of a new retailer.

- **Print media**

Print media consist of magazine and newspaper advertising. From these two options, magazines are viewed as credible and prestigious, and are frequently passed along to other readers (Kotler & Armstrong, 2010:462). Magazines are particularly effective when targeting a specific audience (Grewal & Levy, 2008:499). However, because of this, it has a limited reach (Hult *et al.*, 2014:572). Kotler and Armstrong (2010:462) add that magazines are a costly medium, and according to Grewal and Levy (2008:499) are inflexible and have long lead times. On the contrary, newspapers are flexible and timely but have a short lifespan (Cannon *et al.*, 2008:433). Moreover, newspapers have a small pass along audience (Kotler & Armstrong, 2010:462). Hult *et al.* (2014:572) point out that because of the large advertising volumes in a newspaper, the exposure of a particular advertisement is limited, which according to Elliot *et al.* (2012:316) makes it easier for consumers to ignore. As stated by Easey (2009:224), magazines are considered the most effective above the line advertising method in the fashion industry. Frings (2009:431) concurs and emphasises that because fashion marketers frequently use magazines as an advertising medium, it is important to select a magazine that focuses on the same target market as pursued by the fashion marketer. While fashion marketers mainly use magazines, Jackson and Shaw (2009:162) opine that due to newspapers' fast turnaround, this method is preferred for communicating fashion advertising campaigns or responses to competitor actions.

- **Out of home media**

According to Jackson and Shaw (2009:169), out of home media refers to advertising that is placed on trains, trucks, busses or taxis. Wilson and Till (2008:59) add that a billboard is also considered an out of home advertising medium, which according to Bickle (2011:74) is commonly used for promoting fashion brands. These out of home methods of advertising allow consumers to connect with a fashion brand while walking or driving. Although this medium is inexpensive, flexible and allows for repeated exposure (Cannon *et al.*, 2008:433) it is criticised for having placement problems (Grewal & Levy, 2008:499). Furthermore, this medium has also been criticised for its limitations to creativity (Kotler & Armstrong, 2010:462), given that the message should be short and simple (Jobber, 2010:478). Bickle (2011:74,76) opines that for outdoor advertising to be effective, the message should be unique from what is communicated in the other

advertising mediums and with regards to billboards, it should be placed in high traffic areas and in close proximity of intersections.

- **Interactive media**

Interactive media involves active participation and interactivity (Shahzad & Khan, 2009:73), and includes mediums such as Internet advertising (Grewal & Levy, 2008:499). Internet advertising in particular is becoming more important to fashion marketers, due to more consumers accessing the web (Bickle, 2011:85) and its global reach (Jobber, 2010:481). According to Grewal and Levy (2008:499), Internet advertising is flexible, interactive and allows the opportunity to target a specific audience. Moreover Elliot *et al.* (2012:315) and Jobber (2010:481) indicate that Internet advertising allows for quick changes and the construction of the advertisement can be inexpensive. However, according to Cannon *et al.* (2008:433) it is difficult to compare the cost with other advertising mediums. Other challenges relating to Internet advertising also exist such as the audience controls the exposure (Kotler & Armstrong, 2010:462) and, consequently, blocking software can alter the delivery of the advertisement (Grewal & Levy, 2008:499).

While selecting an advertising medium, it is important to take the size of the advertising budget into consideration, given that some mediums are more expensive. Consequently, a company with small budget will not be able to afford an expensive medium (Jobber & Fahy, 2009:225). Jackson and Shaw (2009:163) concur and add that the level of expenditure of different fashion companies varies dramatically. Jobber and Fahy (2009:225) further advise that the “cost per opportunity to see” should be calculated, as this calculation assists with determining which advertising medium will be the most economical in reaching the target audience. Additionally, Jobber (2010:481) suggests that the marketers consider the competitors’ promotion activities, with reference to which mediums they use. As a result, marketers can decide to use the same medium if it has been proven to be the most effective or select a medium in which the company can dominate.

Kotler and Armstrong (2010:461) postulate that decisions regarding the frequency, reach, impact and the media timing need to be made. The advertising reach refers to the portion of the target audience that is exposed to the advertisement (Hult *et al.*, 2014:569); while the frequency pertains to the number of times the target audience will be exposed to the advertisement (Elliot *et al.*, 2012:317). The decision regarding the advertising impact is essential given that the exact same advertisement in one magazine

might have a more effective impact than another magazine. With regard to the impact of the advertisement, Jackson and Shaw (2009:170) advise that the advertisement should be coordinated with the other marketing activities in order to maximise the impact. Kotler and Armstrong (2010:464) state that the media timing should also be considered, which involves constructing a schedule that specifies when the advertisement should take place and whether it should be scheduled throughout the year or follow seasonal patterns. As such, Jackson and Shaw (2009:170) indicate that advertising relating to a launch of a new brand or product would occur prior to the launch, for the purpose of creating brand awareness and anticipation, while advertising that supports in-store promotions occurs close to the visual merchandising calendar.

2.11 CONCLUSION

Fashion companies have been placed under a great deal of pressure, mostly as a result of an increased amount of fashion brands available. In order to succeed and gain a competitive advantage consumers' attention should be attracted and their loyalty should be gained. As such, creative marketing strategies with clearly defined marketing activities are required. However, for the marketing strategy to be effective, all the elements should be coordinated, and the marketing strategies should be altered when changes in the market occur. This continuous challenge that companies face highlights the importance of understanding the role of each element in the marketing strategy, especially since marketing largely influences the success of a company. More importantly, marketers have to understand how these marketing activities are perceived by consumers in order to maximise these activities' effectiveness in enhancing brand equity.

The subsequent chapter, Chapter 3, relates to branding and brand equity. The emphasis is placed on the brand equity dimensions that are used to measure brand equity. As such, the brand equity models are reviewed and a discussion on the results of previous studies pertaining to marketing activities' influence on brand equity is provided. In addition, this chapter provides an overview on the Generation Y cohort, which is the target market of this study. Chapter 3 concludes with a proposed model for determining the effectiveness of selected marketing activities in creating clothing brand equity in the South African market amongst black Generation Y students.

CHAPTER 3

BRANDING AND BRAND EQUITY

3.1 INTRODUCTION

In the previous chapter, Chapter 2, fashion marketing was discussed in accordance with the first three theoretical objectives set out in Chapter 1. Chapter 2 specifically focused on the fashion marketing mix elements and provided insight into each element's role in the marketing strategy. This chapter laid the foundation for the marketing activities that influence brand equity. Therefore, the purpose of this chapter is to review the literature concerning branding and brand equity so as to propose a model of the effectiveness of selected marketing activities in creating brand equity in the South African clothing market amongst black Generation Y students. As such, a discussion on the Generation Y cohort with reference to their fashion and brand perceptions is also included in this chapter.

Marketing and branding are two closely related concepts (Van der Westhuizen, 2003:4). This, as indicated by Kim (2008:8), is because branding is frequently considered the solution for marketing challenges such as increasing a product's value. Heaton (2015) concurs and states that a brand supports the marketing activities through encouraging consumers to purchase a specific product. Okonkwo (2007:128) elaborates and posits that marketing in turn contributes towards a brand, given that the entire branding process starts with the marketing strategy where the pricing, distribution and promotion strategies are developed. Moreover, a brand only exists if a product and/or service offering exists (Kapferer, 2008:10). Accordingly, branding is considered an element for and an outcome of marketing activities (Jooste *et al.*, 2012:382). Therefore, marketing and branding have a mutually beneficial relationship (Okonkwo, 2007:128).

The main purpose of marketing is to position a product (Kumar, 2013:640) by favourably placing a product in the consumers mind relative to competing products (Kotler & Armstrong, 2010:63). Innis Maggiore (2015), an advertising agency, highlights that the favourable positioning of a product can be achieved through reinforcing a specific product's value while pointing out the competitors' weaknesses. In this regard, brands are effective in reflecting unique product value (Kumar, 2013:644) and intangible benefits (Neal & Strauss, 2008:127) differentiating the product offering from those of the competitors' offerings (West *et al.*, 2010:215). As such, brands have a key role in gaining a favourable position in the consumers' minds (Venter & Jansen van Rensburg,

2009:213), thereby enhancing any marketing strategy (Okonkwo, 2007:128-129). For this reason, brands are considered a key component of any marketing strategy (Grace & O'Cass, 2002:96) and an integral part of marketing (Okonkwo, 2007:128-129).

For the purpose of this study, this chapter will mainly focus on brand equity. More specifically, this chapter aims at identifying and understanding the factors that contribute towards brand equity, as well as how the marketing mix elements can be used to enhance brand equity. While previous studies have been conducted on marketing activities' influence on brand equity (Chattopadhyay *et al.*, 2010; Neerakkal, 2012; Yoo *et al.*, 2000), empirical research focussing on simultaneously analysing marketing activities that are representative of all four marketing mix elements are limited. As such, it is unclear how a marketing strategy consisting of activities that represent all four marketing mix elements will influence brand equity. Owing to Generation Y being labelled as the trendsetters in the fashion industry and this cohort's influence on the purchase decisions of other consumers (Schawbel, 2015) it is imperative to understand this target market in order to develop effective marketing strategies that will attain their loyalty.

This chapter provides a review of the literature pertaining to branding and brand equity, which is in accordance with the fourth, fifth, sixth and seventh theoretical objectives formulated in Chapter 1. Section 3.2, explains brand and branding in order to understand the value of brands to a fashion marketer. Brand equity, the main focus of this chapter, is discussed in Section 3.3, which includes a definition of brand equity, a discussion on the value of brand equity as well as how to build brand equity. In addition, a discussion on brand equity measurement is also included in this section. An overview of the brand equity models are provided in Section 3.4, followed by an in-depth discussion on each brand equity dimension as well as an explanation on how marketing activities influence brand equity. Section 3.5 includes a discussion on the Generation Y segment, the target market of this study, and Section 3.6 explains the proposed model for this study. The last section, Section 3.7 concludes this chapter. This chapter begins with an overview of branding.

3.2 BRANDS AND BRANDING

Brands and the value they represent are considered the most critical factors contributing to the success of a company (Mushtaq, 2014:809). Heaton (2015) attributes this to the fact that a brand ultimately influences a consumer's willingness to be brand loyal. Therefore, the brand, in all likelihood, is key for establishing an emotional bond between

the product and the consumer (Lamb *et al.*, 2010:250), thereby providing companies with the opportunity to increase turnover as well as shareholder value (Schäfer, 2005:2).

Before the main topic of this study, namely brand equity is discussed, it is important to understand what branding is and what it involves. Therefore, the following section will comprise a definition of branding, followed by a discussion on brand building, which includes issues pertaining to brand identity, brand image and brand personality. Subsequently, the value of brands and the various types of brands are discussed respectively.

3.2.1 Branding defined

The evolution of branding commenced centuries ago when animals were marked with hot irons for identification purposes, specifically to assist with determining ownership in situations where animals were lost, stolen, or mixed with other owners' animals (Moore & Reid, 2008:421; Shadel 2014). As time evolved, artisans started marking their products for other purposes, such as for differentiating their products from competition and for demonstrating quality assurance (Neal & Strauss, 2008:47). Moore and Reid (2008:421) concur and indicate that those were the earliest signs of branding, as it is known today. As such, brands were used to ensure quality for reducing risk and uncertainty in purchase decisions, rather to indicate ownership (Moore & Reid, 2008:430; Shadel 2014). Consumers then began to search for particular products that met their expected quality standards. To this end, a market-driven standard was set, where the tangible mark represented the product quality as well as the brand's values (Neal & Strauss, 2008:47-48). Notwithstanding, the effectiveness of branding in differentiating product offerings, many manufacturers are faced with the risk of competitors duplicating their products. As such, manufacturers in the current day and age are encouraged to focus on increasing the value of their brands by offering intangible attributes extending beyond the physical mark on a product (Neal & Strauss, 2008:49). Therefore, the focus is on creating a brand identity that consumers can relate to and that would encourage consumers to purchase the particular brand (Moore & Reid, 2008:429).

Owing to the different philosophies and viewpoints by stakeholders, defining the term branding has not been an easy task. Hung (2014:14) opines that branding is the process of adding value to a brand. Keller (2013:36) elaborates and states that branding adds meaning to a brand, which according to Vaid (2003:12), involves establishing the brand's identity elements such as the name, logo and colour in such a way that it becomes

synonymous with the brand's values and aspirations. Dandis (2009:7) points out that branding assists with organising consumers' product knowledge. Venter and Jansen van Rensburg, (2009:213) add that branding creates a distinctive brand position in the consumers' mind. Evidently, Tai (2007:14) states that branding involves functions such as brand creation and management, which involves positioning and differentiating the brand, and creating and maintaining the added value of the brand respectively. From these definitions, it is evident that the term brand may be viewed from different perspectives, such as those of consumers', the organisation owning the brand and the manufacturers.

Therefore, the American Marketing Association (1960), as cited in Cravens and Piercy (2009:291), proposed a company orientated definition, defining a brand as the name, symbol, design, or any other element used to identify a particular sellers' product or service, thereby differentiating the brand from those of competitors. Neal and Strauss (2008:47) posit a broad definition, stating that brands are considered assets that communicate brand values and meanings. Similarly, Okonkwo (2007:102-103) defines a brand in broad terms, explaining that a brand is an identifiable unit with specific values and promises that creates feelings, perceptions and experiences among consumers whenever they interact with the brand.

Based on these definitions outlined, it is proposed that a brand is a process that enables a company to differentiate themselves from competing brands by offering a product or service that is perceived by consumers as being different from that of competitors and which they are willing to pay for. Well-known brands have a major competitive advantage (Belch & Belch, 2012:15), given that they are associated with status and high quality (Park, 2009:1291). Therefore, one of the top marketing priorities of companies today is to build strong brands (Ahmad & Sherwani, 2015:56; Esmaeili & Rezaei, 2015:1; Hoeffler & Keller, 2002:78). As such, the subsequent section will provide insight on how to build and manage a brand successfully.

3.2.2 Building and managing a brand

Kotler and Armstrong (2010:242) believe that one of the key tasks of a marketer is to build and manage a brand. This, as indicated by Aaker and Biel (1993:1950), is to ensure that consumers easily remember the product. Although brand building and management are two different concepts, Babčanová *et al.* (2012:17) points out that these concepts are closely related and often used interchangeably. However, Tai

(2007:69) argues that brand building forms part of brand management and, therefore, according to Gisip and Harun (2013:434) brand management supports activities that relate to brand building. In addition, Spindler (2011:4) highlights that because marketing forms the foundation of brand management, brand building, as stated by Babčanová *et al.* (2012:17), can be explained as utilising marketing activities to create a new brand. Brand management, conversely, involves utilising marketing activities for maintaining existing brands (Babčanová *et al.*, 2012:17). Therefore, both brand building and management focus on creating and maintaining favourable perceptions that consumers hold of a brand (Spindler, 2011:4).

Building and managing a brand involves following a brand strategy, which should indicate the brand's current position as well as the future direction of the brand (Kohli *et al.*, 2007:420). In addition, the aim of building and managing a brand is to close the gap between the aspirational brand identity and the existing brand image (Aaker & McLoughlin, 2010:186; Minkiewicz *et al.*, 2007:28; Neal & Strauss, 2008:53). Consequently, in order for brand identity and brand image to coincide effectively, it is important to gain insight into each of these concepts.

3.2.2.1 Brand identity

Brand identity is the starting point in creating the brand's persona and a reference point in the mind of the consumers (Venter & Jansen van Rensburg, 2009:214). As such, brand identity refers to the brand's meaning as presented by the company (Geuens *et al.*, 2009:98). Hence, brand identity represents the brand's vision, the uniqueness of the brand, the needs that the brand are fulfilling, the nature of the brand as well as the brand values (Kapferer, 2008:172). Aaker and McLoughlin (2010:186) further elaborate by stating that brand identity denotes a set of associations that the company attempt to create or maintain, including what the brand wants to stand for and the brand's promise to the customers in terms of the value that it delivers. Given the role of brand identity, it is important to understand what brand identity entails in order to communicate the desirable message to consumers (Kapferer, 2008:173).

Building a brand identity involves several facets, starting with considering the product in terms of its quality, scope, uses or users of the brand. Subsequently, a brand persona to which consumers can easily relate to should be created. Thereafter, the brand should be connected with a visual image or logo in order for consumers to identify the brand easily (West *et al.*, 2010:190-191). Accordingly, brand identity consists of a combination of

elements, including both tangible and intangible elements (Kapferer, 2008:178), such as the name, logo, packaging, design, performance, as well as brand associations that reside in consumers' minds (Belch & Belch, 2012:15). These individual elements used to trademark a brand also are known as brand identities (Jooste *et al.*, 2012:381; Keller, 2013:142) and are classified into two main groups, namely visual and verbal identity elements (Clifton *et al.*, 2009:113).

Clifton *et al.* (2009:113) postulate that the visual identity of the brand involves all those elements used to identify and represent the brand graphically, such as logotypes, symbols, colours and typefaces. Vaid (2003:28) describes the logo as the visual expression of the brand that distinguishes product offerings from those offered by competitors. In fact, Funk and Levis (2009:58-59) believe that a company's logo is the most recognisable element of the brand's identity. As such, Venter and Jansen van Rensburg (2009:216) suggest that the logo symbolise the brand's values and meaning. In addition, Funk and Levis (2009:66) as well as Healey (2008:90) advise that the logo be distinctive in a simple, practical and memorable manner.

The colour element of the brand's identity may be extremely powerful (Funk & Levis, 2009:67), given that each colour represents a specific meaning (Healey, 2008:92). Consequently, Healey (2008:92) proposes the careful selection and consistent use of colours. Furthermore, Venter and Jansen van Rensburg (2009:216) assert that when the brand's colours are used dominantly it makes it easier for the consumer to become aware of the brand as well as recall the brand.

The typeface, also known as the font (Zakaria *et al.*, 2014:491), refers to the specific design of the letters or numbers (McQuen, 2011). As such, the typeface gives the words character and is used particularly to accentuate a significant aspect of the brand (Matteson, 2014). According to Healey (2008:96), it is important to select a typeface style that reinforces the message of the words. Therefore, companies are encouraged to select a clear and eye-catching typeface style rather than unique extravagant shapes that could possibly lead to distracting the consumers from the message being communicated.

Verbal identity refers to the main elements used to make a brand's language unique, such as the brand name or tagline (Clifton *et al.*, 2009:114). A tagline communicates a brand's identity through making use of words (Funk & Levis, 2009:71). Generally, taglines are designed to leave a last thought with the consumers (Funk & Levis, 2009:71)

with the purpose of communicating the brand's value proposition (Van Auken, 2012) or to encourage the target market to understand and support the brand (Winton, 2011). Although various styles of taglines can be used, it is essential that the chosen tagline is consistent with the brand's identity (Funk & Levis, 2009:76).

Clifton *et al.* (2009:15) opine that the most important element of any brand is the brand name. Frings (2008:312) posits that this holds especially true in the fashion industry, given that the brand name, as highlighted by Elliot *et al.* (2012:232), is a key factor in consumer decision-making. In view of this, Frings (2008:312) posits that it is imperative that the brand name is in accordance with the image being communicated and portrayed, as well as the style of the fashion products. Moutinho and Southern (2010:300) indicate that the brand name influences the brand image, and, therefore, advise that for a brand name to be effective it must be short, memorable, specific, convincing and distinctive. However, Vaid (2003:26) cautions that to attract the intended target market, the brand image should be appropriate. .

Okonkwo (2007:5) concludes that, as part of brand building it is essential that the brand identity is clearly visible in the brand's image. Therefore, in order to comprehend how brand identity and image relate, it is important to understand what brand image involves. As such, a discussion pertaining to brand image is given in the following section.

3.2.2.2 Brand image

Brand image is the consumers' perception and interpretation of the brand's identity (Geuens *et al.*, 2009:98). Kapferer (2008:174) indicates that brand image refers to how certain target markets perceive or understand the signals received from the product, service or communication by the brand. Roy and Banerjee (2008:142) differentiate between brand identity and brand image, stating that the brand identity symbolises the brand's offer and vision to its customers, whereas the brand image represents the consumers' thinking and feelings about the brand. Therefore, as highlighted by Aaker and Biel (1993:84), the brand image encompasses all general characteristics, perceptions of product, the brand personality, feelings or impressions, attitudes and beliefs as well as the linkages between emotions and characteristics.

A brand's image is created only in the consumer's mind (Okonkwo, 2007:110). As such, brand image is influenced by the brand message communications such as the symbols, colours and images (Okonkwo, 2007:113) as well as word of mouth, consumers'

experience with the brand (Randall, 1997:14) and advertising (Aaker & Biel, 1993:254). In light of this, Aaker and Biel (1993:143) opine that brand image is important to marketers since the influence on a brand's image paves the way for creating brand equity. Consequently, marketers are encouraged to influence the brand's image. In addition, Okonkwo (2007:110) highlights that a brand's image is influenced by the consumer's interpretation of the brand's personality. Thus, as stated by Lee *et al.* (2009:64) and Muniz and Marchetti (2012:171), a brand's personality contributes towards creating a brand image. In view of this, it is important to gain an understanding of what brand personality consists of and how it is related to brand image. As such, a discussion on brand personality follows in the next section.

3.2.2.3 Brand personality

Brand personality is defined as a set of human personality traits that are attached to a brand (Geuens *et al.*, 2009:184). Therefore, a brand's personality encompasses all the characteristics and personality traits that are selected specifically for the particular brand (Okonkwo, 2007:110). It is worth noting that a brand with a personality is more memorable and liked compared to a dull brand (Aaker & McLoughlin, 2010:184). Foster (2013) highlights that brand personality is two-fold in nature, as Balaji and Raghavan (2011:24) point out that the brand personality as perceived by the consumer might differ from the personality that the brand has intended to create.

Brand personality is an important element of the brand, owing to brand personality influencing the target audience's feelings about the brand or their interaction with the brand (Cousins, 2014). As such, brand personality plays a key role in creating a bond between the brand and the customer (Sung & Tinkham, 2005:336). In addition, the brand's personality serves, as a purchase motivator (Swaminathan *et al.*, 2009:986) since consumers compare the brand personality attributes with their own personality (Achouri & Bouslama, 2010:38) and as a result purchase the brand with the personality or identity that is consistent with their own personality or identity (Aaker & Biel, 1993:85; Schäfer, 2005:13).

A brand personality is created through consumers' direct or indirect contact with the brand (Sung & Tinkham, 2005:336). This contact usually occurs through the brand's marketing mix with reference to the product characteristics or the price, store location, packaging and brand communication such as promotions and advertising (Aaker & Biel, 1993:93). Furthermore, a brand personality often is created using a stereotype user or a

celebrity, representing the brand's personality attributes and consequently, communicates the human characteristics of the brand (Balaji & Raghavan, 2011:26; Jooste *et al.*, 2012:378).

Venter and Jansen van Rensburg (2009:213) advise that marketers focus on both creating a basic identity as well as a brand personality. Geuens *et al.* (2009:97) attribute this to the fact that brand building in terms of creating a strong brand personality and identity is significant for creating value. Therefore, in order to comprehend the significance of brand building, the value derived from a brand has to be understood. As such, the subsequent section will outline the value of brands.

3.2.3 Value of a brand

Brands are used primarily to differentiate a product from competing products, allowing consumers to identify the product (Lamb *et al.*, 2010:250). However, the value of a brand extends beyond the element of differentiation. As a result, brands are valuable to both the branding company and its users for various reasons as outlined in the following sub-sections.

3.2.3.1 Value to the user of the brand

One of the main functions of brands is to serve as a source of information, enabling consumers to identify the branded product quickly and easily from the shelf (Frings, 2008:312; Kapferer, 2008:22). This, as a result, allows for reducing the cost associated with the product search (Cravens & Piercy, 2009:291-292; West *et al.*, 2010:190). Hence, Neal and Strauss (2008:47) opine when consumers compare and select from various product offerings, brands assist with decision-making. Moreover, brand loyal customers save time and effort, as they do not have to compare the brands (Kapferer, 2008:11).

A brand also reassures the consumers that they are making the right decision in purchasing that specific brand (Okonkwo, 2007:105), reducing consumers' uncertainty (Neal & Strauss, 2008:127) and perceived risk (Cravens & Piercy, 2009:291-292; West *et al.*, 2010:190). Furthermore, the brand symbolises a certain quality (Kapferer, 2008:22) and, therefore, customers know what to expect (Frings, 2008:312), consequently, making it easier for consumers to purchase other products that are produced or distributed by that specific brand (Dibb *et al.*, 2012:321).

3.2.3.2 Value to a branding company

Branding companies value brands owing to their differentiating qualities (Moutinho & Southern, 2010:396; West *et al.*, 2010:215), thereby creating a competitive advantage (Neal & Strauss, 2008:47). Furthermore, brands indicate the product's origin (Schäfer, 2005:14) and legally protect the inventor's patent (Jones, 1999:17). In addition, given the fact that the brand is the face of a company, it presents the company's unique values (Schäfer, 2005:14) as well as symbolises brand quality and brand promises (Kapferer, 2008:24).

A strong brand conveys a perception of greater value (Healey, 2008:10), which subsequently encourages brand loyalty and trust (Funk & Levis, 2009:7; Schäfer, 2005:14), thereby increasing repeat purchases (Dibb *et al.*, 2012:321). Moreover, brands serve as an entry barrier to competitors (Kapferer, 2008:21). Furthermore, well-known brands create value for branding companies as new untapped markets can be entered with more ease (Kapferer, 2008:24) and new product offerings can be introduced (Czinkota & Ronkainen, 2010:480).

Sound reputable brands charge a premium price for their products (Lamb *et al.*, 2010:251) which satisfied customers are willing to pay (Schäfer, 2005:13). As a result, the financial performance of the branding company improves (Cravens & Piercy, 2009:291-292; West *et al.*, 2010:190). In addition, a brand with high levels of loyalty translates into stable future sales. Consequently, the more power the brand encompasses, the more certainty the brand has about the future net cash flows (Kapferer, 2008:24).

Although brands are valuable to the consumers and the branding company, each brand is unique and, therefore, different brands require different marketing strategies in order to create value (Hill *et al.*, 2005; Lamb, 2010:255). It is imperative to provide the fashion marketer with insight into the different types of brands in order to formulate an effective marketing strategy that will appeal to the target market. As such, the different types of brands are discussed in the section to follow.

3.2.4 Types of brands

According to Pride *et al.* (2014:370), brands are classified based on who the owner of the brand is. Therefore, the main types of fashion brands are manufacturing and store brands (Bickle, 2011:214). Manufacturer brands, also referred to as national brands

(Bickle 2011:214; Lamb *et al.*, 2010:170), are manufactured and distributed by the manufacturer (Strydom, 2011:123), who is also the owner of the brand (Lamb *et al.*, 2013:170). Conversely, store brands, also known as private brands, private labels, house brands or distributor brands are owned, merchandised and controlled by a particular retailer that uses the brand to differentiate the specific product from competitors' products sold in its own stores (Fratto *et al.*, 2006:393; Lamb *et al.*, 2013:170; Liljander *et al.*, 2009:3).

Although manufacturer brands had an established brand reputation and image (Elliot *et al.*, 2012:235), private brands were known to be cheaper and of a lower quality (Gala & Patil, 2013:12). However, Gala and Patil (2013:12) point out that as time evolved, private brands succeeded in overcoming this low-cost reputation by developing their own identities, which as a result increased their popularity amongst consumers. Fratto *et al.* (2006:394) add that some private brands that met the standards of manufacturer brands have replaced low performing manufacturer brands in many retail outlets. While the majority of consumers prefer national brands in terms of clothing, some prefer private brands due to better offers or positive word of mouth (Gala & Patil, 2013:17). The change in consumers' attitudes towards private brands has encouraged the distribution of private brands (Chauhan & Kamboj, 2013:84; Gala & Patil, 2013:12; Liljander *et al.*, 2009:3). In attempt to compete against the increasing number of private brands, manufacturer brands developed multiple brands, which allows for tailoring the marketing mix to appeal to a specific target market, and to allow for price reduction or avoid price increases (Hult *et al.*, 2014:416).

The marketing of manufacturer brands remains the responsibility of the manufacturer (Elliot *et al.*, 2012:235). In addition, substantial investments are made to advertise this type of brand. Lamb *et al.* (2010:254) opine that this is because large advertising investments translate into well-known brands, which subsequently improve a retailer's image and attract consumers to the store. Lamb *et al.* (2010:254) add that owing to the fast delivery offered by manufacturers, retailers are able to reduce their inventory levels. While manufacturers attempt to create brand loyalty through promoting guarantees and quality control (Hult *et al.*, 2014:415), unsatisfied customers may not necessarily result in the retailer losing a customer, as the customer might switch to another brand sold by the same retailer (Lamb *et al.*, 2010:254).

Although the retail price of private brands generally are lower than manufacturer brands (Kotler & Armstrong, 2010:249), retailers are able to earn higher profits on private brands

compared to manufacturer brands (Lamb *et al.*, 2010:255). Hult *et al.* (2014:415-416) attribute this to the fact that the retailer has more control over the production cost and the quality in design of the product. Furthermore, private brands link the customer and the retailer (Lamb *et al.*, 2010:255) because the product can only be purchased from the particular retailer. Therefore, private brands offer the retailer exclusivity (Kotler & Armstrong, 2010:249). As a result, brand loyalty translates into retailer loyalty (Chauhan & Kamboj, 2013:81). However, the cost associated with promoting the brand and stocking inventory is a challenging task associated with selling private brands (Kotler & Armstrong, 2010:249).

The above sections focussed on branding, which laid the foundation for brand equity. The focus of the subsequent sections will shift towards the main topic of this study, brand equity, in order to provide the fashion marketers with insight on how to create brand equity.

3.3 BRAND EQUITY

The term brand equity is used for referring to various brand equity related concepts. According to Jones (1999:72), some of these fundamental concepts are brand value, the value of the brand as an asset; brand strength or loyalty, which is the strength of consumers' attachment to the brand; and brand description or image, which refers to the description of consumer associations and beliefs about the brand. Guzmán (2012:4) explain that each of these brand equity related concepts are classified into one of two main categories, namely the financial-based brand equity and the consumer-based brand equity. Financial-based brand equity, also known as firm-based brand equity (Aggarwal *et al.*, 2013:180), are analysed for accounting purposes (Negi & Agarwal, 2012:8; Wood, 2000:662) given that it refers to the brand value, which is the monetary potential of a brand (Schäfer, 2005:15). Consumer-based brand equity focuses on assessing a consumer's response to a specific brand (Leh & Lee, 2011:34) or the brand strength and descriptions (Jones, 1999:72). This perspective is of interest to marketers (Wood, 2000:662) given its contribution on improving marketing productivity (Negi & Agarwal, 2012:8).

Although two different brand equity categories exist, these categories are not isolated from each other. It is argued that brand equity starts with consumers (Kang & Hustvedt, 2014:297; Mongkol, 2014:446; Ross *et al.*, 2008:325; Schäfer, 2005:16; Tiwari, 2010:429), where the consumers' perceptions of the superiority of the brand drives the

financial value of the brand (Mentz, 2011:80; Schiffman & Kanuk, 2014:187). More specifically, the consumers' brand knowledge structure, which includes their awareness and associations of a brand, influences their relationship with the product or service provider, which consequently influences the company's revenue and profit (Mentz, 2011:80). Therefore, it is important that consumers' brand knowledge structures be established in order for consumers to favourably respond to the brand, and as a result increase sales (Brunello, 2013:11; Cui, 2011:13; Manjunath & Gowda, 2014:210; Tuominen, 1999:75). Evidently, once brand equity is converted into financial benefits, brand value is created (Okonkwo, 2007:124; Schoeman, 2012:46). Thus, no financial value can be created, without first creating brand equity (Tuominen, 1999:72; Keller, 1993:2). Kamaladevi (2010:38), Schäfer (2005:16) and Tuominen (1999:69) opine that because consumers' perceptions drive a company's profitability it is essential to understand consumer-based brand equity prior to measuring financial-based brand equity.

Hocking (2013:2) explains that when a study is concerned with influencing consumers' perceptions of marketing activities for influencing brand equity, it relates to the consumer-based brand equity. Therefore, for the purpose of this study, the focus of the following sections will be on consumer-based brand equity, in particular defining brand equity, the value of brand equity, how to build brand equity as well as how to measure brand equity.

3.3.1 Brand equity defined

One of the earlier definitions, as provided by Aaker (1996), specifies that brand equity is a set of assets and liabilities that are connected to a specific brand, its name and symbol, which can either add to or subtract from the value of the product or service (Washburn & Plank, 2002:47). The definition provided by Keller (1993:2) states that consumer-based brand equity is the different power that brand knowledge has on consumers' response to the brand's marketing. According to the official marketing science's definition, brand equity refers to a brand's customers, channel members and parent corporations' associations and behaviours, which allows for earning greater margins or volumes than without the specific brand name (Kapferer, 2008:13-14). Although different brand equity definitions exist, the majority of these definitions focus on the same key concept, namely that brand equity is the outcome of branding (Veloutsou *et al.*, 2013:238) and represents the value beyond functional product benefits (Kerin &

Peterson, 2010:147) that is added by the brand name or logo (Gladden & Funk, 2002:55; Tong & Hawley, 2009b:566). Therefore, for the purpose of this study, brand equity is defined as the value that a brand name or logo adds to a product.

3.3.2 Value of brand equity

Brand equity is one of the most valuable intangible assets (Shabbir & Rehman, 2013:347), given that consumers respond differently to a branded product compared to an unbranded product (Maher, 2014:76). As such, brand equity influences consumers' decision-making (Creutz & Senning, 2006:14) and are fundamental when consumers compare brands with little differences in product performance and price exists (Neal & Strauss, 2008:147). Therefore, strong brand equity gives the brand a sustainable differentiated advantage (Neal & Strauss, 2008:74) that increases consumers' willingness to pay a premium price for a specific brand (Kerin & Peterson, 2010:147-148), even though identical products are available (Jooste *et al.*, 2012:394). Furthermore, customers recommend the brand to other consumers (Manktelow, 2015), are more willing to try new products that the brand has launched and follow the brand when it enters new markets or geographic areas (Fatteross, 2015).

More marketers and brand managers are recognising the value of brand equity and, therefore, brand equity creation and management are one of the top priorities of marketers (Belch & Belch, 2012:15). Owing to the significance of brand equity in creating a sustainable competitive advantage in the intensifying competitive industry (Christiansson & Sundvik, 2013:1; Kariuki, 2015), it is imperative to understand how to build brand equity. Therefore, the following section describes how to build brand equity.

3.3.3 Building brand equity

Building brand equity is a timely, complex (Karadeniz, 2010:120) and a continual process (Kariuki, 2015) that involves knowledge building (Mushtaq, 2014:811). Keller's brand resonance pyramid, also known as the consumer-based brand equity pyramid (Van Haaften, 2015) is an extension of Keller's consumer-based brand equity model, that was developed in 1993 (Keller, 2009:143; Schultz *et al.*, 2011:69). The brand resonance model focuses specifically on how a brand should be built to create brand equity, by taking the consumer knowledge structures into account (Keller, 2009:143; Schultz *et al.*, 2011:69). Consequently, the path to building a strong brand requires positively

influencing consumers' feelings, opinions and perceptions about the products (Manktelow, 2015).

The brand resonance pyramid, as presented in Figure 3.1, illustrates a number of steps that are required to build a strong brand (Keller, 2009:143). The pyramid involves an ascending process (Srivastava, 2015) starting at the bottom (Gautam & Kumar, 2012:7) and then moving upwards to the top of the brand resonance pyramid (Klopper & North, 2011:41; Manktelow, 2015) to create loyal customer relationships (Keller, 2013:107). Once the last step in the brand resonance pyramid is reached, brand equity is created (Aziz & Yasin, 2010:182; Kotler & Keller, 2012:270). As depicted in Figure 3.1, the emotional route of brand building is presented on the left-hand side, whereas the rational route is presented on the right-hand side (Kotler & Keller, 2012:271). Furthermore, each of the four co-dependent steps illustrated in the middle of the brand resonance pyramid are associated with one or more brand building blocks, namely salience, performance, imagery, judgement, feelings and resonance (Keller, 2009:143; Kuhn *et al.*, 2008:41).

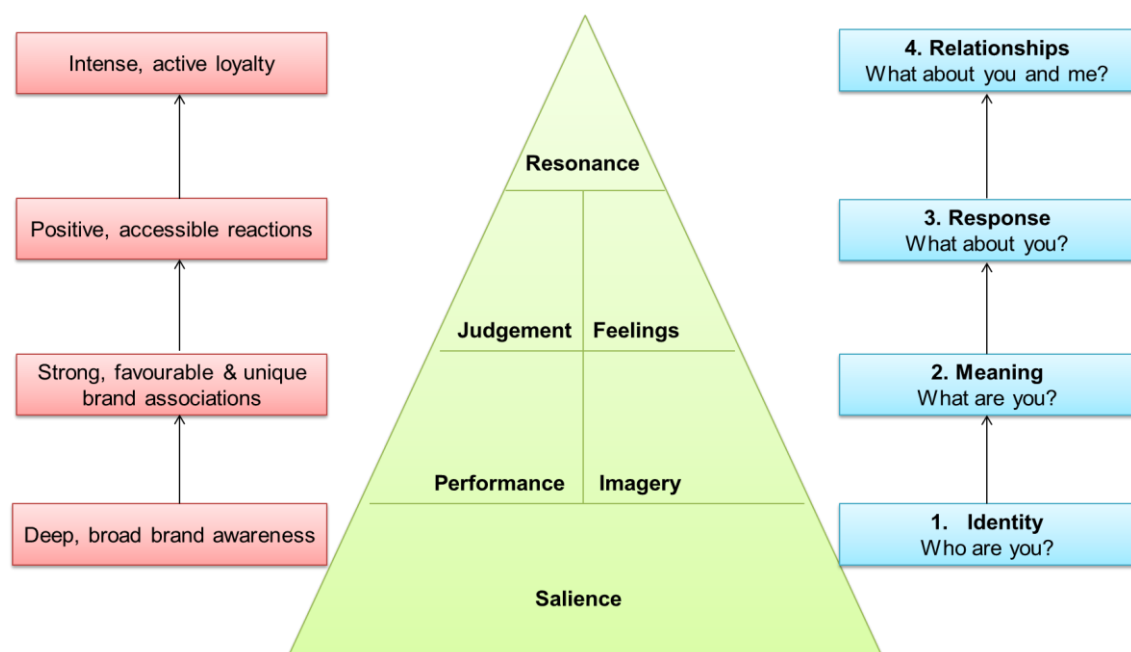


Figure 3.1 Brand resonance pyramid (Kotler & Keller, 2012:271)

The first step in the brand resonance pyramid involves establishing the correct brand identity (Kuhn *et al.*, 2008:42). The purpose of this step is to create brand awareness (Keller, 2001:15) by informing consumers about the needs that the product fulfil as well

as which product category or industry the brand competes in (Barbis, 2012:13). Brand salience, the first brand building block, is used in this step and refers to how often and easily consumers think of a specific brand (Schultz *et al.*, 2011:69). Hutt and Speh (2013:175) emphasise the role of brand salience in determining the types of reminders required for consumers to remember the brand. As such, this building block is fundamental for creating the right brand identity (Keller, 2001:8) and is related directly to brand awareness (Hutt & Speh, 2013:175).

The second step in the brand resonance pyramid focuses on establishing brand meaning in the consumers' minds (Kerin & Peterson, 2010:148-149; Kuhn *et al.*, 2008:42). In order to do this, a well-created brand image that represents what the brand stands for is required (Keller, 2001:9). To this extent, two building blocks are required, namely performance and imagery (Gordon, 2010:8). The performance-building block is associated with the intrinsic product characteristics that meet the consumer's functional needs (Keller, 2001:10), whereas the imagery refers to the extrinsic product properties that meet the social or physiological needs of the consumers (Keller, 2001:11; Manktelow, 2015).

The third step in the brand resonance pyramid aims at stimulating a desired consumer response towards the brand's identity and meaning (Keller, 2001:15). Accordingly, the brand response is derived from the consumers' feelings or judgement, which are the two building blocks related to this step (Keller, 2001:13; Manktelow, 2015). Judgement refers to the consumers' personal evaluations and opinions about the brand (Gautam & Kumar, 2012:7-8; Aziz & Yasin, 2010:182), and is based on the performance and imagery brand associations (Keller, 2001:13). The feelings building block, conversely, refers to the emotional reaction consumers have towards the brand (Gautam & Kumar, 2012:7-8; Aziz & Yasin, 2010:182); that is, how the brand makes the consumers feel (Manktelow, 2015).

Located at the top of the pyramid is the last and most difficult step in the brand resonance pyramid (Manktelow, 2015), namely the creation of a customer-brand relationship (Kuhn *et al.*, 2008:44). As such, resonance, the last building block, is linked to this step and refers to the intensity of the consumers' connection with the brand (Schultz *et al.*, 2011:70) as well as the degree to which the consumers' connections with the brand will translate into loyalty (Hutt & Speh, 2013:177). Once brand resonance is achieved, the customers have a deep bond with the brand (Manktelow, 2015) and when a strong, loyal customer-brand relationship exists, brand equity is created (Keller, 2009:143). However, Barbis (2012:14) emphasises that this step can be reached only

when the customer is 'in-sync' with the other five building blocks. The interdependency between the steps in the brand resonance model can be attributed to the fact that customer-brand relationship can only be built once brand response is obtained, which can only occur if brand meaning is established, which then again can only be established once a brand identity is created (Keller, 2001:5).

Brands largely influence company performance with reference to sales and market share (MRA, 2015). Therefore, it is imperative to design and implement a brand equity measurement system that will provide timely and accurate information to marketers for improving marketing effectiveness (Keller, 2013:551) and enhancing brand equity (Yoo *et al.*, 2000:197). For this reason, brand equity measurement needs to be explored.

3.3.4 Brand equity measurement

Measuring brand equity has become increasingly important as it assists marketers with understanding consumer behaviour, which in turn assists with improving decisions related to marketing activities (Hocking, 2013:2). Consequently, brand equity measurement is used to determine the results of marketing activities as well as the connection between the results that arise from the marketing activities and the company's performance (Klopper & North, 2011:43). Two main approaches have been established for measuring brand equity, namely a direct approach and an indirect approach. The direct approach focuses on measuring the outcomes of brand equity through estimating the benefits that result from the sources of brand equity (Grover & Vriens, 2006:566). More specifically, the direct approach determines the impact that brand knowledge has on the consumers' response to a brand's marketing program (Hocking, 2013:17). In view of this, the direct approach involves measuring outcomes such as price premiums or greater inelasticity by making use of comparative methods such as the valuation approach (Klopper & North, 2011:43). The indirect approach, contrariwise, focuses on measuring the sources of brand equity (Grover & Vriens, 2006:566) that arise from the consumers' mind-sets (Keller, 2013:325). Hence, this measurement involves analysing the consumer's brand knowledge structures through measuring consumers' feelings, perceptions or attitudes (Jooste *et al.*, 2012:401). Understanding the consumers' brand knowledge structures is essential for improving marketing productivity (Brunello, 2013:10; Keller, 1993:2; Negi & Agarwal, 2012:9; Tuominen, 1999:72). More importantly, by measuring the sources of brand equity, it is possible to determine which facets of the brand knowledge cause a differential response

to the branded product, which then creates brand equity (Hocking, 2013:18; Keller, 1993:12; Tuominen, 1999:79).

For the purpose of this study, the indirect approach was employed as this study measured the sources of brand equity; that is, the consumers' knowledge structures. A thorough understanding of the sources of brand equity is essential for measuring brand equity (Grover & Vriens, 2006:546) and for ultimately enhancing brand equity (Khumalo, 2009:6). Therefore, the following section will focus on the brand equity models designed to provide insight into the sources of brand equity.

3.4 BRAND EQUITY MODELS

Brand equity is a multidimensional concept that comprises various individual dimensions (Jooste *et al.*, 2012:395). In order to make decisions or changes that will enhance brand equity (Loken *et al.*, 2010:160), it is fundamental to understand how these dimensions relate to brand equity (Veloutsou *et al.*, 2013:245). More importantly, a sound understanding of the consumer knowledge structures with reference to consumers' feelings and actions towards the brand is fundamental in obtaining guidelines for formulating marketing strategies (Brunello, 2013:11; Lee & Leh, 2011:8) and for effective brand building and management (Keller, 2013:325). Several brand equity models have been developed to represent, explain and measure the sources of brand equity (Klopper & North, 2011:34; Kotler & Keller, 2012:267; Teichert & Schöntag, 2010:370); hence, the consumers' brand knowledge structures (De Mel & Boccardo, 2014:31; Lu, 2011:11). Therefore, each of these models includes different brand equity dimensions (Lee, 2011:35). The two most popular models used for understanding the sources of brand equity are Keller's (1993) and Aaker's (1996) brand equity models (Jooste *et al.*, 2012:395; Klopper & North, 2011:34). In the subsequent sections, these two models are outlined for the purpose of understanding consumers' brand knowledge structures.

3.4.1 Keller's brand equity model

Keller's customer-based brand equity model, also known as the dimensions of brand knowledge model (De Mel & Boccardo, 2014:32) illustrates that brand knowledge is the source for brand equity creation (Jooste *et al.*, 2012:399). Jooste *et al.* (2012:398) further state that customer-based brand equity is the core of Keller's model, where the brand's strength lies in the consumer's minds. As such, Keller's model, as presented in Figure 3.2 suggests that the consumer's knowledge of the brand encompasses brand

awareness and image (Lee *et al.*, 2015:79), which are the two main dimensions in this model (Tong & Hawley, 2009a:264). Various other sub-dimensions as outlined in Figure 3.2 influence these dimensions (Schäfer, 2005:32).

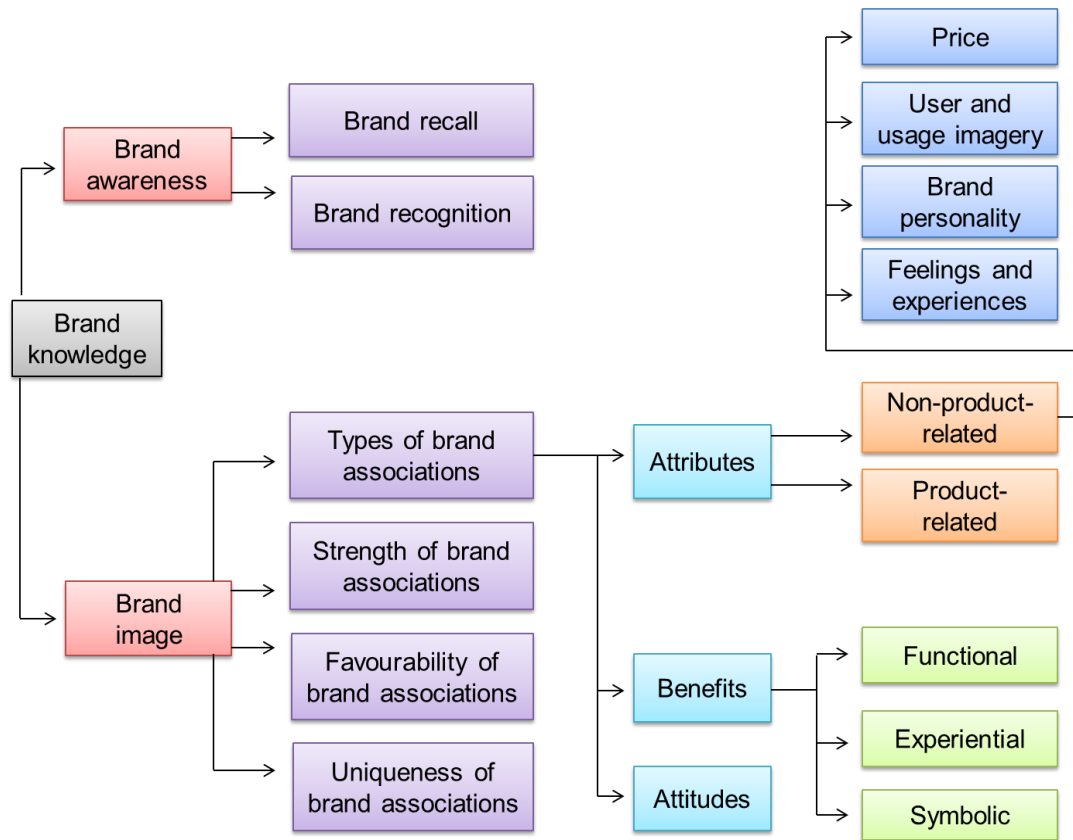


Figure 3.2 Keller's brand equity model (Keller, 2013:548)

Brand awareness, the first dimension of brand knowledge, establishes the strength of brand connections in the consumers' memory (Keller, 2013:548). More specifically, brand awareness refers to the probability and ease with which the brand name will come to mind (Keller, 1993:3). Furthermore, this brand equity dimension can be divided into two sub-dimensions, namely brand recognition and brand recall (Ho, 2013:699). Brand recognition involves the verification of the consumer's previous exposure to the brand (Jooste *et al.*, 2012:400) and determines whether the consumer is able to differentiate the brand (Ho, 2013:699). Conversely, brand recall refers to the consumer's ability to retrieve a brand name when a specific product category (Jooste *et al.*, 2012:400) or the need that is satisfied by the product category is mentioned (Rizwan & Xian, 2008:10).

The second dimension, namely brand image, refers to consumers' perceptions of a brand (Neal & Strauss, 2008:172) that are influenced mainly by the brand associations (Schäfer, 2005:32). In view of this, marketing programmes play an important role as these programmes assist with establishing favourable and unique brand associations in consumers' minds. However, the consumer's experience with the brand will determine the strength of these brand associations (Jooste *et al.*, 2012:400). There are different types of brand associations that reside in consumers' minds including product attributes, benefits and brand attitude. The product attributes comprise both product related attributes as well as non-product related attributes such as the price, usage and user imagery, the brand personality, feelings and experiences (Keller, 2013:549). The product benefits refer to the value attached to (Keller, 1993:4) the functional, emotional or the symbolic benefits of the product (Bivainienė & Šliburytė, 2008:26), while the brand attitude refers to the consumers' beliefs about the product and non-product related attributes (Keller, 1993:5). Conclusively, Keller's brand equity model suggests that customer-based brand equity exists when the consumers have a high level of awareness with the brand and strong, unique and favourable associations are established with the brand (Keller, 2013:73; Khumalo, 2009:8).

3.4.2 Aaker's brand equity model

Aaker's brand equity model is based on the brand equity definition pertaining to the assets that add value to or detract value from the product or service (Smith *et al.*, 2007:105; Srivastava, 2015). These assets are grouped into five brand equity dimensions as illustrated in Figure 3.3 and include brand awareness, perceived quality, brand association, brand loyalty and other proprietary brand assets such as trademarks and patents (Tong & Hawley, 2009a:264). Each of the individual dimensions contributes towards creating brand equity in their own unique way (Fleur, 2005:9). In addition, the brand's performance in terms of these individual dimensions contributes towards the overall rating consumers develop of a brand's equity (Smith *et al.*, 2007:105). As such, value is created for both the consumer and the company (Lu, 2011:12).

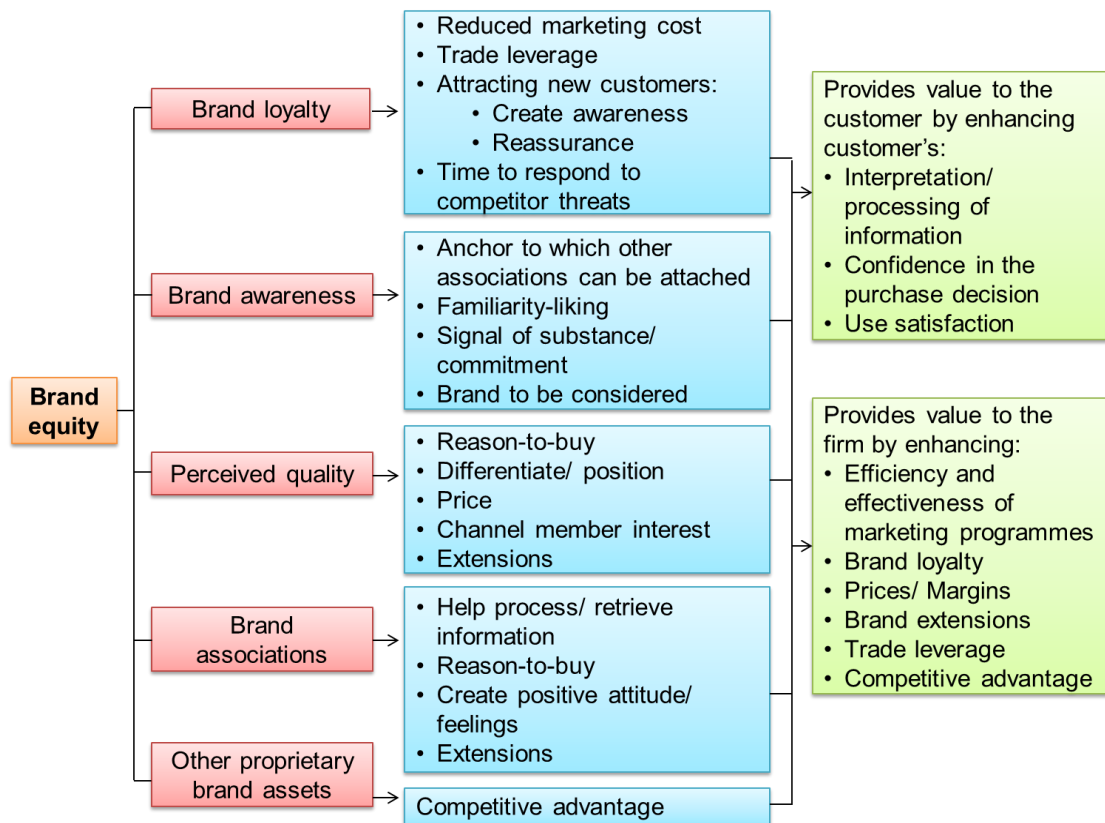


Figure 3.3 Aaker's brand equity model (Aaker, 1996:9)

Brand awareness relates to the extent to which a consumer can recognise a brand (Dopico & Porral, 2012:393). Moreover, brand awareness is a key dimension given that consumers can only choose a brand if they are aware of the brand's existence (Shabbir & Rehman, 2013:349). Perceived quality refers to the consumer's perception of the product excellence (Yoo *et al.*, 2000:197), whereas brand association pertains to the connection consumers attach to the brand (Aaker & McLoughlin, 2010:179). A consumer's commitment to a specific brand with reference to their willingness to purchase the same brand repeatedly refers to brand loyalty. The other proprietary assets comprise all other assets attached to a brand that can contribute towards creating a competitive advantage, such as patents or channel relationships (Jooste *et al.*, 2012:395). Schäfer (2005:31) points out that these brand equity dimensions are not isolated from each other and that the stronger these brand equity dimensions are, the higher the brand equity will be.

For the purpose of this study, Aaker's brand equity model is used, as this model has been extensively cited (Tong & Hawley, 2009a:264) as well as empirically tested in previous research studies (Chen & Green, 2009; Dopico & Porral, 2012; Gil *et al.*, 2007; Kim & Hyun, 2011; Kumar *et al.*, 2013; Moradi & Zarei, 2012; Neerakkal, 2012; Tong & Hawley, 2009b; Yoo *et al.*, 2000). Consequently, more insight on Aaker's model is required in order to understand the inter-relationships between the various brand equity dimensions. It should be noted that brand awareness, perceived quality, brand associations and brand loyalty represent consumer's perceptions and reactions to brands, whereas proprietary brand assets are firm-based and not applicable when measuring consumer-based brand equity (Veloutsou *et al.*, 2013:239). For this reason, only the first four dimensions, namely brand awareness, perceived quality, brand associations and brand loyalty are adopted when measuring consumer-based brand equity (Tong & Hawley, 2009a:264). As such, the following sections will provide an in-depth discussion on each of the four brand equity dimensions that relate to consumer-based brand equity. In addition, a section on how marketing activities influence these dimensions is also discussed.

3.4.3 Brand awareness

Brand awareness refers to a brand's presence in the consumers' minds (Jooste *et al.*, 2012:395) or the first impression consumers hold towards a brand (Funk & Levis, 2009:51). Although brand awareness frequently is underestimated, this brand equity dimension still remains an important strategic asset (Aaker & McLoughlin, 2010:176), given that it is the foundation on which other connections can be linked to a brand (Jooste *et al.*, 2012:395). Malik *et al.* (2013:168) highlight that no transaction will occur if the consumer is unaware of a brand. Therefore, brand awareness is a requirement for a brand to be taken into consideration (Jooste *et al.*, 2012:395). West *et al.* (2010:195) concur and elaborate that a consumer's awareness of a brand increases the likelihood of the brand being considered within decision-making. Moreover, brand awareness simplifies decision-making, owing to consumers purchasing brands that they are aware of, and in doing so, save both effort and time associated with comparing product quality and attributes of unknown brands (Koniewski, 2012:2). In addition, Dhurup *et al.* (2014:4) posits that brand awareness assists consumers with understanding the product category in which the brand belongs as well as acknowledging other products sold by the particular brand.

In effect, high brand awareness indicates that consumers have a high level of knowledge about the brand and are conscious of the brand in such a way that they can easily recognise or recall the brand (Okonkwo, 2007:113). However, in order for the brand to be registered in the consumers' memory, a high level of exposure should be achieved. This can be realised by strategically placing the brand, thereby ensuring that the brand is seen, heard and thought about (Keller, 2013:75; Okonkwo, 2007:114). This repeated exposure subsequently increases a consumer's familiarity with the brand, which creates brand awareness (Conradie *et al.*, 2014:105). In addition, several marketing activities such as advertising, promotions, sponsorship and publicity are used for creating brand exposure. Accordingly, familiarity with the brand increases, which creates brand awareness (Keller, 2013:75; Okonkwo, 2007:114; Radder & Huang, 2008:234). Advertising, in particular, is key for creating brand awareness (Aaker & Biel, 1993:214), since the brand is exposed to potential customers and they have the opportunity to accept the brand (Radder & Huang, 2008:234).

Some of the most common methods in measuring brand awareness include recognition, recall, top-of-mind and domination (Conradie *et al.*, 2014:105; Jooste *et al.*, 2012:395). Recognition refers to the consumer's familiarity with a brand due to previous exposure (Jooste *et al.*, 2012:395). Furthermore, recognition is easy to achieve, especially during the first stages of brand awareness. Brand recall pertains to the consumer's ability to associate a specific brand to a product category without any previous or direct exposure (Okonkwo, 2007:110,113). According to Okonkwo (2007:113), this method denotes that the brand is imprinted in the consumer's memory and, therefore, is the most recallable brand in the specific product category. While top-of-mind is used to determine which brand is recalled first, domination refers to when the consumer recalls only one brand (Jooste *et al.*, 2012:395). Aaker and McLoughlin (2010:176) point out that brand recall is considered more important than brand recognition, as a consumer might recognise a brand but may not recall the brand in the purchase process and as a result does not purchase the brand.

Studies that have focussed on measuring both the drivers and influence of brand awareness, such as those conducted by Yoo *et al.* (2000), who measured brand awareness along with brand associations, and Neerakkal (2012), who measured brand awareness on its own, found positive relationships between the image of a store, advertising spending and brand awareness/associations. Concerning the influence of brand awareness, Yoo *et al.* (2000), and Kim and Hyun (2011) found a positive

relationship between brand awareness/associations and brand equity. This relationship, however, was not supported in the studies conducted by Dopico and Porral (2012), Gil *et al.* (2007), and Moradi and Zarei (2012). Moreover, Neerakkal (2012) found that brand awareness alone does not affect brand equity. Previous studies revealed positive relationships between brand awareness and the other brand equity dimensions, namely perceived quality (Buil *et al.*, 2013; Chattopadhyay *et al.*, 2010; Tong & Hawley, 2009b), brand associations (Buil *et al.*, 2013; Tong & Hawley, 2009b) and brand loyalty (Dopico & Porral, 2012; Tong & Hawley, 2009b). These relationships are consistent with the postulation that brand awareness is the foundation for the other brand equity dimensions.

3.4.4 Perceived quality

The perceived quality dimension refers to the consumer's perception of the overall quality of the product (Schäfer, 2005:30). In addition, perceived quality signifies consumers' perception of the product benefit relative to the price of the product. This brand equity dimension is particularly meaningful to companies as it is used to position a brand in consumer's minds and to differentiate their brand from competing brands (Jooste *et al.*, 2012:397). Therefore, perceived quality influences the brand associations (Tong & Hawley, 2009b:568), which drives consumers' attitude towards the brand (Schäfer, 2005:30) and consumers' brand selection (Yoo *et al.*, 2000:197). As such, high perceived quality implies that the brand is superior to competing brands (Yoo *et al.*, 2000:197), which consequently increase consumers' willingness to pay a premium price for the product (Dibb *et al.*, 2012:324).

Owing to quality perceptions originating from the assumptions consumers make about the product (Schäfer, 2005:30), with specific reference to the product quality, prices, advertising, packaging and the typical product users, the perceived quality may differ from the actual quality (Aaker & McLoughlin, 2010:104). The factors that influence quality perceptions are classified into two main categories, namely intrinsic and extrinsic cues. While intrinsic cues refer to all the physical properties of the product, such as the colour and texture that change along with the product, extrinsic cues refer to those aspects that relate to the product, but do not directly form part of the physical product, such as price and warranty (Aaker & McLoughlin, 2010:104). Furthermore, when changes to the extrinsic cues are made, it may not necessarily affect the physical product (Aaker & Biel, 1993:147). Notwithstanding the influence of intrinsic and extrinsic cues, Dibb *et al.*

(2012:324) and Grewal and Levy (2008:392) add that the brand name and store name also signify a specific level of quality in the consumers' mind, since consumers rely on the brand name to indicate the quality.

Yoo *et al.* (2000) sought out to determine the influence on perceived quality and found that high price, store image and advertising spending positively influence perceived quality (Yoo *et al.*, 2000). Other studies presented similar results, supporting the relationships between store image and advertising spending with perceived quality (Neerakkal, 2012) and the relationship between price and perceived quality (Dopico & Porral, 2012). In addition, perceived quality is also influenced by the brand awareness dimension, owing to well-known brands being perceived as having high quality (Buil *et al.*, 2013; Chattopadhyay *et al.*, 2010; Healey, 2008:10; Tong & Hawley, 2009b). When considering perceived quality's influence on other brand equity dimensions and overall brand equity, Yoo *et al.* (2000) and Neerakkal (2012) found a positive relationship between perceived quality and overall brand equity. Conversely, the results of the study conducted by Dopico and Porral (2012) did not support this relationship between perceived quality and brand equity. Moreover, similar studies revealed that high quality perceptions are a requirement for long-term brand associations (Tong & Hawley, 2009b) and influence brand loyalty (Kim & Hyun, 2011; Tong & Hawley, 2009b). However, the studies conducted by Buil *et al.* (2013) and Gil *et al.* (2007) did not support perceived quality's influence on brand loyalty.

3.4.5 Brand associations

Brand associations are any direct or indirect connections that consumers attach to a brand (Aaker & McLoughlin, 2010:179; West *et al.*, 2010:195). Therefore, according to Jooste *et al.* (2012:397), these brand associations can be tangible attributes, human characteristics, the company's skills or the people and culture that consumers associate with a specific brand. Although brand associations is a frequently underestimated brand asset (Aaker & McLoughlin, 2010:104) it is required for creating and maintaining brand equity (Belch & Belch, 2012:15). In addition, the uniqueness, favourability and strength of the brand associations are fundamental for creating a differential response to the brand and ultimately brand equity, especially with high-involvement products (Tuominen, 1999:76).

Keller (1993:3) categorises brand associations into three categories, namely attributes, which are the features that describe the brand from the consumer's perspective,

benefits, which are the consumers' personal perception of the value of the attributes, and brand attitudes, which refer to the consumers' evaluation of the brand. While the most obvious brand associations are product attributes and benefits, which are the main reasons consumers purchase the product, strong brands have to focus on dimensions other than the product attributes, particularly dimensions that are harder to copy and are more credible (Aaker & McLoughlin, 2010:179,180). Ergin *et al.* (2006:65) list the main types of brand associations as product-related attributes, functional benefits, symbolic benefits, experiential benefits, product category, typical usage situations, price, distribution, communication, celebrities and events, brand personality, typical users, the company and other organisations and attitude.

Brand associations' influence on consumers' attitudes or feelings towards a brand (Ergin *et al.*, 2006:65; Jooste *et al.*, 2012:396) and their trust in a brand (Schäfer, 2005:30) have a fundamental role in consumers' decision making (Chen *et al.*, 2013:1914). Therefore, the more the brand is exposed through marketing activities such as advertising (Schäfer, 2005:30) or experienced, the stronger the brand associations will become (Yoo *et al.*, 2000:197). Consequently, the brand will be differentiated more effectively from competing brands, giving the company a competitive advantage (Ergin *et al.*, 2006:65). In addition, through enhancing the brand associations in the minds of the consumers, brand equity is maintained (Okonkwo, 2007:122).

Yoo *et al.* (2000) set out to examine brand awareness and brand associations simultaneously, and found positive relationships between the marketing activities, specifically store image and advertising spending, and brand awareness/ associations. In addition, brand awareness/associations influence brand equity (Yoo *et al.*, 2000), as positive brand associations result in high brand equity and conversely, negative brand associations result in low brand equity (Okonkwo, 2007:121). More studies reveal that brand association influences brand loyalty (Buil *et al.*, 2013; Dopico & Porral, 2012; Tong & Hawley, 2009b), however, this is influenced by both brand awareness (Buil *et al.*, 2013; Tong & Hawley, 2009b) and perceived quality (Tong & Hawley, 2009b). Brand associations' dependence on brand awareness and perceived quality can be attributed to the fact that it is more effective to communicate brand attributes when the brand name with which they are associated is known and when the consumers can identify the distinctiveness and high quality of the brand (Tong & Hawley, 2009b:568).

3.4.6 Brand loyalty

Various authors (Schäfer, 2005:30; Tong & Hawley, 2009b:568) agree that brand loyalty is the most important brand equity dimension and, therefore, is considered the core of brand equity (Moisescu, 2007:134). Moreover, brand loyalty is regarded as a long-term asset, given the fact that it is more difficult to persuade loyal customers to switch brands than to copy products (Aaker & McLoughlin, 2010:177). The term brand loyalty refers to the consumer's willingness to purchase the same brand repeatedly (Jooste *et al.*, 2012:395) or the consumer's consistent preference for a particular brand (Elliot *et al.*, 2012:233; Lamb *et al.*, 2013:170; Okonkwo, 2007:118). These definitions draw attention to two important requirements of brand loyalty. First, the consumer has to be satisfied with the brand's product (Funk & Levis, 2009:51) otherwise consumers are less likely to make repeat purchases of the particular brand (Belch & Belch, 2012:130) and secondly, the consumer excludes or resists switching to other brands (Aaker & McLoughlin, 2010:177; Neal & Strauss, 2008:146).

A large base of loyal customers indicates that the brand is successful, enduring and accepted (Aaker & McLoughlin, 2010:178). As a result, loyal customers' consistent preference for the brand paves the way for long term profitability as loyal customers purchase more quantities more frequently (Okonkwo, 2007:118-119) and also gives reassurance to non-users (Aaker & McLoughlin, 2010:178). Moreover, brand loyalty leads to a reduction in marketing costs, as customer retention is less costly compared to attracting new customers (Jooste *et al.*, 2012:397). Furthermore, brand loyal customers spread positive word-of-mouth, which serves as a marketing tool that attracts potential customers (Funk & Levis, 2009:51).

In addition, brand loyalty reduces the brand's vulnerability to its competitors (Hult *et al.*, 2014:414), given that loyal customers resist switching to competitors' brands (Yoo *et al.*, 2000:197) and provides the brand time to respond to competitors' actions (Aaker & McLoughlin, 2010:178). Moreover, owing to loyal customers searching for their preferred brands, it is also easier for companies to sell their brands at new destinations (Okonkwo, 2007:120). Furthermore, loyal customers are willing to pay a higher price for a specific product (Okonkwo, 2007:120), allowing the company to make use of premium pricing (West *et al.*, 2010:195). The challenge, however, is to make or keep customers brand loyal, and as such, many of the marketing activities focus on reassuring customers of the brand's products (Dibb *et al.*, 2012:321) and on offering attractive products that are in

line with the target audience's preferences (Okonkwo, 2007:120). To this extent, brand loyalty is not guaranteed, as the consumer should be attracted to the brand as well as be in favour of the complete package, including the brand's personality (Okonkwo, 2007:120).

Studies conducted by Yoo *et al.* (2000) and Neerakkal (2012) found that advertising spending positively relates to brand loyalty and that brand loyalty positively relates to brand equity. Studies conducted by Dopico and Porral (2012), Gil *et al.* (2007) and Moradi and Zarei (2012) verified that brand equity significantly depends on the brand loyalty dimension, so much that in these studies brand loyalty was the only dimension that directly influenced brand equity. With regard to the relationships between the brand equity dimensions, brand loyalty is influenced and driven by all the brand equity dimensions, including brand awareness (Tong & Hawley, 2009b) perceived quality (Kim & Hyun, 2011; Tong & Hawley, 2009b) and brand associations (Buil *et al.*, 2013; Tong & Hawley, 2009b).

Strong brand equity is clearly an indication that the brand is well known, that consumers are positively associated with the brand and that the brand is likely to have many loyal customers. Moreover, marketing activities are known to enhance a company's brand equity, which ultimately influences sales. For this reason, it is imperative to understand how the marketing activities and brand equity is related. Therefore, the following section will explain the relationship between the marketing activities and brand equity. The manner in which the different marketing activities can be used to enhance the brand equity dimensions and overall brand equity, in particular, are discussed.

3.4.7 Marketing activities' influence on brand equity

One of the most important tasks of marketers is to create marketing strategies that will position the brand competitively and enhance brand equity (Green, 2011:2). Brand equity, therefore, is considered the outcome of a brand's long-term marketing efforts (Nasrabadi & Zandi, 2015:20; Vaid, 2003:12; Yoo, 2000:43) and can be viewed as the mediator of the effect of marketing activities on consumer behaviour (Tiwari, 2010:429). Because brand equity emanates from marketing activities' influence on the mediating dimensions of brand equity (Neerakkal, 2012:37), marketing activities are specifically managed or controlled to influence consumers' brand perceptions, which then, as a consequence, can either have a positive or negative effect on brand equity (Nasrabadi & Zandi, 2015:20; Yoo, 2000:43). Therefore, any marketing activity that results in a more

favourable behavioural response to the specific branded product rather than to the comparable unbranded product positively influences brand equity (Yoo *et al.*, 2000:198).

In order to enhance brand equity, it is imperative to investigate the influence of the marketing activities on the brand equity dimensions (Yoo, 2000:43). The consumer-based brand equity perspective allows marketers to consider how their marketing activities will influence the value of the brand (Brunello, 2013:11 Manjunath & Gowda, 2014:210; Tuominen, 1999:75). However, Tong and Hawley (2009b:567) add that it is essential for marketers to understand their target markets' attitudes and opinions toward their marketing activities, given that consumers in the different areas in the world hold different opinions and attitudes. While this study does not measure every possible marketing activity's influence on brand equity, it represents the marketing activities that contribute most to brand equity, namely price, product, store image and advertising. An overview of these marketing activities will be discussed in this section, with specific focus on how each marketing activity influences the brand equity dimensions and overall brand equity. For a detailed discussion on marketing activities, refer to Chapter 2, Section 2.6 to Section 2.10.

3.4.7.1 Price

Price is a brand's most important positioning clue (Jones, 1999:43), owing to price being part of the brand's identity and its influence on how consumers perceive the brand (Pincott, 2011:4). The majority of consumers are of the opinion that higher priced brands are of better quality compared to lower priced brands (Yoo *et al.*, 2000:198). Therefore, careful consideration should be given when brands, in particular fashion brands, are positioned in terms of price. This is because clothing is used for self-expression and low prices can easily damage the image of a brand (Jobber, 2010:439). Previous research has proven that price effects perceived quality, which ultimately effects brand equity (Chattopadhyay *et al.*, 2010; Gil *et al.*, 2007; Yoo *et al.*, 2000).

3.4.7.2 Product

The core product is the centre of brand equity (Riaz & Tanveer, 2011:48), since the actual product benefits is what the customers are buying (Jooste *et al.*, 2012:382). As such, the product contributes to the brand through the product's functions and uniqueness (Jones, 1999:42). Thus, if the product is designed poorly or does not offer value to the customer, brand equity will be negatively influenced (Jooste *et al.*,

2012:382). This effect often is overlooked and, therefore, Vazquez *et al.* (2002:32) emphasise the importance of gathering information on the attributes of the physical product when measuring consumer-based brand equity. Moreover, previous studies confirm that both product image (Chen-Yu & Kincade, 2001:31) and product features influence consumers' quality perceptions (Sprott & Shimp, 2004:306; Jo *et al.*, 2003:644). As such, it is essential to incorporate product image development as part of a marketing strategy, especially since a good product image increase the perceived quality. Consequently, this would increase the likelihood of the specific product being selected and the consumers' willingness to pay more for the product (Chen-Yu & Kincade, 2001:30, 40).

3.4.7.3 Store Image

Stores may enhance or deteriorate a brand's reputation (Jones, 1999:43), as store image influences the consumers' intention to purchase (Wu *et al.*, 2011:36). A brand that is sold through an appropriate store with a good image can attract more potential customers to the store (Neerakkal, 2012:38), thereby increasing store traffic and brand awareness (Yoo *et al.*, 2000:199). Moreover, stores with a good image provide more consumer satisfaction and generate more positive word-of-mouth communications (Kim & Hyun, 2011:429). Neerakkal (2012:38) points out that although store image influences brand awareness, consumers also perceive products sold through good image stores as having higher quality. Likewise, Keller (2010:61-62) indicates that a store's image in terms of the way it sells and presents the products, the people that shop in the store, the employees and the store's facilities, all together influence the associations that consumers attach to a specific brand. Previous studies support that store image influences brand awareness (Chattopadhyay *et al.*, 2010; Neerakkal, 2012; Tong & Hawley, 2009b; Yoo *et al.*, 2000), perceived quality (Chattopadhyay *et al.*, 2010; Neerakkal, 2012; Tong & Hawley, 2009b; Yoo *et al.*, 2000) and brand associations (Tong & Hawley, 2009b; Yoo *et al.*, 2000), which subsequently influences brand equity (Yoo *et al.*, 2000). For this reason, retailer selection and management is considered one of the critical marketing tasks for satisfying consumers' needs (Yoo *et al.*, 2000:199).

3.4.7.4 Advertising

The promotion element of the brand is fundamental to brand equity given that it is the voice of the brand (Jooste *et al.*, 2012:382). Advertising in particular is known to be the most direct way of conveying brand knowledge (Jones, 1999:43) and, therefore, frequent

exposure can create or increase brand awareness by increasing the consumers' familiarity with the brand and the reach of consumers (Buil *et al.*, 2013:117; Radder & Huang, 2008:234). In addition, the specific brand is more likely to be considered within the purchase decision (Yoo *et al.*, 2000:200). Yoo *et al.* (2000:199) and Buil *et al.* (2013:117) state that a brand's advertisements commonly are used as a quality indicator. This is because consumers perceive intensively advertised brands as having a higher quality. Notwithstanding advertising's influence on brand awareness and perceived quality, it also influences the associations that are linked to a brand, given that advertising campaigns that serve long-term objectives can effectively create strong, unique and favourable associations (Kim & Hyun, 2011:430) or even reinforce brand associations that are embedded in the consumers' minds (Buil *et al.*, 2013:117; Neerakkal, 2012:32). In addition, advertising reinforces customer's brand-related beliefs, which enhances the customers' loyalty to the brand (Yoo *et al.*, 2000:207). Previous research that focussed on advertising's effect on brand equity have found that advertising can create or enhance consumer-based brand equity (Yoo *et al.*, 2000), since high advertising spending positively influences the perception of brand quality (Gil *et al.*, 2007; Neerakkal, 2012; Yoo *et al.*, 2000), brand awareness (Chattopadhyay *et al.*, 2010; Gil *et al.*, 2007; Neerakkal, 2012; Yoo *et al.*, 2000), brand associations (Gil *et al.*, 2007; Yoo *et al.*, 2000) and brand loyalty (Neerakkal, 2012; Yoo *et al.*, 2000).

Generation Y consumers are considered the trendsetters in the fashion industry (Male, 2010; Schawbel, 2015; Van Paris, 2015) and, therefore, influence the brand and product decisions of their parents and other generations (Doran, 2011; Schawbel, 2015). As such, this segment's purchasing behaviour significantly influences a brand's success (Johnson, 2006:2). Generation Y consumers' influence on fashion and brands make them one of the most desirable target markets pursued by fashion marketers (Bickle, 2011:162; Van Paris, 2015). Consequently, in order to create a marketing strategy that will appeal to Generation Y consumers and ultimately enhance brand equity, it is imperative to gain insight into this consumer segment.

3.5 GENERATION Y

The Generation Y cohort comprises consumers born between 1986 and 2005 (Markert, 2004:21), and is recognised as the largest consumer segment in the world (Foscht *et al.*, 2009:223). These consumers are characterised as confident, independent, self-reliant, well educated (Broadbridge *et al.*, 2007:526) and are influenced easily by their peers

(Fernandez, 2009:93). Furthermore, listening to music, socialising with friends (Mafini *et al.*, 2014:2) and shopping (Bickle, 2011:162; Radder *et al.*, 2006:27) are common activities that this consumer segment enjoys the most. Owing to this consumer segment being born in the era of technology, technology is an essential element in their everyday lives (Nielsen, 2014). The significant size of this segment makes them an attractive target market (Kinley *et al.*, 2010:563). In addition, the majority of Generation Y consumers are university students and, therefore, are associated with a high future earnings potential (Bevan-Dye *et al.*, 2009:174), providing them with more disposable income and aggregate spending (Bevan-Dye, 2015:10).

Generation Y consumers have significant spending power (Cui *et al.*, 2003:310), since they have more money at their disposal during their teen years (Mafini *et al.*, 2014:1) and earn money much earlier in their lives than previous generations (Miller & Mills, 2012:1474). Moreover, as the number of dual-income households continue to grow (Carr, 2013; Joubert, 2010:154; Marrs, 2015), Generation Y members are pressurised to learn how to make purchasing decisions at a young age (Bakewell & Mitchell, 2003:98). Therefore, these individuals are involved in the consumption process at an earlier stage compared to previous generations (Kinley *et al.*, 2010:563). As a result, this generation learnt that shopping is a complex and sophisticated process rather than a simple act of purchasing (Mafini *et al.*, 2014:1) and, therefore, has a unique shopping approach compared to other generations (Bickle, 2011:163; Casidy, 2012:242). However, some Generation Y consumers are involved in impulse purchasing and spend quickly and easily (Mafini *et al.*, 2014:1).

Shopaholics and fashion addicts are the words used to describe Generation Y consumers' passion for fashion apparel (Frings, 2008:43; Solomon & Rabolt, 2009:182; Williams & Page, 2011:45). Therefore, fashion apparel accounts for the largest portion of this generation's high-value expenditures (Student Village, 2010:24) and it is estimated that two-thirds of their future income will be spent on fashion apparel (Bakewell & Mitchell, 2003:96). The youth, in particular, are interested in fashion apparel, and are influenced significantly by fashion trends and advertisements (Andersson *et al.*, 2004:104; McDevitt, 2013). Owing to this market's desire for the latest trends (Runyan *et al.*, 2013:326), they have to shop regularly to keep up to date with the fast moving trends (Hill, 2011:26). Therefore, the continuous introduction of modern fashion products will likely have a positive effect on these consumers' fashion purchase behaviour (Mafini *et al.*, 2014:8). Koksall (2014:434) speculate that the reason for Generation Y's fashion

consciousness and involvement in fashion may be due to their concern about their appearance and the need to be socially accepted. In addition, Fernandez (2009:93) adds that the need to express individuality, status or image may drive these individuals' fashion consciousness. Therefore, these consumers purchase new and fashionable products (Radder *et al.*, 2006:24) that will be accepted by their peers (Hughes, 2008:15).

Generation Y is both quality (McDevitt, 2013; Radder *et al.*, 2006:27) and brand conscious (Hanzaee & Aghasibeig, 2008:534) and, therefore, have preferred clothing brands that they are attached to (Fernandez, 2009:87). Fernandez and Lean (2009:74) explain that for this segment it is not about merely purchasing a clothing product, but purchasing a brand name. The preferred brands Generation Y consumers are attached and loyal to (Doran, 2011; Fernandez, 2009:87; Mafini *et al.*, 2014:1) are brands with which they personally connect (Doran, 2011), that correspond with who they are (McDevitt, 2013) and communicate certain aspects of themselves such as their individuality (Fernandez, 2009:93). Therefore, Schawbel (2015) found that the majority of brand loyal Generation Y consumers remain loyal to the brand that they currently purchase, emphasising the importance of capturing their loyalty as early as possible. Generation Y consumers that are less brand loyal tend to switch brands (Runyan *et al.*, 2013:326), because of their need for lower-priced clothing (Hill, 2011:26) and bargains (Foscht, *et al.*, 2009:223), whereas brand loyal consumers are willing to pay a premium price for the proper brand (Runyan *et al.*, 2013:326). Owing to the immense influence of brand names on the majority of Generation Y's purchasing behaviour, this segment prefers purchasing branded clothing from small boutiques, speciality stores (Frings, 2008:43) or trendy department stores (Runyan *et al.*, 2013:326).

Owing to the significant amount of alternatives available, Generation Y consumers find it challenging to choose a specific product (Mafini *et al.*, 2014:1,8). As such, to prevent becoming overwhelmed with the significant amount of choices available in store, Generation Y consumers search for product information prior to visiting a store (Valentine & Powers, 2013:83). This assists with narrowing down their product choices (Ruane & Wallace, 2013:328). The Internet, especially social networking sites, is frequently used for obtaining this product information and consequently assist with decision-making (Ruane & Wallace, 2013:322; Valentine & Powers, 2013:83). Although, Generation Y consumers use the Internet to obtain product information, they still prefer purchasing for brick and mortar stores, because of their need to fit the product (Valentine & Powers, 2013:82). In addition, Generation Y consumers find it challenging to choose

amongst the different retail outlets and due to their effort to be unique; they are particularly sceptical about the outlets where their parents shop (Mafini *et al.*, 2014:1, 8). According to Van den Bergh (2013), the Generation Y consumers are also the generation that is the most marketing-savvy and the most critical on advertisements. In fact, they are sceptical of marketing communications (Bevan-Dye *et al.*, 2009:177) and, therefore, traditional advertising methods have been unsuccessful in gaining this market's attention (Schawbel, 2015). Kinley *et al.* (2010:566) assert that this scepticism is due to their belief that marketing communications attempt to mislead consumers. However, Fernandez and Lean (2009:76) postulate that advertising is significant for reaching the Generation Y market, given its considerable role in communicating brand values and creating a product image. Therefore, in order to market a fashion brand effectively to the Generation Y segment and to implement an appropriate marketing approach that will appeal to this specific market, it is essential that fashion marketers understand this segment's shopping patterns and are updated on their attitude changes and changes in their trends (Bickle, 2011:162; Hughes, 2008:2-3).

3.6 PROPOSED MODEL OF THE EFFECTIVENESS OF SELECTED MARKETING ACTIVITIES IN CREATING BRAND EQUITY IN THE SOUTH AFRICAN CLOTHING MARKET AMONGST BLACK GENERATION Y STUDENTS

The literature reviewed in Chapter 2 and Chapter 3 serves as a basis for examining marketing activities' influence on brand equity. Within this section, a proposed model of marketing activities' influence on brand equity is presented. This proposed model is based on the literature review that explains theories, existing models and empirical studies that support the hypothesised model. The proposed model that hypothesises the relationships between the marketing activities, the brand equity dimensions and brand equity is presented in Figure 3.4

Within the marketing context, the marketing activities, which form part of the marketing strategy, are used to create or strengthen brand equity. Therefore, the proposed model will measure the extent to which the marketing activities, namely price, product, store image and advertising influence the dimensions of brand equity, namely brand awareness, perceived quality, brand associations and brand loyalty. In addition, the proposed model will examine the relationship between the brand equity dimensions, with reference to the influence of brand awareness on perceived quality, brand awareness

and perceived quality on brand associations and then brand awareness, perceived quality and brand associations on brand loyalty. Moreover, this model will determine if the brand equity dimensions are significant predictors of overall brand equity.

The proposed model, demonstrated in Figure 3.4, illustrates the marketing activities that influence brand equity, specifically in the South African clothing market amongst black Generation Y students.

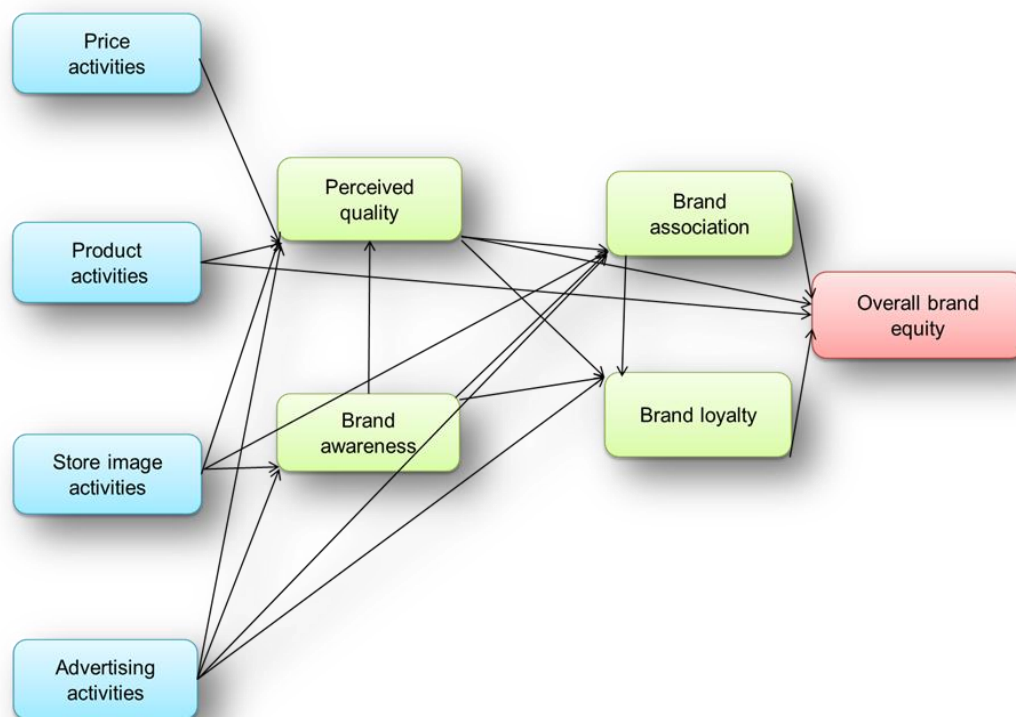


Figure 3.4 Proposed model of the effectiveness of selected marketing activities in creating brand equity in the South African clothing market amongst black Generation Y students

The hypothesised relationships depicted in the research model in Figure 3.4 will be tested empirically in Chapter 5 to determine the significance of these marketing activities' influence on brand equity.

3.7 CONCLUSION

Brand equity is one of the most valuable intangible assets providing a sustainable competitive advantage in the intensifying competitive environment of the fashion industry. As such, brand equity influences consumers' decision-making when having to decide between two similar products and increases consumers' willingness to pay a premium price. Therefore, it is essential that marketers understand what brand equity consist of and how brand equity is created. Different brand equity models are designed to measure the sources of brand equity and explain the creation of brand equity. However, Aaker's brand equity model is the most popular and depicts that brand equity is created by means of creating brand awareness, perceived quality, brand associations and brand loyalty. In an attempt to create or enhance brand equity, marketing activities are designed to influence the brand equity dimensions. Owing to Generation Y members' fashion consciousness and brand consciousness, coupled with their exceptional spending on fashion products, this segment is a lucrative market sought by fashion marketers. However, these consumers' scepticism regarding traditional marketing approaches require fashion marketers to understand their shopping patterns and attitude towards fashion trends and brands.

Based on the theories and models, a conceptual model was constructed that proposes how marketing activities can be used to enhance brand equity. It is imperative to understand these relationships in order to create an effective marketing strategy or make changes to an existing marketing strategy. The empirical testing of the proposed model of the effectiveness of selected marketing activities in creating brand equity in the South African clothing market amongst black Generation Y students is reported on in Chapter 5. Within the next chapter, Chapter 4, the research methodology used for empirically testing the hypothesised relationships in the proposed model, are analysed.

CHAPTER 4

RESEARCH DESIGN AND METHODOLOGY

4.1 INTRODUCTION

Marketing research is a fundamental function in marketing management (Turcinek *et al.*, 2012:67). In order to determine customers' needs and implement marketing strategies that meet those needs and help an organisation achieve a sustainable competitive advantage, management require information about their customers, competitors and the marketing environment (Malhotra, 2010:44). Marketing research can provide managers with this information and help them understand both current and potential customers' brand-, product- and service perceptions (Jiao & Chen, 2006:176; Patino *et al.*, 2012:234; Javalgi *et al.*, 2006:12; Young & Javalgi, 2007:113). Malhotra (2010:39) defines marketing research as a systematic process of identifying, collecting, analysing, distributing and utilising information to improve decision-making for finding solutions to marketing problems and opportunities. In essence, marketing research connects the consumer and marketer through providing managers with information for sound decision-making.

The purpose of this study is to propose and empirically test a model of selected marketing activity determinants of clothing brand equity in the South African market amongst black Generation Y students. The objective of developing such a model is to guide marketing strategies for effectively targeting this market. In agreement with the primary objective, a literature review was conducted in Chapter 2 and Chapter 3, and included a review of studies of a similar nature to this study. The focus of Chapter 2 was on the literature pertaining to fashion marketing, with specific focus on the role of the fashion marketing mix elements in a marketing strategy. Chapter 3 focussed on brand equity, and included a discussion on the different brand equity models, thereby laying the foundation for the research instrument and the research methodology used in this study. Furthermore, the individual brand equity dimensions were reviewed, followed by an overview of how marketing activities influence the brand equity dimensions. Chapter 3 concluded with a proposed model of selected marketing activity antecedents of clothing brand equity in the South African market amongst black Generation Y students, which is based on the literature reviewed in Chapters 2 and 3. The empirical testing of this model is described in Chapter 5.

The purpose of this chapter is to describe the research methodology followed in analysing the gathered data and empirically testing the proposed model. The chapter explains the research design and the research approach followed in this study, as well as the sampling strategy, data collection method and the pretesting of the questionnaire. This chapter also includes a review on the statistical procedures used to analyse the collected data, which includes reliability analysis, validity analysis, descriptive statistical analysis, correlation analysis, hypotheses testing and structural equation modelling.

The next section describes the research design selected for this study, which was used to ensure that the study draws on reliable procedures and methods of enquiry.

4.2 RESEARCH DESIGN

A research design refers to the framework used to guide the execution of the marketing research project (Iacobucci & Churchill, 2010:59). As such, marketing research can take on different research designs, such as exploratory research, descriptive research and causal research. However, the selection of the most suitable research design is based on the research objectives.

An exploratory research design is employed for providing insights or for discovering ideas on research problems and consequent hypotheses (Iacobucci & Churchill, 2010:58). The information is gathered by making use of qualitative research methods, such as case studies and surveys (Malhotra, 2010:104). An exploratory research design follows an unstructured and flexible approach in collecting data (Cant *et al.*, 2008:30).

Causal research involves the collection of data for the main purpose of making inferences regarding the cause-and-effect relationship between certain dependent and independent variables (Zikmund & Babin, 2013:51). Kolb (2008:27) concurs that the purpose of using causal research is to determine if a change in one variable would cause a change in another. As such, causal research determines which variables are the causes and which are the effects, as well as establishes the nature of their relationship (Malhotra, 2010:113). Experiments are used for conducting causal research (McDaniel & Gates, 2013:67).

A descriptive research design is used to find answers to questions relating to the what, who, when, how, and where (McDaniel & Gates, 2013:66). This research design is used to explain an individual's attitudes, opinions, behaviour or characteristics and is measured through surveys, panels and observations (Boyce, 2002:38). A descriptive

research design may be classified into two categories, namely a longitudinal research design and a cross-sectional research design (Iacobucci & Churchill, 2010:86). A longitudinal research design involves collecting data repeatedly of the same sample units of a population (Struwig & Stead, 2010:40), while in a cross-sectional design, units from a single sample of the population are measured only once (Wiid & Diggines, 2013:57). A cross-sectional design can be divided into multiple cross-sectional design and single cross-sectional design. In a multiple cross-sectional design, the data are collected once from multiple samples, while in a single cross-sectional design the data are collected once from only a single sample (Malhotra, 2010:108).

For the purpose of this study, a descriptive research design was implemented as this study seeks to uncover black Generation Y students' perceptions of selected marketing activities that create brand equity in the South African clothing market. As advised by Malhotra (2010:108), a single cross-sectional approach was used in this study, as the information was drawn once from only one sample.

The focus of this section was on providing insights into the research design followed in this study. The following section describes the research approach implemented in this study.

4.3 RESEARCH APPROACH

The research approach refers to the general approach used to collect and analyse data (Wei, 2010:17). Within a research study, two basic research approaches can be used, namely quantitative research, that is a structured approach, and qualitative research, which is an unstructured approach (Welman *et al.*, 2005:8). When researchers seek clarity to specific problems, such as understanding how participants experience a specific incident or occurrence (Malhotra, 2010:73), qualitative research is employed through making use of techniques that are not dependent on numerical measurements (McDaniel & Gates, 2013:117). In contrast, quantitative research, which makes use of numerical data to examine the correlations between variables, is employed when researchers test hypotheses that involve predetermined planned questions with the option of pre-arranged structured answers (Hair *et al.*, 2013:77). More so, it is advised to make use of quantitative research on a large representative sample, especially when the researcher wants to generalise the findings to a larger population (Struwig & Stead, 2010:5).

A quantitative research approach was applied for the purpose of this study because this study lends itself to statistical analysis of large numbers of cases. The following discussion relates to the sampling strategy used in this study.

4.4 SAMPLING STRATEGY

A sampling strategy refers to the plan followed for ensuring that the sample used in a study is as representative as possible of the population from which the sample is drawn (Landreneau, 2004:1). As such, the sampling strategy specifies the way the sample was drawn (Bell *et al.*, 2014:1976). The information required by the researcher can be obtained from either a census or a sample (Hair *et al.*, 2013:38). With a census, the data are obtained from every element within the population, whereas with a sample, the data are obtained only from a specific subgroup of the elements within the specified population. This specific subgroup represents the entire population of participation in the research study. Collecting data from a census is time-consuming and associated with significant financial costs (McDaniel & Gates, 2013:380). For this reason, it is not always feasible to conduct a census (Wiid & Diggines, 2013:182). Instead, making use of a sample is highly recommended (Struwig & Stead, 2010:109).

The process of developing a sampling plan consists of defining the target population, identifying a sampling frame, selecting a sampling technique, determining the sample size and executing the sampling process (Malhotra, 2010:375). The sampling strategy used to select the sample for this study is discussed in the following sub-sections.

4.4.1 Target population

Defining the target population is the first step of the sampling process (McDaniel & Gates, 2013:380). A target population refers to a group of elements or objects that share a general set of characteristics (Struwig & Stead, 2010:118) in which the researcher is interested and wants to investigate (Bernstein *et al.*, 2005:8). These elements or objects have the information required for making inferences and subsequently solving a research problem (Malhotra, 2010:372). Clearly defining the target population is essential, in order to ensure that the participants that partake in the study have the necessary information about which inferences are to be made to solve the research problem (Kolb, 2008:180). As such, to avoid ineffective research resulting from an unclearly defined target population, an understanding of the target population is essential (Malhotra, 2010:372).

The target population relevant for this study was defined as black Generation Y students between the ages of 18 and 24 years who were enrolled full-time at South African HEIs in 2014.

4.4.2 Sampling frame

A sampling frame comprises a list of suitable population elements from which a sample is drawn (Malhotra, 2010:373), such as a telephone directory (Bradley, 2010:154). In accordance with the title of this thesis, students, more specifically under-graduate students, were selected for this study. Therefore, the 26 public registered South African HEIs, encompassing 11 traditional universities, nine comprehensive universities, and six universities of technology, as published by the Department of Higher Education and Training (2014), were specified as the sampling frame for this study. The 26 public registered South African HEIs, their locations and websites are presented in Table 4.1 (Department of Higher Education and Training, 2015; Universities South Africa, 2015).

Table 4.1 Registered South African public HEIs

Name of University	Location	Website
Cape Peninsula University of Technology	Western Cape	www.cput.ac.za
Central University of Technology	Free State	www.cut.ac.za
Durban University of Technology	KwaZulu-Natal	www.dut.ac.za
Mangosuthu University of Technology	KwaZulu-Natal	www.mut.ac.za
Nelson Mandela Metropolitan University	Eastern Cape and Western Cape	www.nmmu.ac.za
North-West University	North-West and Gauteng	www.nwu.ac.za
Rhodes University	Eastern Cape	www.ru.ac.za
Sol Plaatjie University	Northern Cape	www.spu.ac.za
Sefako Makgatho Health Sciences University	Gauteng	www.smu.ac.za
Stellenbosch University	Western Cape	www.sun.ac.za
Tshwane University of Technology	Gauteng, Mpumalanga, Limpopo and North-West	www.tut.ac.za

Table 4.1 Registered South African public HEIs (continued ...)

Name of University	Location	Website
University of Cape Town	Western Cape	www.uct.ac.za
University of Fort Hare	Eastern Cape	www.ufh.ac.za
University of Johannesburg	Gauteng	www.uj.ac.za
University of KwaZulu-Natal	KwaZulu-Natal	www.ukzn.ac.za
University of Limpopo	Limpopo and Gauteng	www.ul.ac.za
University of Mpumalanga	Mpumalanga	www.ump.ac.za
University of Pretoria	Gauteng	www.up.ac.za
University of South Africa	All provinces	www.unisa.ac.za
University of Venda	Limpopo	www.univen.ac.za
University of Zululand	KwaZulu-Natal	www.unizulu.ac.za
University of the Free State	Free State	www.ufs.ac.za
University of the Western Cape	Western Cape	www.uwc.ac.za
University of the Witwatersrand	Gauteng	www.wits.ac.za
Vaal University of Technology	Gauteng, Mpumalanga and Northern Cape	www.vut.ac.za
Walter Sisulu University	Eastern Cape	www.wsu.ac.za

Source: Department of Higher Education and Training (2015); Universities South Africa (2015)

For the purpose of this study, the list of 26 registered institutions, as presented in Table 4.1, was narrowed down using judgement sampling to include three HEIs located in the Gauteng province. These three HEIs comprise one traditional university, one university of technology and one comprehensive university. The Gauteng province was chosen for this study due to this province comprising the largest share of the South African population. One group of participants, namely full-time registered students, was then selected by means of convenience sampling.

4.4.3 Sample method

The sampling method or selection thereof, describes the way the sample units are selected (Berndt & Petzer, 2011:173), and can be clustered in two categories, namely probability and non-probability sampling (McDaniel & Gates, 2013:386).

In probability sampling, each population element has a known, non-zero opportunity to be selected to form part of the study sample (Malhotra, 2010:376). There are four different types of probability sampling techniques, namely simple random sampling, systematic sampling, stratified sampling and cluster sampling (McDaniel & Gates, 2013:389). The simple random sampling technique ensures that each sample element has a known and equal chance of being selected (Iacobucci & Churchill, 2010:287). The systematic sampling technique presents a complete list of the entire population elements and selecting the sample systematically from this list (Wiid & Diggines, 2013:195). This systematic selection involves selecting a random starting point followed by selecting the sample elements at predetermined intervals (Bradley, 2010:161). The stratified sampling technique involves dividing the population into subgroups, and thereafter the sub-samples are selected randomly from each subgroup (Struwig & Stead, 2010:117). The cluster sampling technique involves two steps. The first step entails dividing the population into mutually exclusive and exhaustive subgroups (clusters). Thereafter, clusters are selected by means of a probability sampling technique, such as simple random sampling (Hair *et al.*, 2013:143-144).

Non-probability sampling is a method in which every population element is selected in a non-random manner (McDaniel & Gates, 2013:386) based on the personal discretion of the researcher; therefore, it is subjective (Iacobucci & Churchill, 2010:285). The four different non-probability sampling techniques are convenience sampling, judgement sampling, quota sampling and snowball sampling (Wiid & Diggines, 2013:189). Convenience sampling is a technique where the sample is drawn based on convenience. The sample element is used when the population elements are generated by intercepting possible participants at a high-traffic location (Burns & Bush, 2010:255), such as mall intercepts (Malhotra, 2010:377). The judgement sampling technique is a form of convenience sampling. This technique is the deliberate and subjective selection of sample elements considered the most appropriate required for the sample (McDaniel & Gates, 2013:389). Quota sampling entails the selection of sample elements based on a set of predetermined criteria, such as demographic characteristics, in order to ensure

that the sample is representative of the subgroups of the population (Hair *et al.*, 2013:146). The snowball sampling technique involves asking the initial participants for information to identify additional, possible participants with specific characteristics, who will ultimately also partake in the study (Bradley, 2010:167).

The sampling method used in this study was a non-probability convenience sampling of full-time black Generation Y students aged between 18 and 24 years that were registered at three South African HEIs in 2014. The convenience sampling method was employed, given that the selection of sample elements depended on the lecturers' willingness to allow their students to participate in the study.

4.4.4 Sample size

The amount of sample elements to be included in the research study is referred to as the sample size (Malhotra, 2010:374). Hair *et al.* (2013:139) suggests that, when conducting a non-probability sampling method a sample size equivalent to similar studies conducted should be used. Struwig and Stead (2010:120) concur, advising that when a sample size relating to previous studies on a similar topic are used, a comparison with other researchers' findings can be drawn. However, Kolb (2008:187) advises that important decisions pertaining to determining the sample size should be considered, including the type of sample and the available resources such as time and research costs.

A sample size of 750 full-time undergraduate black Generation Y students was selected for this study. This sample size is in line with previous studies of this nature such as those conducted by Tong and Hawley (2009b) (sample size of 660), Kim (2012) (sample size of 579) and Yoo *et al.* (2000) (sample size of 569) and, therefore, was considered sufficiently large. Within the subsequent section, the data collection method employed in this study is described.

4.5 DATA COLLECTION METHOD

The data collection method specifies how the empirical data will be collected from the sample elements (Edirisinghe *et al.*, 2012:170), which can be either obtained through observing or communicating with the participants (Iacobucci & Churchill, 2010:186). Two data collection methods frequently employed in quantitative studies are the observation method and/or the survey method (Malhotra, 2010:211). The observation method is a process in which behaviour patterns are observed and recorded (McDaniel & Gates,

2013:214) in person, or alternatively, using a mechanical device (Wiid & Diggines, 2013:131). There is no actual communication or physical contact between the observed participant or object and the researcher (McDaniel & Gates, 2013:214). While the observation method entails observing and collecting actual behavioural data of individuals, objects and/or occurrences (Hair *et al.*, 2013:93), the survey method draws on the questioning approach for gathering data, by means of self-administered or fieldworker-administered questionnaires (McDaniel & Gates, 2013:116).

The survey method is used when a descriptive research design is followed (Hair *et al.*, 2013:109), where specific information on a defined topic is required (Berndt & Petzer, 2011:134). This data collection method enables a researcher to collect information from a large population of participants, using a structured questionnaire (Burns & Bush, 2010:91) on which the participants indicate their opinion on the topic (Struwig & Stead, 2010:7). The survey method can be administered through different methods such as online interviews, mail surveys, telephone surveys and personal interviews (Kolb, 2008:214). This method is the most preferred method of primary data collection for obtaining information regarding participants' attitude, behaviour or motivation (Malhotra, 2010:211). The drop-off survey method is an additional survey method, often referred to as the drop and collect method. This approach involves contacting participants to explain the objective of the study, and subsequently physically dropping off the questionnaire at the participant's location and leaving the questionnaire with the participant (Burns & Bush, 2010:93), only to be collected upon completion on the time agreed upon (Zikmund & Babin, 2013:176). Malhotra (2010:228) postulates that this survey method is an effective way of generating a higher response rate. However, Ibeh *et al.* (2004:163) warns that with this method, it is important to allow participants a reasonable time for completing the questionnaires prior to the collection thereof.

A questionnaire can be self-administered or administered by an interviewer. A self-administered questionnaire requires that the participants complete the questionnaire at their own time, without the presence of the researcher or interviewer to offer assistance (Hair *et al.*, 2013:115). McDaniel and Gates (2013:164) opine that this method is particularly useful when the researcher has access to a captive audience, such as in shopping malls. There are several advantages for using a self-administered questionnaire survey, such as no interviewer-participant bias (Cant *et al.*, 2003:100), participant control and privacy (Kolb, 2008:214).

In this study, a self-administered questionnaire using the drop-off survey method was applied to collect the required data specified in Section 4.1. The questionnaire first was submitted to the Ethics Committee of the Faculty of Economic Sciences and Information Technology at the North-West University (Vaal Triangle Campus) for approval and ethics clearance. Once the ethics clearance certificate was issued (Ethics Clearance Number: ECONIT-ECON-2014-017) and permission was solicited, the questionnaires were hand-delivered to the participating academic staff members of the three selected HEI campuses, from whom permission had been obtained telephonically. The questionnaires were then distributed to their students for completion during class or after class, by the participating lecturers at a time convenient for them. After a two-week period, the relevant academic staff members were contacted and arrangements were made for the collection of the completed questionnaires. The research instrument in this study, namely the questionnaire, will be discussed in the following section.

4.5.1 Questionnaire design

A questionnaire is a structured data collection tool that comprises a series of questions used to gather specific information from the participants in order to achieve the research objectives of the study (Boyce, 2002:317). Malhotra (2010:336) theorises that distinct objectives that specify the information required, are essential for constructing a good quality questionnaire. According to Sahlqvist *et al.* (2011:1), the physical appearance of a questionnaire may influence the participant's willingness to assist in completing the questionnaire. Furthermore, a self-administered questionnaire requires a cover letter stipulating the purpose of the research (Zikmund & Babin, 2013:174) and clear instructions on how to complete the questionnaire (Iacobucci & Churchill, 2010:221), given that the researcher is absent during the data collection process (Berndt & Petzer, 2011:48).

Clear and well-written questions or statements are critical for constructing a good quality questionnaire. Complicated wording will result in either unanswered or false information provided by the participants (Pallant, 2010:10). Welman *et al.* (2005:176) highlight that the wording used in the questionnaire should be familiar words that are understood easily by the participants. Zikmund and Babin (2013:290-291) and Struwig and Stead (2010:91), therefore, suggest using simple direct questions, which are not ambiguous or vague. The research questions should not be in a double-barrelled sense, indicating that there could be two or more possible answers to a single question and should be directed

on a single subject matter or issue. Additionally, leading or loaded questions, which give the participant an indication on what to answer, should also be avoided (Malhotra, 2010:348).

The length of the questionnaire, which refers to the average time required for completing the questionnaire (McDaniel & Gates, 2013:168), should be kept to a minimum as a lengthy questionnaire may be viewed as unappealing to the participants (Kolb, 2008:205), which according to Galesic and Bosnjak (2009:205) can have a negative effect on the response quality. Welman *et al.* (2005:177) concur that a lengthy questionnaire can have a negative effect on the response quality. McDaniel and Gates (2013:359) advise that the administering of questionnaires should not exceed 20 minutes, and this should be confirmed during pilot testing.

As guided by the aforementioned recommendations, the questionnaire employed in this study portrayed simple and brief objectives. The guidelines outlined above were adhered to in the compilation of the questionnaire. In order to ensure that the participants have a clear understanding of the questions, simple English terminology was used. Furthermore, as determined by the pre-testing phase of the questionnaire, the questionnaire could be completed within 10 minutes, making the length of the questionnaire acceptable. Attached to the questionnaire was a cover letter explaining the purpose of the study and the relevant contact details, as advised by Bradley (2010:189). The questionnaire used in this study is presented in Annexure A.

4.5.2 Questioning format

In order to measure the participants' perceptions of marketing activities and brand equity, the study used two scales that were developed on the foundations of the literature reviews conducted. The relevant literature on marketing activities and brand equity that was analysed in Chapter 2 and Chapter 3 provided details on the selected marketing activities and brand equity dimensions. The scaled items developed and utilised in this study were in accordance with the primary objective (Section 1.3.1) and empirical objectives (Section 1.3.3) stipulated for this study.

The first scale, a 12-item marketing activities scale, measuring black Generation Y students' perceptions of their preferred clothing brands' marketing activities, was in accordance with the third empirical objective of this study (Section 1.3.3). This scale was generated from the literature (Chattopadhyay *et al.*, 2010; Chen & Green, 2009; Kim &

Brandon, 2010; Lee, 2008; Yoo *et al.*, 2000) and consisted of four dimensions, namely pricing activities (two items), product activities (three items), store image activities (three items) and advertising activities (four items). The second scale, a 20-item brand equity scale, was used to measure the brand equity perceptions of black Generation Y students' towards their preferred clothing brand, which was in accordance with the fourth empirical objective of this study (Section 1.3.3). This scale was generated from the literature (Chen & Green, 2009; Dopico & Porral, 2012; Gil *et al.*, 2007; Kim & Hyun, 2011; Moradi & Zarei, 2012; Tong & Hawley, 2009b; Yoo *et al.*, 2000) and comprised five dimensions, namely brand awareness (four items), perceived quality (four items), brand associations (four items), brand loyalty (five items) and overall brand equity (three items). The students' perceptions were measured on a six-point Likert scale (1 = strongly disagree, 6 = strongly agree) based on the participants extent of agreement or disagreement to the statements that relate to the selected marketing activities and brand equity dimensions, respectively.

In addition to the questionnaire design, the question format needs to be established, and refers to the amount of freedom given to the participants in providing their responses (Aaker *et al.*, 2011:277). According to Malhotra (2010:352), the format of the questions in a questionnaire may have a significant effect on the participants' willingness to partake in the study and, therefore, requires attention. Iacobucci and Churchill (2010:201) state that questionnaires may be classified in two types, namely a disguised questionnaire or an undisguised questionnaire. When it is important that the purpose of the study is not readily evident to the participant in order not to bias their responses, a disguised questionnaire is suitable. In contrast, when there is no empirical reason to hide the purpose of the study from participants, an undisguised questionnaire is suitable.

Furthermore, there are two main types of question formats, namely unstructured and structured (Hair *et al.*, 2008:172). An unstructured questionnaire comprises open-ended questions that allow the participants to reply using their own words (Struwig & Stead, 2010:92). Open-ended questions are perceived as being time consuming for both the participant to write out all the answers and for the researcher to capture the data. Furthermore, the results obtained from unstructured questionnaires may be unclear and, therefore, difficult to compare with other similar studies (Tucker, 2015). Penwarden (2013) points out that the results obtained from unstructured questionnaires cannot be generalised to a larger population. However, Pallant (2010:8) suggests using open-

ended questions where it is unfeasible to provide the predetermined set of responses in a question.

A structured questionnaire comprises predetermined closed-end questions with a predetermined set of responses from which the participants may indicate their responses (Zikmund & Babin, 2013:282). Closed-end questions are employed to capture the participants' attitudes and perceptions, such as the awareness of a brand (Berndt & Petzer, 2011:187). In contrast to unstructured questionnaires, the simple administration, completion and capturing of results, associated with structured questionnaires are the main benefits of using this type of questioning format (Hair *et al.*, 2013:190). A structured questionnaire comprises multiple-choice questions, dichotomous questions or scaled questions. A multiple-choice question provides multiple possible answers to a question, of which the participant is requested to select one or more options (McDaniel & Gates, 2013:350). Zikmund and Babin (2013:285) define a dichotomous question as a question that provides the participant with only two possible answers, such as yes or no. Lastly, scaled questions are designed to capture the participants' attitudes and perceptions (McDaniel & Gates, 2013:352).

Measurement refers to the procedure of allocating numbers to the characteristics of variables, such as objects, individuals or concepts. Rather than measuring the object itself, measurement entails measuring the characteristics, such as attitudes or perceptions, of the object (McDaniel & Gates, 2013:277). The continuum used to measure these characteristics, such as attitudes, in a measuring instrument, is referred to as a scale (Malhotra, 2010:282). Aaker *et al.* (2011:249) advise that it is essential for the researcher to select a suitable type of scale for the study due to the various measurements influencing the interpretation and analysis of the data produced.

An itemised rating scale comprises brief descriptions or numerical values connected to each category, whereby the participant rates the object according to the perceived opinion or attitude by selecting the most appropriate category (Wiid & Diggines, 2013:156). The three most frequently applied itemised rating scales are the semantic differential scale, the Staple scale and the Likert scale (Struwig & Stead, 2010:94), also known as the summated scale (Malhotra, 2010:309).

The semantic differential scale comprises a number of contrasting adjectives that are related to the object being measured and are placed at opposite ends of the scale (Hair *et al.*, 2013:172). The participants are requested to indicate a point between these

adjectives, which best describes their perceptions or feelings (Iacobucci & Churchill, 2010:242). McDaniel and Gates (2013:312) point out that this scale is most suitable for investigating strengths and weaknesses of a product or brand image, while being quick, sufficiently reliable and effective.

The Stapel scale is a modified version of the semantic differential scale, given that the statements are measured independently, rather than simultaneously (Iacobucci & Churchill, 2010:242). However, the Stapel scale only includes one phrase or adjective, thereby eliminating the opposite adjectives for each variable (Malhotra, 2010:311). Wiid and Diggines (2013:158) explain that the Stapel scale comprises a 10-point rating scale, averaging between +5 and -5, whereby the adjective is placed in the middle of the scale. Participants are asked to identify how well a specific phrase describes the subject (Iacobucci & Churchill, 2010:242). The major advantage of using this scale, according to McDaniel and Gates (2013:314), is that both the direction and intensity of the participants' attitudes towards the objects may be measured at the same time. However, this scale is rarely applied in measuring attitudes, due to it being criticised for being difficult to apply and confusing (Malhotra & Birks, 2007:306).

The Likert scale, also known as the summated scale, comprises a set of statements that express a favourable or unfavourable attitude towards the object being measured (McDaniel & Gates, 2013:315). Participants are requested to rate their relative agreement or disagreement with the statements on, for example, a five-point scale (Hair *et al.*, 2013:171; Zikmund & Babin, 2013:265). Traditional wisdom suggests that the scale should range between five and nine categories (Malhotra, 2010:314). The Likert scale is the most widely used scale in marketing research (Zikmund & Babin, 2013:265) and best applied in a self-administered survey (Hair *et al.*, 2013:172), given that it is easy to develop and administer (Zikmund & Babin, 2013:265).

The techniques and effects mentioned above were considered in the question format. For the purpose of this study, an undisguised, self-administered questionnaire was used. The questions that were used in obtaining the participants demographic information comprised two dichotomous questions, where the participants had to indicate their country of origin and gender and six multiple-choice questions where the participants had to indicate their university, province of origin, year of study, ethnic group, mother tongue language and age. In addition, two open-ended questions were included where the participants had to indicate the clothing brand they purchase the most as well as the name of the store where they purchase this brand. The questions that relate directly to

the topic of this study were configured in the form of two multiple-item scales in Section B and Section C of the research instrument, respectively. A six-point Likert scale, ranging from strongly disagree (1) to strongly agree (6), was used to measure the participants' rate of agreement or disagreement with each specific item pertaining to the selected marketing activities and brand equity dimensions, respectively. As advised by Pallant (2010:10), the scales used in this study did not include a neutral response. An indecisive category was redundant due to the respondent either being in agreement or disagreement with the effectiveness of the selected marketing activities in creating brand equity.

4.5.3 Questionnaire layout

The questionnaire layout refers to the order or flow of statements and questions included in a questionnaire (McDaniel & Gates, 2013:355). Struwig and Stead (2010:96) warn that questionnaire layout is critical when using a self-administered questionnaire, due to the absence of the researcher during the questionnaire completion process. Kolb (2008:205) concurs that the presentation of the questions are critical with self-administered questionnaires; therefore, the layout of the questionnaire should make it easy and convenient for the participants to read and complete. Malhotra (2010:352) suggests that questions requesting information on the same topic, such as demographical information, should be grouped together in the same section in the research instrument. Iacobucci and Churchill (2010:221) point out that the participants will feel reluctant to provide their information if the layout of the questionnaire has no order. Therefore, the different sections within the research instrument should be numbered alphabetically, and the individual questions of statements in a section, numerically (Berndt & Petzer, 2011:196).

A questionnaire should begin with an introduction, informing the participants about the research objectives as well as the reasons why they are requested to participate in the study (Berndt & Petzer, 2011:197). Kolb (2008:206) proposes that demographic and screening questions should follow the introduction, as they are non-threatening and easy to answer. Demographical questions relate to classification information of the participant, such as gender, age and mother tongue language (Berndt & Petzer, 2011:184). In order to affirm if the participants are representative of the target population for the study, a screening question, also referred to as filter, may be included in this section or alternatively a demographic question may be used as a screening question, such as gender (Hair *et al.*, 2013:203). Subsequent to the demographical questions, questions

relating to the topic should be placed in the body of the questionnaire (Swanepoel *et al.*, 2006:291). Malhotra (2010:350) states that the body of the questionnaire comprises the questions directly relating to the research objectives of the study.

The questionnaire used for this study (refer to Annexure A) comprised three sections. Section A (A1-A10) was designated to gather the demographic information of the participants, including two questions determining the participants' most purchased clothing brand and the name of the store where they purchase this brand. In order to ascertain that the participants met all the requirements of the sample, three screening questions relating to demographic information were included in Section A. The first requirement included the participant's country of origin to ensure that only South African students' information was analysed and interpreted. The second requirement included the participants' ethnic group, which was included to ensure that only black Generation Y participants' information was analysed and interpreted. The third requirement included the participant's age to ensure that the participants are part of the defined target population of 18 to 24 years of age.

The second section of the measuring instrument, Section B (B1-B12), was employed to measure the participants' perceptions of their preferred clothing brands' marketing activities and comprised four dimensions, namely pricing activities, product activities, store image activities and advertising activities. The third part of the measuring instrument, Section C (C1-C20), measured the participants brand equity perceptions concerning their preferred clothing brand and comprised five dimensions, including brand awareness, perceived quality, brand association, brand loyalty and overall brand equity.

In order to gather the required information related to the topic and research objectives presented in Section 1.3.3, a measuring instrument consisting of two scales, multiple-choice questions and dichotomous questions was developed based on previous literature. Various authors researched these marketing activities and brand equity dimensions. Table 4.2 presents the various dimensions relating to the selected marketing activities, as discussed in Chapter 2 (Section 2.7 to 2.10), as well as a summary of previous research pertaining to marketing activities.

Table 4.2 Marketing activities

Marketing activities	Authors
Pricing activities	Azad <i>et al.</i> (2012); Baldauf <i>et al.</i> (2009); Bennur & Jin (2013); Beristain & Zorrilla (2011); Chattopadhyay <i>et al.</i> (2010); Chen & Green (2009); Gil <i>et al.</i> (2007); Kim & Brandon (2010); Kim & Hyun (2011); Kim & Park (2013); Lee (2008); Park & Sullivan (2009); Yoo <i>et al.</i> (2000)
Product activities	Bennur & Jin (2013); Chen-Yu & Kincade (2001); De Klerk & Tselepis (2007); Dias (2003); Hugo & Van Aardt (2012); Kim & Brandon (2010); Kocak <i>et al.</i> (2007); Kwon & Lennon (2011); Lee (2008); North <i>et al.</i> (2003); Zhang <i>et al.</i> (2002)
Store image activities	Bao <i>et al.</i> (2011); Beristain & Zorrilla (2011); Chattopadhyay <i>et al.</i> (2010); Chen & Green (2009); Diallo (2012); Dolbec & Chebat (2013); Grewal <i>et al.</i> (1998); Hameed (2013); Kim & Brandon (2010); Kwon & Lennon (2011); Neerakkal (2012); Newman & Patel (2004); Semeijn <i>et al.</i> (2004); Terblanche & Boshoff (2006); Theodoridis & Chatzipanagiotou (2009); Tong & Hawley (2009b); Visser <i>et al.</i> (2006); Wu <i>et al.</i> (2011); Yoo <i>et al.</i> (2000); Yoo & Chang (2005)
Advertising activities	Azad <i>et al.</i> (2012); Baldauf <i>et al.</i> (2009); Buil <i>et al.</i> (2013); Chattopadhyay <i>et al.</i> (2010); Chen & Green (2009); Gil <i>et al.</i> (2007); Kim & Brandon (2010); Lee (2008); Neerakkal (2012); Radder & Huang (2008); Tong & Hawley (2009b); Villarejo-Ramos & Sánchez-Franco (2005); Yoo <i>et al.</i> (2000)

The various dimensions relating to brand equity, as discussed in Chapter 3 (Section 3.4), are presented in Table 4.3, along with a summary of previous research pertaining to brand equity.

Table 4.3 Brand equity dimensions

Brand equity	Authors
Brand awareness	Atilgan <i>et al.</i> (2005); Azad <i>et al.</i> (2012); Baldauf <i>et al.</i> (2003); Beristain & Zorrilla (2011); Bruhn <i>et al.</i> (2012); Buil <i>et al.</i> (2013); Chattopadhyay <i>et al.</i> (2010); Chen <i>et al.</i> (2013); Chen & Green (2009); Chi <i>et al.</i> (2009); Dopico & Porral (2012); Gharelar & Mosavi (2014); Gil <i>et al.</i> (2007); Jing <i>et al.</i> (2014); Kim <i>et al.</i> (2003); Kim <i>et al.</i> (2009); Kim & Brandon (2010); Kim & Hyun (2011); Kumar <i>et al.</i> (2013); Lee <i>et al.</i> (2010); Lee & Leh (2011); Moradi & Zarei (2012); Neerakkal (2012); Pappu <i>et al.</i> (2005); Pappu <i>et al.</i> (2006); Severi & Ling (2013); Smutkupt <i>et al.</i> (2012); Tong & Hawley (2009b); Villarejo-Ramos & Sánchez-Franco (2005); Wang & Li (2012); Yasin <i>et al.</i> (2007); Yoo <i>et al.</i> (2000)

Table 4.3 Brand equity dimensions (continued...)

Brand equity	Authors
Perceived quality	Atilgan <i>et al.</i> (2005); Azad <i>et al.</i> (2012); Baldauf <i>et al.</i> (2003); Beristain & Zorrilla (2011); Buil <i>et al.</i> (2013); Chattopadhyay <i>et al.</i> (2010); Chen & Green (2009); Chi <i>et al.</i> (2009); Dopico & Porral (2012); Erdem & Swait (2004); Erdogmus & Büdeyri-Turan (2012); Gharelar & Mosavi (2014); Gil <i>et al.</i> (2007); Jing <i>et al.</i> (2014); Kim <i>et al.</i> (2003); Kim <i>et al.</i> (2009); Kim & Brandon (2010); Kim & Hyun (2011); Kumar <i>et al.</i> (2013); Lee <i>et al.</i> (2010); Lee <i>et al.</i> (2011); Lee & Leh (2011); Moradi & Zarei (2012); Neerakkal (2012); Pappu <i>et al.</i> (2005); Pappu <i>et al.</i> (2006); Severi & Ling (2013); Smutkupt <i>et al.</i> (2012); Tong & Hawley (2009b); Villarejo-Ramos & Sánchez-Franco (2005); Wang & Li (2012); Yoo <i>et al.</i> (2000)
Brand associations	Atilgan <i>et al.</i> (2005); Beristain & Zorrilla (2011); Buil <i>et al.</i> (2013); Chen <i>et al.</i> (2013); Chen & Green (2009); Dopico & Porral (2012); Gharelar & Mosavi (2014); Gil <i>et al.</i> (2007); Hossien (2011); Kim & Brandon (2010); Kim & Hyun (2011); Kumar <i>et al.</i> (2013); Lee <i>et al.</i> (2010); Lee <i>et al.</i> (2011). Lee & Leh (2011); Moradi & Zarei (2012); Pappu <i>et al.</i> (2005); Pappu <i>et al.</i> (2006); Severi & Ling (2013); Smutkupt <i>et al.</i> (2012); Tong & Hawley (2009b); Wang & Li (2012); Yasin <i>et al.</i> (2007); Yoo <i>et al.</i> (2000)
Brand loyalty	Atilgan <i>et al.</i> (2005); Azad <i>et al.</i> (2012); Baldauf <i>et al.</i> (2003); Beristain & Zorrilla (2011); Buil <i>et al.</i> (2013); Chen & Green (2009); Chi <i>et al.</i> (2009); Dopico & Porral (2012); Erdogmus & Büdeyri-Turan (2012); Gharelar & Mosavi (2014); Gil <i>et al.</i> (2007); Hem & Iversen (2003); Hossien (2011); Jing <i>et al.</i> (2014); Kim <i>et al.</i> (2003); Kim & Hyun (2011); Kumar <i>et al.</i> (2013); Lee <i>et al.</i> (2010); Lee <i>et al.</i> (2011); Lee & Leh (2011); Moradi & Zarei (2012); Nam <i>et al.</i> (2011); Neerakkal (2012); Pappu <i>et al.</i> (2005); Pappu <i>et al.</i> (2006); Severi & Ling (2013); Silva <i>et al.</i> (2012); Smutkupt <i>et al.</i> (2012); Taylor <i>et al.</i> (2004); Tong & Hawley (2009b); Villarejo-Ramos & Sánchez-Franco (2005); Wang & Li (2012); Yasin <i>et al.</i> (2007); Yoo <i>et al.</i> (2000)
Overall brand equity	Chen & Green (2009); Dopico & Porral (2012); Gharelar & Mosavi (2014); Gil <i>et al.</i> (2007); Hossien (2011); Kim & Hyun (2011); Kumar <i>et al.</i> (2013); Maher (2014); Moradi & Zarei (2012); Neerakkal (2012); Tong & Hawley (2009b); Yasin <i>et al.</i> (2007); Yoo <i>et al.</i> (2000)

A cover letter, explaining the aim of the study, purpose for selecting the specific participants to participate, confidentiality guarantees and the researcher's contact details, was presented in the introduction of the questionnaire.

Prior to administering the questionnaire to the main sample, it was subject to pre-testing and pilot testing. A discussion relating to the methods used in the pre-testing of the questionnaire follows.

4.6 PRE-TESTING OF THE QUESTIONNAIRE

Pre-testing of a questionnaire is essential for collecting primary data, as it measures how the questionnaire will perform under real circumstances (McDaniel & Gates, 2013:360; Zikmund & Babin, 2013:183). DeMaio *et al.* (1998:1) and Burns and Bush (2010:109) highlight that pre-testing a measuring instrument is a critical part of questionnaire development. More specifically, the pre-test is conducted to detect any issues relating to the questionnaire (Burns & Bush, 2010:109) to ensure that the wording is clear, to determine the amount of time necessary for completing the questionnaire, as well as to determine if there are any questions that may not be of practical use (Berndt & Petzer, 2011:147). Malhotra (2010:354) adds that pre-testing a questionnaire is essential for testing the terminology, language and layout employed in the questionnaire. According to Kolb (2008:198-199), a pre-test provides valuable feedback in determining whether the possible response options provided are representative. Berndt and Petzer (2011:147) advise that two methods of pretesting are essential prior to administering the questionnaire to the main sample, namely the debriefing/protocol pre-test (this study utilised the debriefing pre-test methodology) and the pilot test.

In order to ascertain that each question or item in the research instrument is decoded in the manner that the researcher intended, pre-testing debriefing is employed by requesting a small number of participants to complete the questionnaire (DeMaio *et al.*, 1998:3; Zikmund & Babin, 2013:183). Prior to completion of the questionnaire, the objectives of the study are described to the participants (Malhotra, 2010:354). Subsequent to the completion of the questionnaire, the debriefing method is used to gain feedback from the participants where they are asked to explain how they interpreted each of the questions/items (Hess & Singer, 1995:1; Malhotra, 2010:354). According to Caspar and Peytcheva (2011:16), feedback and comments from the participants may focus on a few questions and/or on the complete research instrument. The results of the debriefing approach are considered before conducting the pilot test (Malhotra, 2010:354). Following debriefing, the questionnaire is suitable to be administered to the pilot sample for further pre-testing for identifying possible questionnaire errors before administering it to the main sample (Zikmund & Babin, 2013:183).

According to Caspar and Peytcheva (2011:1, 6), the most effective way of testing a measurement instrument is by conducting a pilot test. A pilot study entails the administering of the questionnaire on a small sample of participants (Zikmund & Babin, 2013:183) employing the same procedures that will be used in the data collection for the main study (Caspar & Peytcheva, 2011:6, 1). Iacobucci and Churchill (2010:223) concur, indicating that an appropriate method for testing a questionnaire is to test its performance under real circumstances of data collection. Various authors (Berndt & Petzer, 2011:147; Hair *et al.*, 2013:202; McDaniel & Gates, 2013:360) agree that it is important that the participants used for this type of pre-test are a representative group of the participants that will be used for the main study. More so, the pilot test should be conducted in the same manner as the method used for the main study.

The questionnaire used in this study, was pre-tested using the debriefing and pilot testing approaches. First, for the purpose of permitting face or content validity of the research instrument, pretesting was conducted by means of the debriefing approach. The questionnaire was scrutinised by three experienced researchers, three academic staff members and one assisting staff member, to identify any obvious errors or possible problems. Owing to the multilingual context of the South African environment, it was important that all participants understood the questionnaire. Therefore, in order to ensure that participants that had English as their first, second or third language, would clearly understand the instructions and the questionnaire, two of the participants included in the pre-test debriefing were first language English speakers, whereas the other five participants were second language English speakers. It took the participants approximately 10 minutes to complete the questionnaire, which was sufficiently short according to McDaniel and Gates (2013:169). The feedback received from the debriefing method was applied to refine the items in the questionnaire.

The questionnaire was then subjected to pilot testing on completion of the pre-testing stage to ensure the internal-consistency reliability of the scales used in this study. The pilot test was conducted on a convenience sample of 41 full-time undergraduate students that did not form part of the main sample. As advised by Iacobucci and Churchill (2010:224), the pilot study provided the opportunity to perform a test analysis on the coding and the tabulation of the data. The results of the pilot study were analysed and are reported on in Chapter 5. After the shortcomings that were identified in the pilot test were corrected, the final questionnaire, accompanied by a cover letter (refer to Annexure A), comprising 32 Likert-scaled items and 10 forced-scaled items, was

distributed for the main survey. The following section describes how the questionnaire of the study was administered.

4.7 ADMINISTRATION OF THE QUESTIONNAIRE

The main survey for this study was conducted between March 2014 and April 2014, by means of a self-administered questionnaire. Academic staff members at each of the three HEIs were contacted telephonically to solicit permission for distributing the self-administered questionnaire to the full-time undergraduate students during class time. Owing to the duration of the questionnaire not exceeding 10 minutes, a single class period was deemed sufficient for completion. Prior to questionnaire distribution, the questionnaire accompanied by the ethics clearance certificate was shown to the lecturers. After permission was obtained, a non-probability convenience sample of 750 black Generation Y registered full-time students was applied. The self-administered questionnaire was hand delivered to the participating staff members for completion by their students. Under the supervision of the participating staff members, the questionnaire was handed out in the full-time classes for completion during a single class period most convenient for them. The lecturers were requested to inform the students that participation in the study was voluntary. Attached to the questionnaire was a cover letter explaining the nature and the purpose of the study, as well as instructions on how the questionnaire should be completed. A decision was made to provide academic staff members with a two-week period for the distribution of the questionnaires to the students, after which the relevant lecturers were contacted to arrange for the collection of the questionnaires. The data obtained from the study were tabulated and analysed in order to draw conclusions and formulate recommendations, of which the findings are reported on in Chapter 5. The subsequent section explains the preliminary data analysis employed in this study.

4.8 PRELIMINARY DATA ANALYSIS

Data preparation pertains to examining the quality of the data gathered during the fieldwork. This is essential for simplifying the reasoning of the gathered data (Zikmund & Babin, 2013:64). According to Iacobucci and Churchill (2010:350), preliminary data analysis entails three steps, namely data editing, coding and data tabulation. Editing involves the physical inspection of each completed questionnaire to search for possible mistakes made by the interviewer and/or the participants (Malhotra, 2010:453), such as incomplete questionnaires (McDaniel & Gates, 2013:437). Coding is associated with

converting the participants' answers into numbers (Kolb, 2008:198), to simplify the data capturing process (Hair *et al.*, 2013:249) as well as to summarise the collected data (Zikmund & Babin, 2013:363). Subsequent to editing and coding of the questionnaire, tabulation is used to count the exact amount of responses classified within the several categories (Iacobucci & Churchill, 2010:352). In addition, one-way tabulations are constructed to represent the results of a study (Iacobucci & Churchill, 2010:352), of which a one-way frequency table is the most basic method to represent one-way tabulation (Hair *et al.*, 2013:255).

The preliminary data analysis for this study involved data editing to ensure that the questionnaires were error free and coding to capture the data more easily. Furthermore, one-way frequency tables were used to present the results of this study. The questionnaire used in this study consisted of three sections. Section A (A1-A10) was designated to collect demographic data from the participants, including a question determining the participants' most purchased clothing brand and a question determining the name of the store where they purchase this brand. Section B (B1-B12) included the 12-item scale measuring the participants' perceptions of their preferred clothing brands' selected marketing activities, including pricing activities (B1-B2), product activities (B3-B5), store image activities (B6-B8) and advertising activities (B9-B12). Section C (C1-C20) included the 20-item scale measuring the participants' brand equity perceptions of their preferred clothing brand, including brand awareness (C1-C4), perceived quality (C5-C8), brand associations (C9-C12), brand loyalty (C13-C17) and overall brand equity (C18-C20). With the support of an experienced statistician and under the direction of the study supervisor, pre-coding of the questionnaire took place.

This section provided insights to the preliminary data analysis. The next section relates to a discussion on the statistical analysis applied for this study, which is useful for the presentation of the data collected from the survey.

4.9 STATISTICAL ANALYSIS

Statistical analysis involves using statistical techniques for the purpose of processing the necessary data and reporting on the tendencies (Shazia, 2014:141). Therefore, in order to interpret the data by means of computing averages and percentages, or to make comparisons between participants, statistical analyses are necessary (Mullins, 2010:273).

The Statistical Package for Social Sciences (SPSS) is a sophisticated, user-friendly software package used for analysing and presenting the captured data (Malhotra, 2010:59). Therefore, in this study IBM SPSS Statistics and AMOS, Version 22 was used to analyse the captured data. The following statistical methods were applied on the empirical data sets:

- Reliability and validity analysis
- Descriptive statistical analysis
- Correlation analysis
- Structural equation modelling.

These statistical methods are described in detail in the next sections.

4.9.1 Reliability analysis

The reliability of a scale assesses measurement accuracy, hence indicating the consistency, referred to as the reliability of a scale (Hair *et al.*, 2013:165). To determine the consistency of a scale, measurements should be repeated and the results should produce the same outcome (Malhotra, 2010:318). The reliability of a scale also indicates the degree to which a measurement is free from random errors (McDaniel & Gates, 2013:286). Three methods, namely test-retest reliability, alternative-forms reliability and internal consistency reliability may be employed to assess the reliability of a measuring instrument (Malhotra, 2010:318; McDaniel & Gates, 2013:286). The three methods mentioned, may be described as follows:

- **Test-retest reliability:** The test-retest reliability method involves utilising the same measuring instrument to the same group of participants under the same circumstances but at different points in time. A correlation coefficient is calculated in order to determine the differences in the scores calculated from each of the two observations. These differences will be an indication of random error (Pallant, 2010:6). As such, the similarity between the results of the two observations indicates reliability (Malhotra, 2010:319). A high correlation coefficient, closer to one, gives an indication of a reliable measuring instrument (Pallant, 2010:6). Welman *et al.* (2005:146) notes that this method may be sensitive to the period elapsed between the observations. If the period between the observations is too far apart, the participants might have a mind change. In contrast, if the different observations are

administered closely, the participants might still recall the answers provided in the earlier test.

- **Alternative-forms reliability:** The alternative-forms reliability method is similar to the principles of the test-retest reliability method (McDaniel & Gates, 2013:288), whereby two measurement scales are tested on the same participants during two different instances, usually two weeks apart. However, in this approach, two different measurement scales or similar measurement scales are used (Malhotra, 2010:319). McDaniel and Gates (2013:288) point out that the challenge with this approach is that it is difficult to develop two measuring instruments that are equivalent.
- **Internal-consistency reliability:** This method of reliability is used to determine whether the items within a scale are measuring the same attribute (Iacobucci & Churchill, 2010:259). Hence, it examines how interrelated the items are when assessed. The reliability of the research instrument is measured by adding the scale items together to obtain a total score (Malhotra, 2010:319). The internal-consistency reliability of a scale can be measured in several ways, namely the split-half reliability measure and the coefficient alpha measurement (Iacobucci & Churchill, 2010:259). The split-half reliability method involves dividing the scale items in half and correlating the two calculated scores, whereby high correlations are indicative of high internal consistency (Zikmund & Babin, 2013:257). However, this method can be problematic due to the scale items being divided into halves randomly, which means that the reliability coefficient depends mainly on how the items in the scale are split (McDaniel & Gates, 2013:289). Therefore, various authors (Malhotra, 2010:319; Pallant, 2010:6; McDaniel & Gates, 2013:289) recommend using the coefficient alpha measure, also known as the Cronbach alpha coefficient, to overcome the problem experienced with split-half reliability. Zikmund and Babin (2013:257) concur, indicating that the Cronbach alpha coefficient statistic is used for computing the average reliability of all the split-half possibilities, which are presented by the coefficient alpha (α). The coefficient alpha values range from zero to one, whereby greater reliability is illustrated by a higher value closer to one (Hair *et al.*, 2008:286). Coefficient alpha values of above 0.80, are considered to indicate good internal consistency reliability, values between 0.60 and 0.80 are considered acceptable and values of 0.60 and less are considered to indicate poor internal consistency (Wiid & Diggines, 2013:238). According to Brace *et al.* (2012:382), the rule of thumb of Cronbach alpha is that the value should report a minimum of 0.7 to be acceptable. Pallant (2010:97) recommends that when assessing the reliability of a measuring

instrument comprising less than 10 items the average inter-item correlations coefficients method may be used because the Cronbach alpha coefficient tends to generate unacceptable values. Clark and Watson (1995:316) state that the inter-item value should fall within the 0.15 to 0.5 range to be acceptable. Another measure used for assessing reliability is composite reliability. However, this measurement is used with structural equation modelling specifically (Malhotra, 2010:733) and, therefore, will be discussed under structural equation modelling in Section 4.9.6.3.

Prior to conducting the final study, a pilot study was undertaken to ascertain the consistency of the measuring instrument as well as the reliability of the items included in the scales. The Cronbach alpha coefficient and average inter-item correlations, as part of the internal consistency reliability approach, was used in determining the reliability of the measuring instrument.

4.9.2 Validity analysis

Iacobucci and Churchill (2010:259) point out that in order for a measuring instrument to be valid, it has to be reliable; therefore, if a scale is not reliable it is not valid. However, a reliable measuring instrument does not necessarily imply validity, but reliability is a requirement for validity. The validity of a measuring instrument refers to the extent to which the research instrument reproduces accurate results, even if applied in different occasions (Hair *et al.*, 2013:166; Zikmund & Babin, 2013:258). Malhotra (2010:320) states that a measuring instrument that is free from random or systematic error represents perfect validity. Iacobucci and Churchill (2010:256) and Malhotra (2010:320) state that the validity of a measuring instrument may be examined from three perspectives, namely content validity, criterion validity and construct validity. These three perspectives may be described as follows:

- **Content validity:** Content validity denotes the degree to which the measuring instrument represents the entire domain of the theoretical construct being measured (Pallant, 2010:7). Although content validity is regularly referred to as face validity (Zikmund & Babin, 2013:258), McDaniel and Gates (2013:290) differentiate between these, stating that face validity refers to the degree to which the measuring instrument appears valid, which cannot be measured or tested, whereas content validity refers to the representativeness of the instrument content. A researcher or an expert in the field of study evaluates the content validity of a scale (Malhotra, 2010:320).

- **Criterion validity:** Criterion validity refers to the measurement instrument's ability to perform as anticipated, in relation to other important variables (Zikmund & Babin, 2013:259). Welman *et al.* (2005:144) state that criterion validity can be divided into two subsets, namely concurrent and predictive validity. Predictive validity refers to the extent to which a current measurement can predict a future criterion, whereas, concurrent validity refers to the extent to which a variable of interest can predict another variable that is measured simultaneously with the variable of interest (McDaniel & Gates, 2013:292-293).
- **Construct validity:** Construct validity involves an assessment used to determine whether the measuring instrument truly represents the theoretical context of the topic under study (Zikmund & Babin, 2013:259). According to Malhotra (2010:321), construct validity consists of nomological, convergent, and discriminant validity. Malhotra (2010:321) further explains that nomological validity refers to the extent to which measures of dissimilar, but linked, constructs, correlates in a theoretically expected way. In order to assess nomological validity, a correlation matrix using Pearson's product-moment correlation coefficient should be constructed. The other two measures, convergent validity and discriminant validity are discussed in detail in Section 4.9.6.3, under structural equation modelling.

For the purpose of this study, content validity of the scale used in this study was determined by following the aforementioned steps and by conducting a pilot study. Once the reliability and validity measurements of the measuring instruments were concluded, descriptive statistical analysis was used to summarise the captured data. A discussion on the descriptive statistical analysis employed in this study follows.

4.9.3 Descriptive statistical analysis

Descriptive statistical analysis is used to summarise the data obtained from the sample (Struwig & Stead, 2010:158), the sample characteristics that concern large collections of data (Pallant, 2010:53); thereby, simplifying the information provided (Malhotra, 2010:486). Frequency distribution analysis is a summary that indicates the number of times every possible response was selected by the participants (Hair *et al.*, 2013:170). This method is especially valuable in identifying non-responses, illegitimate responses and outliers (Malhotra, 2010:484). Subsequently, the summarised data are presented in the form of a graph or in a tabular presentation (Swanepoel *et al.*, 2006:6). The

frequency distributions of this study are reported on and presented in tables and pie charts in Chapter 5.

The descriptive statistics used in this study include measures of location, which involves calculating means, measures of variability, which encompasses calculating the standard deviations and measures of shape, which involves assessing the skewness and kurtosis.

- **Measures of location:** The measures of location, also referred to as measures of central tendency, comprise three statistical measures, namely the arithmetic mean, mode and median (Malhotra, 2010:486). The mean is the arithmetic average calculated from all the data, and is computed by totalling the values for all the observations for a specific variable, and then dividing the resultant sum by the total number of responses (Kolb, 2008:254). The mode describes the value that occurs the most in an ordered array of variables (Bernstein *et al.*, 2005:58), whereas, the median refers to the value in the middle of a set of variables, when the data are in a hierarchical pattern (Hair *et al.*, 2013:259).
- **Measures of variability:** The measures of variability, also referred to as measures of dispersion, comprise of three regularly used measures, such as the range, the standard deviation and the variance (Struwig & Stead, 2010:159). The range is employed to measure the distance between the smallest and the largest value of the variables (Hair *et al.*, 2013:259). Moreover, the standard deviation is a representation of how far the values are, on average, from the mean (Bernstein *et al.*, 2005:62); therefore, the square root of the variance for a distribution (Malhotra, 2010:487).
- **Measures of shape:** Measures of shape are used to understand the nature of the distribution of the data and involve the assessment of the skewness and kurtosis of the distribution of the variables (Malhotra, 2010:488). Skewness refers to the assessment of the symmetry of the distribution, and kurtosis is a measure of the relative peakedness or flatness of the curve as given by the frequency distribution. (Pallant, 2010:57). Normally distributed data will have a skewness and kurtosis value of zero, which is referred to as symmetrical distribution. However, skewness values ranging from -2 to +2 are considered a normal distribution (Norman & Streiner, 2007:26), while deviation from the symmetry indicates either positive skewness or negative skewness (Swanepoel *et al.*, 2006:68). According to Malhotra (2010:489), positive kurtosis values signify that the distribution is sharper than a normal distribution, whereas negative values indicate a flatter than normal distribution.

This study applied descriptive statistics to summarise the data sets, and to determine whether the data were normally distributed. Specifically, the mean, median, standard deviation, skewness and kurtosis values were the descriptive statistics applied in this study. In the following section, a discussion on the correlation analysis is provided.

4.9.4 Correlation analysis

Correlation analysis is the statistical process used to determine whether two variables are associated, as well as the strength of their relationship (Pallant, 2010:128). More so, by constructing a matrix of construct correlations, the nomological validity of a measurement model can be assessed (Hair *et al.*, 2010:710). The Pearson product-moment correlation coefficient determines the linear relationships (Wiid & Diggines, 2013:282) and the nomological validity of the research instrument (Hair *et al.*, 2010:710). As such, coefficient values range from -1 to +1, with r denoting the level of strength of association between two variables (Iacobucci & Churchill, 2010:452). Correlation values of more than zero, suggest a positive correlation, where values of less than zero, suggest a negative correlation (Wiid & Diggines, 2013:282), therefore, -1 indicates a perfect negative correlation and +1 denotes a perfect positive correlation (Iacobucci & Churchill, 2010:452). In addition, higher correlation coefficients indicate a stronger relationship between the variables (McDaniel & Gates, 2013:529). If there is no relationship between two variables, r will be zero or close to it (Hair *et al.*, 2013:316). Hair *et al.* (2010:201) advise that when employing a multivariate method in the data analysis, a tolerance test should be performed to examine multicollinearity between the independent variables.

For the purpose of this study, Pearson's correlation coefficient was calculated to determine the correlation between variables and to test for nomological validity. In addition, the correlation coefficient was used to determine possible multicollinearity among the independent variables, namely pricing activities, product activities, store image activities and advertising activities, which could jeopardise the interpretation of these variables' influence on the dependent variables, namely brand awareness, perceived quality, brand associations, brand loyalty and overall brand equity. Subsequently, a tolerance test was performed to test for multicollinearity. The following section will include a discussion regarding hypotheses testing.

4.9.5 Hypotheses testing

Hypotheses testing involves determining whether a hypothesis regarding the characteristics of a specific population is true (McDaniel & Gates, 2013:472) and may be tested to examine an association and/or a difference between variables (Malhotra, 2010:493). A hypothesis is an assumption made by a researcher regarding specific characteristics of a population that is being investigated (McDaniel & Gates, 2013:472), an assumption about a cause of a problem (Kolb, 2008:33) or a suggestive relationship between variables (Hair *et al.*, 2013:67). For every hypothesis, expressed as H_0 , there is an alternative hypothesis, expressed as H_a (Boyce, 2002:457). The null hypothesis (H_0) specifies no relationship between variables, whereas the alternative hypothesis (H_a) specifies that a relation between two variables exist (Hair *et al.*, 2013:67-68). The null hypothesis is the hypothesis being tested by comparing the test's probability with the specified significance level (Malhotra, 2010:189) and, accordingly, makes the decision to either accept or reject the null hypothesis, depending on the findings emanating from the statistical analysis (Berndt & Petzer, 2011:30). Therefore, in order to determine the extent to which selected marketing activities influence brand equity towards clothing brands by means of hypotheses testing, structural equation modelling is required. The final section of this chapter relates to the statistical analysis method performed to achieve the primary objective of this study.

4.9.6 Structural equation modelling

Structural equation modelling (SEM) analysis is a technique used to verify research hypotheses regarding observed means, variances and covariance of a collection of variables (Bowen & Guo, 2012:7). This analysis is performed on large sample sizes (Malhotra, 2010:731) of at least 200 participants (Barrett, 2007:820; Kline, 2011:12; Reisinger & Mavondo, 2007:52). The term structural equation modelling signifies two key aspects, namely that a casual process is presented by means of structural equations and that these relationships are graphically modelled (Byrne, 2010:3). Structural equation modelling analysis uses various statistical techniques simultaneously, to test several relationships between variable sets (McDaniel & Gates, 2013:543), such as examining the relationship between observed and latent variables, and the relationship between various latent variables (Anglim, 2007:1). The advantage of using SEM is that the factors of the model are fit concurrently, and all the interrelationships, direct as well as indirect paths, are tested simultaneously (Iacobucci & Churchill, 2010:538).

When SEM analysis is performed, the inter-correlations between the observed variables are first leveraged in order to identify the construct, and then the factors are used to predict other constructs (Iacobucci & Churchill, 2010:539). Hence, SEM comprises of two models, namely the measurement model and a structural model (Malhotra, 2010:725-726). Conducting SEM analysis involves a process of first defining the constructs, then specifying the measurement model and assessing its reliability and validity. Afterwards, the structural model is specified and the validity is tested, followed by drawing conclusions (Malhotra, 2010:729).

4.9.6.1 Defining individual constructs

The hypotheses that are verified by means of conducting SEM represent the relationships between the observed measures and the underlying factors, which are based on theory or empirical research (Byrne, 2010:6). Therefore, it is essential to have theory-derived constructs when conducting SEM analysis on a model with latent variables, given that all the models tested by SEM should be based on secure theoretical or empirical grounds (Bowen & Guo, 2012:7). In addition, SEM is used to test both the measurement theory, which relates to theory on how the constructs are represented and the structural theory, which refers to how the constructs are related (Malhotra, 2010:729).

4.9.6.2 Measurement model specification

Subsequent to defining the construct, the measurement model is specified (Malhotra, 2010:729) for the purpose of attaining a model that will describe the observed data without complications (Snijders & Bosker, 2012:102). Measurement variables can be observed variables or latent variables. Latent variables, also referred to as constructs, factors or dimensions (Bowen & Guo, 2012:17) are constructs that cannot be measured or observed directly (Byrne, 2010:4). Consequently, the latent variables are linked to variables that are observable, making the measurement of the latent variables possible by measuring them indirectly (Byrne, 2010:4). In addition, when referring to individually observed variables, terms such as items, variables, questionnaire items or indicators are used; however, when referring to a collection of observed items that measure latent variables, terms such as scales or instruments are used (Bowen & Guo, 2012:17).

The measurement model illustrates how the latent variables are measured by the observed variables (Bowen & Guo, 2012:6). Given that a confirmatory approach is taken, the indicators of each construct, along with the correlations between the constructs are

specified by the researcher (Hair *et al.*, 2010:703). Model specification involves assigning the measured variables to each construct by drawing arrows from the construct to the measured variables (Malhotra, 2010:729-730). The arrows represent the path or the parameters (Weston & Gore, 2006:721) and the parameters are estimated for the covariances, factor loadings and error variance (Reisinger & Mavondo, 2007:49). The factor loadings, which indicate the degree to which the measured variables relate to its constructs, are calculated only for the drawn arrows. Furthermore, an error term is added, given that the latent construct does not perfectly explain the measured variables (Malhotra, 2010:730).

4.9.6.3 Measurement model assessment

Subsequent to specifying the measurement model, confirmatory factor analysis is performed (Walford *et al.*, 2010:112) through SEM for the purpose of assessing the fit of the measurement model (Carlsson & Hamrin, 2002:416). Measurement model assessment involves the evaluation of the standardised factor loadings, which should fall within the recommended range of 0 and 1 (Lei & Wu, 2007:37). In addition, Hair *et al.* (2010:706) recommend that the item measurement errors should be examined, given that negative measurement errors are problematic. SEM also permits for testing the overall fit of the model (Pallant, 2010:105) by making use of various goodness-of-fit indices, which indicates to what degree the specified model reproduces the covariance matrix between the indicator items (Malhotra, 2010:731-732). The chi-square is used to test the differences in the covariance matrices, where higher chi-square values indicate poor model fit; however, this statistic is sensitive to large sample sizes and, therefore, the reason for the development of other fit indices (Hair *et al.*, 2010:666-667). Malhotra (2010:732) concurs and suggests that alternative model fit indices should be examined with reference to absolute fit, incremental fit and parsimony fit.

Absolute fit indices measure how well the specified model reproduces the observed data and involves measures such as goodness-of-fit index (GFI), root mean square residual (RMSR), standardised root mean residual (SRMR) and root mean square error of approximation (RMSEA). The incremental fit indices are used as an indication of how well the estimated model fits to a baseline model and includes measures such as the normed fit index (NFI), comparative fit index (CFI), Tucker-Lewis index (TLI) the relative non-centrality index (RNI) (Hair *et al.*, 2010:666-669), as well as the incremental fit index (IFI) (Cheung & Rensvold, 2002:240). Parsimony fit indices are used for comparing models of different complexities by making use of measures such as the parsimony

goodness of fit index (PGFI) and the parsimony normed fit index (PNFI) (Malhotra, 2010:733). Although it is not necessary to report on all the indices, it is advised to use the chi-square value and at least one absolute index and one incremental index (Hair *et al.*, 2010:672). The model fit measures employed for this study include the chi-square, the standardised root mean residual (SRMR), the root mean square of approximation (RMSEA), the incremental fit index (IFI), the comparative fit index (CFI) and the Tucker-Lewis index (TLI). The model fit is considered acceptable if the SRMR value and the RMSEA value is less than 0.08 and the IFI, CFI and TLI values are above 0.90 (Malhotra, 2010:732-733).

In structural equation modelling, composite reliability (CR) is calculated to measure the reliability of the measurement model, while the average variance extracted (AVE) is calculated to assess the validity. CR is “the total amount of true score variance in relation to the total score variance” (Malhotra, 2010:733). In addition, values of 0.7 and above indicate a reliable measurement model, however, CR values of 0.6 are considered acceptable, only if the AVE values are satisfactory (Lee *et al.*, 2005:1100; Malhotra, 2010:734).

The formula used for the calculation of CR is:

$$[(F11+F12+F13+...)^2 / (F11+F12+F13+...) + (err1+err2+err3+...)].$$

As indicated in Section 4.9.2, convergent and discriminant validity are explained in this section. Convergent validity is the degree to which the measuring instrument correlates with other measures in the same construct (McDaniel & Gates, 2013:293). AVE and factor loadings are common measures used to assess convergent validity in structural equation modelling (Malhotra, 2010:734). AVE refers to when a construct explains the variance in the observed variables (Malhotra, 2010:734). According to Hair *et al.* (2010:688,709) a value of 0.5 and higher suggests convergent validity. When the factor loadings are examined, all values should be above 0.5, preferably above 0.7 (Malhotra, 2010:734).

The formula used for calculating AVE is:

$$[(F112+F122+F132+...) / (F112+F122+F132+...) + (err1+err2+err3+...)].$$

Discriminant validity refers to the extent to which a construct is different from others (Hair *et al.*, 2010:689). Therefore, when a low level of association amongst diverse measures

that are developed to measure different concepts, exists, discriminant validity is evident (Welman *et al.*, 2005:143). A measure of assessing discriminant validity is to compare the AVE values with the square root of the correlation coefficients of the measurement model. Consequently, correlation coefficients lower than the square root of the AVE suggests discriminant validity (Malhotra, 2010:733-734).

Researchers perform model modification to increase model fit (Kline, 2011:214). In addition, a modification index is calculated for the purpose of improving the overall model chi square by freeing a specific path that is not currently estimated (Hair *et al.*, 2010:690). As a result, the other model fit indices can also improve (Chairney *et al.*, 2005:518). Index values of more than 4.0 indicate that by freely estimating the path, the model fit could be improved (Malhotra, 2010:735). However, Hair *et al.* (2010:676) admonish that if model modification is undertaken the 'modifications' must be backed by clear theoretical support.

4.9.6.4 Structural model specification

Although differentiating between the two latent factors was not required with the measurement model (Malhotra, 2010:730), prior to discussing the structural model, it is important to know that the two types of latent variables are exogenous latent variables and endogenous latent variables. Exogenous latent variables are also known as independent variables, which cause variations among other latent variables in the model (Byrne, 2010:5), and are specifically used to predict other variables (Iacobucci & Churchill, 2010:538). Conversely, endogenous latent variables, also known as dependent variables, are directly or indirectly influenced (Byrne, 2010:5) or predicted by the exogenous variables (Iacobucci & Churchill, 2010:538). Nevertheless, one variable can serve as both a dependent variable and an independent variable (Bowen & Guo, 2012:11). In SEM, the terms exogenous and endogenous variables are used rather than dependent or independent variables (Streiner, 2005:116).

The structural model illustrates how the latent variables are related (Byrne, 2010:7). In addition, while specifying the structural model, the measurement model, which indicates the relationship between the construct and observed variables, is altered for the purpose of indicating how the different constructs relate to each other. As an effect, the model fit statistics change (Malhotra, 2010:735). The structural model involves path analysis, which is very similar to multiple regression modelling, however, it allows the analysis of more complex models (Streiner, 2005:115). More so, what makes path analysis valuable

is that it allows for investigating direct and indirect effects simultaneously, with several dependent and independent variables (Stage *et al.*, 2004:6). The purpose of conducting path analysis is to determine if a multivariate set of non-experimental data fits with a certain causal model (Wuensch, 2015:1). Importantly, the purpose is to test models and not to build models (Streiner, 2005:121).

The path model consist of numerous path equations that demonstrate the relationships between the variables (Lleras, 2005:27), which are illustrated by means of graphic figures (Bowen & Guo, 2012:8), such as a circle-and-arrow figure (Garson, 2008:1). A correlational relationship, also known as a covariance relationship, is indicated by a double-headed, curved arrow (Stage *et al.*, 2004:5) that represents the relationship between exogenous constructs, whereas, a dependence relationship indicates the relationship between an endogenous and exogenous construct (Malhotra, 2010:728). In addition, the causal relationships can either have a direct effect, where one variable directly affects another variable (Lleras, 2005:28), or an indirect effect, which occurs when the effect of a variable on another variable is effected by a mediating variable (Stage *et al.*, 2004:6). Single arrows are used to indicate the cause-to-effect relationships (Stage *et al.*, 2004:5), where the arrows emerge from the exogenous variables, with none pointing to them, and the endogenous variables have a minimum of one straight arrow that points towards them (Streiner, 2005:116).

4.9.6.5 Structural model assessment

When testing the fit of a structural model, the focus is on the estimate parameters of the structural relationships, given that they present the evidence for the hypothesised relationships within the structural model (Hair *et al.*, 2010:675). As previously mentioned, SEM uses path analysis, and when conducting path analysis, a series of regressions are performed to investigate the influences on endogenous variables in the model (Stage *et al.*, 2004:5). However, the amount of regression equations that are estimated by path analysis depends on the amount required to illustrate the theoretical relationships among the variables (Lleras, 2005:26). The regression weights and correlation matrix are compared to compute a goodness-of-fit statistic (Garson, 2008:1) and the strength of the relationship is also determined by making use of the correlation or covariance matrix (Malhotra, 2010:748-749).

Hair *et al.* (2010:675) recommend that path analysis should also be used to compare alternative models in order to determine which model fits the data the best (Streiner,

2005:115). According to Bowen and Guo (2012:8), it is an absolute necessity to test alternative models, as models that present opposite effects may deliver similar statistics. Consequently, competing theories that include different paths can be compared by means of combining the different theories into one path model and then determining which pathway is more significant or by comparing the different path models and assessing the goodness-of-fit statistics (Lleras, 2005:29).

Structural model assessment involves employing the same measures used with the measurement model; however, Malhotra (2010:735) suggests that the assessment of the squared multiple correlations are also useful in evaluating the model fit, since this statistic indicates the degree to which the variance of an observed variable can be explained by the related construct. Malhotra (2010:737) further advises that the chi-square statistic or incremental fit indices can be used for comparing structural models. However, Byrne (2010:82), recommends that Akaike's information criterion (AIC) and Bozdogan's consistent version of the AIC (CAIC), should be considered when comparing models. According to Duncan *et al.* (2011:14), the model that produces the lowest AIC and CAIC values indicates a better fit. Concerning the assessment of nested models, which refer to when one model is derived from another, Malhotra (2010:725,737) postulates that the chi-square values of the different models can be compared, by calculating the chi square difference statistics. As such, because the chi square difference statistic has a chi-square distribution, it is possible to determine whether the difference is statistically significant. In view of this, Werner and Schermelleh-Engel (2010:3) explain that a statistically significant chi-square difference statistic indicates that the larger model fits the data best; therefore, this model should be used instead of the smaller model. Conversely, when the chi-square difference statistic is statistically insignificant, both models fit the data equally well, but the problematic parameters can be removed, therefore, the smaller model should be used.

4.10 CONCLUSION

The purpose of this chapter was to describe the research methodology used for the empirical portion of this study. Hence, the chapter provided an outline of the research design, research approach, sampling procedure and the data collection method. In addition, this chapter also included a discussion on the pre-testing of the questionnaire, the administration of the questionnaire, the preliminary analysis and the statistical analysis. Given the nature of the study, a descriptive research design was followed by

making use of a single cross-sectional design. A non-probability convenience sample of 750 students was drawn from three HEI campuses located in the Gauteng province, including one traditional university, one comprehensive university and one university of technology. These three HEIs were selected from the sampling frame of 26 public registered HEIs in South Africa.

The data was collected by means of a self-administered questionnaire that comprised of questions requesting demographic information and questions that were directly related to the topic of this study. The data was analysed by making use of IBM SPSS Statistics and AMOS, version 22. The statistical methods used to analyse the captured data included reliability and validity analysis, descriptive statistical analysis, correlation analysis and SEM.

The results of the statistical analyses of the pilot and main study will be discussed in the next chapter, Chapter 5. Furthermore, the hypothesised relationships that are included in the proposed model of the effectiveness of selected marketing activities in creating brand equity in the South African clothing market amongst black Generation Y students are tested in Chapter 5.

CHAPTER 5

ANALYSIS AND INTERPRETATION OF EMPIRICAL FINDINGS

5.1 INTRODUCTION

The previous chapter, Chapter 4, explained the research methodology that was used for the empirical portion of this study. The purpose of this chapter is to address the empirical objectives of this study, as formulated in Chapter 1. Within this chapter, the analysis and interpretation of the empirical findings of this study are reported on and discussed. In the first section, Section 5.2, the results of the pilot testing of the questionnaire are discussed. This is followed by Section 5.3, which outlines the data gathering process. The preliminary data analysis is discussed in Section 5.4, with reference to the coding and tabulation of the data. Section 5.5 contains a discussion on the demographic information of the sample, along with a summary of their preferred clothing brand. Section 5.6 reports on the reliability and validity of the measuring instrument used in the main study, followed by a discussion on the descriptive statistical analysis in Section 5.7 and correlation analysis in Section 5.8. Section 5.9 relates to the hypotheses formulation and testing.

Structural equation modelling is the focus of Section 5.10. This section reports on the results concerning the empirical testing of the extent to which marketing activities (price, product, store image and advertising) influence brand equity (brand awareness, perceived quality, brand associations, brand loyalty and overall brand equity) in the South African clothing market amongst black Generation Y consumers, as proposed in Chapter 3 (refer to Section 3.6).

IBM SPSS Statistics and AMOS (Version 22) were used to perform the data analyses. The data analysis was executed in two stages – the first stage involved analysing the results of the pilot testing of the questionnaire and the second stage related to analysing the results found within the main survey's data sets. The subsequent section relates to a discussion on the data analysis procedures performed during the pilot phase.

5.2 PILOT TEST RESULTS

Prior to conducting the pilot study, the questionnaire used in this study was pre-tested by three experienced researchers, three academic staff members and one administrative staff member to ascertain face and content validity. The results obtained from the pre-test were used to refine the questionnaire. The refined questionnaire comprised 12

Likert-scaled items for the marketing activities scale, and 20 Likert-scaled items for the brand equity scale. Following the pre-test and prior to conducting the main survey, the questionnaire was pilot tested to examine the reliability of the scales within the questionnaire, as advised by Pallant (2010:6). The pilot test was conducted on a non-probability, convenience sample of 41 full-time undergraduate students at a HEI campus that did not form part of the sampling frame of the main study. Table 5.1 presents the results pertaining to the reliability of the marketing activities scale and the brand equity scale obtained within the pilot test.

Table 5.1 Summary of the pilot testing results

Scale	Number of items	Mean	Standard deviation	Cronbach alpha	Average inter-item correlation
Marketing activities scale	12	4.65	0.62	0.834	0.288
Brand equity scale	20	4.39	0.76	0.894	0.290

The Cronbach alpha coefficient was calculated to determine the internal-consistency reliability of the marketing activities scale as well as the brand equity scale. The six-point marketing activities scale returned a Cronbach alpha value of 0.834, while the six-point brand equity scale returned a Cronbach alpha value of 0.894. The Cronbach alpha values of both these scales were above the recommended level of 0.6 (Malhotra, 2010:319).

The average inter-item correlation coefficient was used to assess the convergent and discriminant validity of the marketing activities scale and brand equity scale. The average inter-item correlation values for the marketing activities scale and brand equity scale fell within the recommended range of 0.15 and 0.50 (Clark & Watson, 1995:316). Therefore, none of the items included in the marketing activities scale and brand equity scale were deleted.

Subsequent to the pre-testing and pilot testing, the 20 brand equity items and the 12 items from the marketing activities scale were used to prepare the main survey questionnaire (refer to Annexure A), which was administered to a larger sample size. An overview of the descriptions of these variables and dimensions is presented in Table 5.2.

Table 5.2 Description of variables and dimensions

Code	Variables	Dimensions
Scale B: Marketing activities scale		
B1	The price of brand X reflects its status.	Dimension B1 – Pricing activities
B2	The price of brand X reflects the quality.	
B3	Brand X has products with a trendy image.	Dimension B2 – Product activities
B4	Brand X products have trendy features.	
B5	Brand X continuously improves their product style.	
B6	The store where I buy brand X , has customers that I can relate to.	Dimension B3 – Store image activities
B7	I do not feel out of place in the store where I buy brand X .	
B8	The store where I buy brand X , offers a variety of product selection.	
B9	Advertisements for brand X are creative.	Dimension B4 – Advertising activities
B10	Advertisements for brand X draw my attention.	
B11	Advertisements for brand X have a trendy theme.	
B12	Advertisements for brand X are different from those of competing clothing brands.	
Scale C: Brand equity scale		
C1	I can recognise brand X easily from other competing brands.	Dimension C1 – Brand awareness
C2	I am very familiar with brand X .	
C3	I can quickly recall the symbol or logo of brand X .	
C4	I can easily make a distinction between brand X and other brands.	Dimension C2 – Perceived quality
C5	Brand X products are of high quality.	
C6	Brand X products are functional.	
C7	Brand X products are durable (long lasting).	
C8	I trust the quality of products from brand X .	

Table 5.2 Description of variables and dimensions (continued...)

Code	Variables	Dimensions
C9	Brand X has a very unique style.	Dimension C3 – Brand associations
C10	Brand X has a very characteristic design that is different from competing brands.	
C11	Brand X's design stands out from other brands.	
C12	I associate certain characteristics immediately with brand X .	
C13	Brand X will be my first choice when buying clothing	Dimension C4 – Brand loyalty
C14	I will not buy other brands if brand X is available at the store.	
C15	I am still willing to buy brand X even if its price is a little higher than that of its competitors.	
C16	I consider myself to be loyal to brand X .	
C17	I recommend brand X whenever I can.	Dimension C5 – Overall brand equity
C18	It makes sense to buy brand X instead of other brands available in the market.	
C19	If other brands have similar features to brand X , I will still buy brand X .	
C20	If other brands have other characteristics, I will still prefer brand X .	

The following section addresses the data gathering process undertaken in this study.

5.3 DATA GATHERING PROCESS

In accordance with the sampling plan set out in Chapter 4, the data required for this study were collected from 750 full-time South African Generation Y students enrolled at three selected South African HEI campuses. The required data was collected by means of a self-administered questionnaire.

As stated in Section 4.5, permission was solicited from the lecturers at the three campuses to allow the distribution of the questionnaire amongst their students. Subsequently, the questionnaire, along with the ethics clearance certificate obtained from the Ethics Committee of the Faculty of Economic Sciences and Information Technology at the North-West University (Vaal Triangle Campus), was shown to the participating lecturers. The self-administered questionnaires were then hand-delivered to the participating academic staff members to be distributed to the undergraduate students for completion. In accordance with the specified sample size, 750 questionnaires were distributed. A two-week period was granted for the distribution of the questionnaires after which the participating academic staff members were contacted to arrange for the collection of the completed questionnaires.

The following section addresses the preliminary data analysis process undertaken in this study.

5.4 PRELIMINARY DATA ANALYSIS

A preliminary data analysis involves coding and tabulation. Within the following two sections, an overview of the coding and the tabulation of the collected data set are provided.

5.4.1 Coding

The questionnaire used in this study was divided into three sections. The first section, Section A, requested the demographical data of the participants as well as two questions pertaining to their preferred clothing brand and the store where they purchase this clothing brand. Section B measured the students' perceptions of their preferred clothing brands' marketing activities (pricing activities, product activities, store image activities, advertising activities). Section C measured the students' brand equity perceptions on their preferred clothing brand, including brand awareness, brand associations, perceived quality, brand loyalty as well as overall brand equity. Table 5.3 presents the variable codes and assigned values used in Section A, B and C of the final questionnaire.

Table 5.3 Coding information

Section A: Demographical data			
Question	Code	Variable	Value assigned to responses
Question 1	A1	Institution	Traditional University (1), University of Technology (2), Comprehensive University (3)
Question 2	A2	Country of origin	South Africa (1), Other (2)
Question 3	A3	Province of origin	Eastern Cape (1), Free State (2), Gauteng (3), KwaZulu-Natal (4), Limpopo (5), Mpumalanga (6), Northern Cape (7), North West (8), Western Cape (9), Other (10)
Question 4	A4	Year	1st year (1), 2nd year (2), 3rd year (3), 4th year (4), Post graduate (5)
Question 5	A5	Gender	Male (1), Female (2)
Question 6	A6	Ethnic group	African/Black (1), Asian (2), Coloured (3), Indian, (4), White (5), Other (6)
Question 7	A7	Mother tongue language	Afrikaans (1), English (2), IsiNdebele (3), IsiXhosa (4), IsiZulu (5), Sesotho (6), Sesotho sa Leboa (7), Setswana (8), SiSwati (9), Tshivenda (10), Xitsonga (11), Other (12)
Question 8	A8	Age	>18 (1), 18 (2), 19 (3), 20 (4), 21 (5), 22 (6), 23 (7), 24(8), 25 (9), 25> (10)
Question 9	A9	Clothing brand purchased the most	Open question
Question 10	A10	Name of store where brand (A9) is purchased	Open question
Section B: Marketing activities scale			
Question	Code	Dimension measured	Value assigned to responses
Items 1-2	B1-B2	Pricing activities	Strongly disagree (1), Disagree (2), Slightly disagree (3), Slightly agree (4), Agree (5), Strongly agree (6)
Items 3-5	B3-B5	Product activities	
Items 6-8	B6-B8	Store image activities	
Items 9-12	B9-B12	Advertising activities	

Table 5.3 Coding information (continued...)

Section C: Brand equity scale			
Question	Code	Dimension measured	Value assigned to responses
Items 1-4	C1-C4	Brand awareness	
Items 5-8	C5-C8	Perceived quality	Strongly disagree (1), Disagree (2), Slightly disagree (3), Slightly agree (4), Agree (5), Strongly agree (6)
Items 9-12	C9-C12	Brand associations	
Items 13-17	C13-C17	Brand loyalty	
Items 18-20	C18-C20	Overall brand equity	

An overview of the tabulation of the data obtained by this questionnaire is presented in the following section.

5.4.2 Tabulation of variables

The next step after data coding is the tabulation of the data. Table 5.4 presents the frequencies obtained from the total sample for Section B and Section C of the questionnaire, which aimed at measuring black Generation Y students' perceptions of their preferred clothing brands' marketing activities and their brand equity perceptions on their preferred clothing brand.

Table 5.4 Frequency table of responses

Scale item	Strongly disagree	Disagree	Slightly disagree	Slightly agree	Agree	Strongly agree
	1	2	3	4	5	6
Scale B: Marketing activities scale						
B1	18	26	23	112	280	166
B2	16	11	16	74	265	243
B3	6	15	42	120	250	192
B4	7	11	34	132	256	185
B5	5	13	17	87	232	271
B6	9	24	58	163	254	117
B7	3	19	33	116	263	191

Table 5.4 **Frequency table of responses (continued...)**

Scale item	Strongly disagree	Disagree	Slightly disagree	Slightly agree	Agree	Strongly agree
	1	2	3	4	5	6
B8	6	9	24	86	263	237
B9	21	27	70	131	221	155
B10	21	25	64	128	207	180
B11	21	23	57	138	232	154
B12	20	29	100	172	191	113
Scale C: Brand equity scale						
C1	10	16	29	122	239	209
C2	2	9	23	81	265	245
C3	7	7	21	64	187	339
C4	7	5	35	82	195	301
C5	10	11	38	98	207	261
C6	4	13	31	115	280	182
C7	10	11	33	99	181	291
C8	9	5	29	87	202	293
C9	4	8	37	119	216	241
C10	5	10	37	150	257	166
C11	4	13	51	177	241	139
C12	7	16	52	180	273	97
C13	15	34	49	121	197	209
C14	71	67	99	148	141	99
C15	36	45	85	153	188	118
C16	28	27	94	160	181	135
C17	28	28	67	151	240	111
C18	34	45	78	174	199	95
C19	27	38	71	143	207	139
C20	29	38	82	140	190	146

The following section, Section 5.5, reports on the demographic attributes and the preferred clothing brand of the sample of participants that took part in this study.

5.5 DEMOGRAPHIC AND PREFERRED CLOTHING BRAND ANALYSIS

This section provides a description of the sample, with reference to their demographics, and subsequently, describes the samples' preferred clothing brands. Frequency tables, pie charts and bar graphs are used for representing the information acquired from the sample of participants.

5.5.1 Sample description

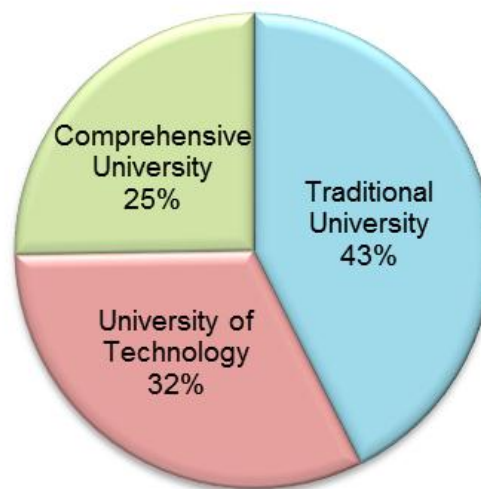
From the 750 questionnaires distributed, 718 completed questionnaires were returned, which resulted in a 96 percent response rate. However, for the purpose of this study, all the questionnaires completed by non-South Africans, non-black students, or students falling outside of the specified 18 to 24 year age range were discarded. The remaining 625 questionnaires translate into an actual response rate of 83 percent. Consequently, no description is included for the questions pertaining to the participants' country of origin or their ethnic group.

For the purpose of presenting a general overview of the sample that took part in this study, a description of the samples' demographic characteristics pertaining to their higher education institutions, province of origin, current year of study, gender profile, mother tongue language, participants' age distribution, favourite clothing brands and favourite stores follows.

Table 5.5 presents a summary of the distribution of the participants between the three institutions.

Table 5.5 Higher education institution

	Frequency <i>f</i>	Percentage %
Traditional university	266	42.6
University of technology	201	32.2
Comprehensive university	158	25.3
N	625	100.0



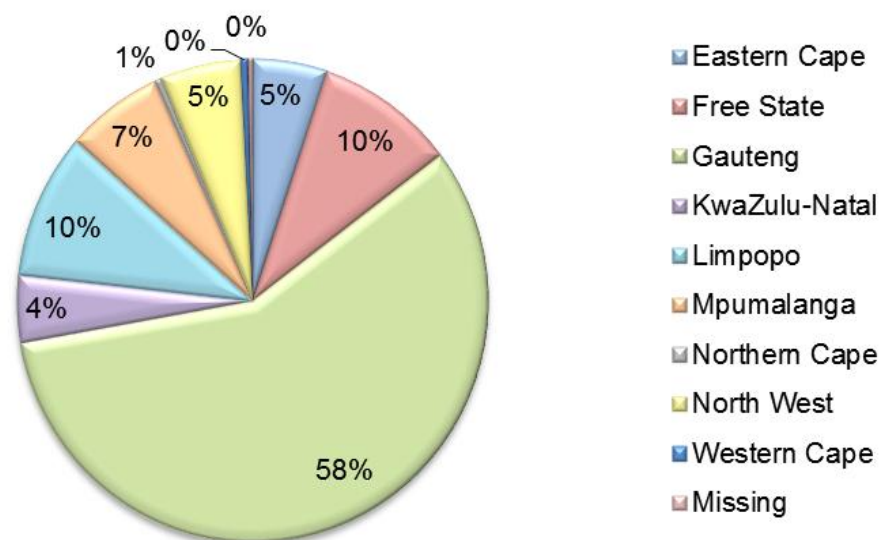
According to Table 5.5, 42.6 percent of the participants came from a traditional university, 32.2 percent from a university of technology and 25.3 percent from a comprehensive university.

In keeping with the topic of the study, country of origin was used as a screening question to ensure that all the information used in this study is from participants from South Africa, as the nature of the research topic relates to South African students. The data obtained from participants that are not from South Africa was discarded. Note that the percentages in the tables have been rounded off.

The participants' province of origin is reported in Table 5.6.

Table 5.6 Province of origin

	Frequency <i>f</i>	Percentage %
Eastern Cape	32	5.1
Free State	60	9.6
Gauteng	360	57.6
KwaZulu-Natal	28	4.5
Limpopo	61	9.8
Mpumalanga	42	6.7
Northern Cape	3	0.5
North West	34	5.4
Western Cape	3	0.5
Missing	2	0.3
N	625	100.0



As illustrated in Table 5.6, the sample included participants from each of South Africa's nine provinces. The majority of the participants indicated their province of origin as the Gauteng province, representing 57.6 percent of the sample. The Limpopo province represented 9.8 percent, the Free State province represented 9.6 percent, the Mpumalanga province represented 6.7 percent, the North-West province represented 5.4 percent, the Eastern Cape province represented 5.1 percent and KwaZulu-Natal represented 4.5 percent. The Northern Cape and the Western Cape provinces were the most poorly represented in the sample, with 0.5 percent. The 0.3 percent represents the missing category.

Table 5.7 **Current year of study**

	Frequency <i>f</i>	Percentage %
1 st Year	263	42.1
2 nd Year	171	27.4
3 rd Year	164	26.2
4 th Year	27	4.3
N	625	100.0

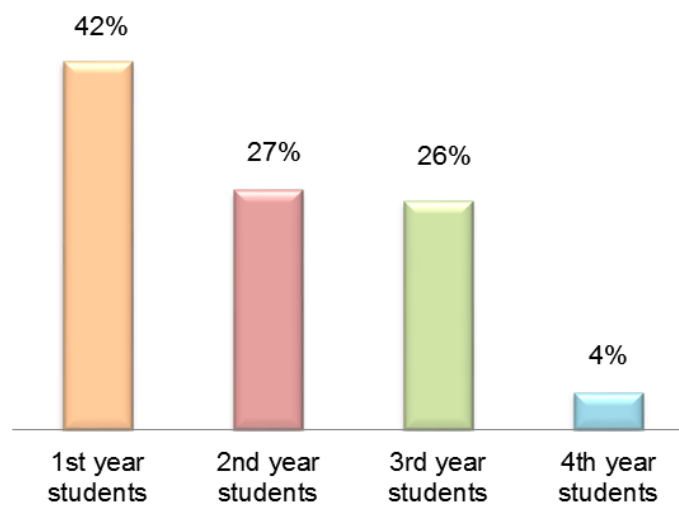
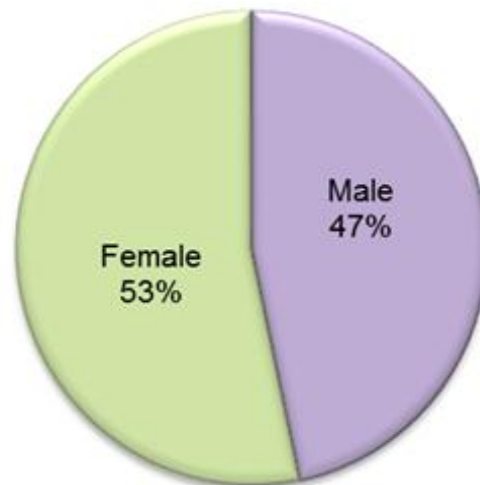


Table 5.7 represents the classification information relating to the participants' current year of study. In order to ensure a representative sample, participants enrolled at different undergraduate levels (years 1-4) were included in the sample. Students in the first year of their study represented the largest portion of the sample at 42.1 percent, followed by the students in their second year of study, that represented 27.4 percent, closely followed by the students in their third year of study, who represented 26.2 percent. At 4.3 percent, students in their fourth year of study represented the smallest portion of the sample.

Table 5.8 Gender profile

	Frequency <i>f</i>	Percentage %
Male	333	53.3
Female	292	46.7
N	625	100.0

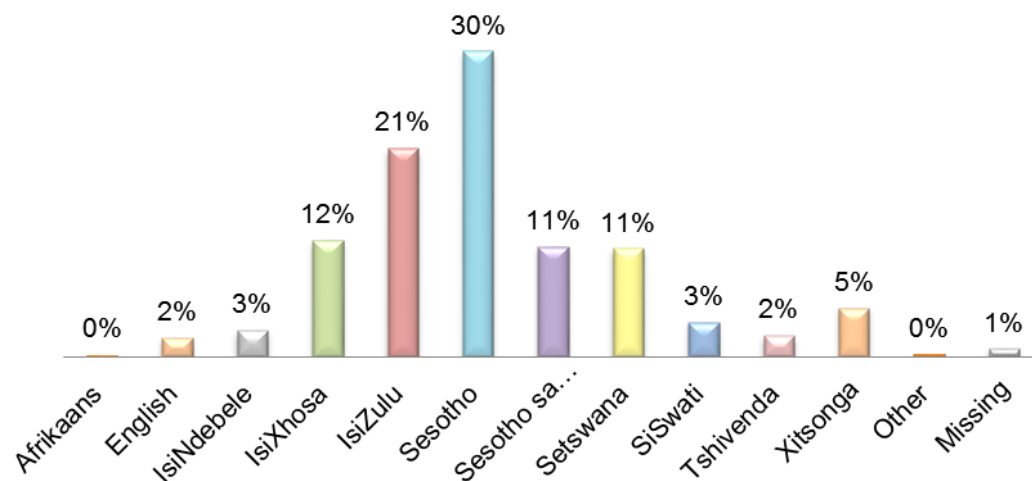


According to Table 5.8, the majority of the participants were female, representing 53.3 percent, and 46.7 percent of the sample were male.

The participants' mother tongue language is reported in Table 5.9.

Table 5.9 **Mother tongue language**

	Frequency <i>f</i>	Percentage %
Afrikaans	1	0.2
English	12	1.9
IsiNdebele	16	2.6
IsiXhosa	72	11.5
IsiZulu	129	20.6
Sesotho	189	30.2
Sesotho sa Leboa	68	10.9
Setswana	67	10.7
SiSwati	21	3.4
Tshivenda	13	2.1
Xitsonga	30	4.8
Other	2	0.3
Missing	5	0.8
N	625	100.0



As indicated in Table 5.9, most of the participants indicated their mother tongue language as Sesotho (30.2%), followed by IsiZulu (20.6 %), IsiXhosa (11.5%), Setswana (10.7%), Sesotho sa Leboa (9.4%), Xitsonga (4.8%) and Siswati (3.4%). Of the remaining participants, 2.6 percent were IsiNdebele speaking, 2.1 percent Tshivenda speaking and 1.9 percent English speaking. The smallest portion of the sample, 0.2

percent represented the participants that indicated Afrikaans being their mother tongue language. The 'other' category, which made provision for specifying other mother tongue languages that are not listed among the options provided in the questionnaire, was marked by two participants; that is, 0.3 percent. Of these 2 participants, one was French speaking and one Lingala speaking. Five participants, representing 0.8 percent, failed to answer the question relating to mother tongue language.

Table 5.10 Participants' age distribution

	Frequency <i>f</i>	Percentage %
18 Years	104	16.6
19 Years	107	17.1
20 Years	154	24.6
21 Years	126	20.2
22 Years	69	11
23 Years	48	7.7
24 Years	17	2.7
N	625	100.0

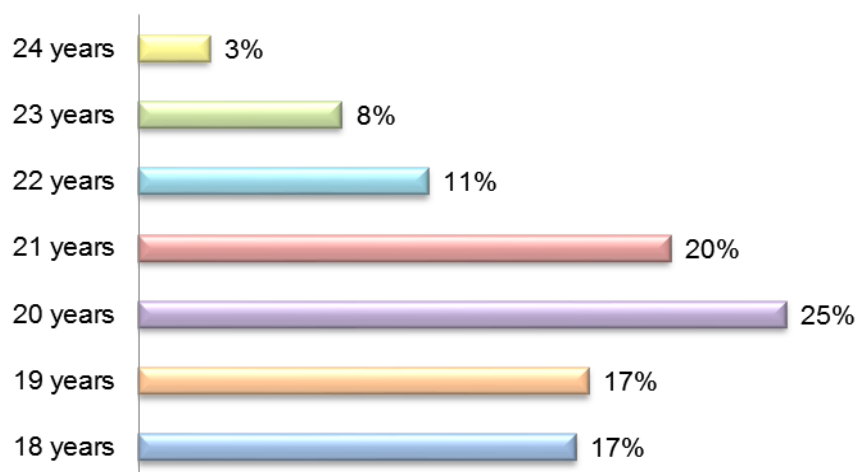


Table 5.10 indicates the demographical information relating to the participants' age. The age of the participants were used as a screening question to ensure that only those participants between 18 and 24 years old who form part of the Generation Y student sample are included in this study, which is in accordance with the topic of this study and defined under the target population in Chapter 4 (refer to Section 4.4.1). According to Table 5.9, the majority of the participants indicated being 20 years of age (24.6%),

followed by those who indicated being 21 years of age (20.2%) and 19 years of age (17.1%). Of the remaining participants, 16.6 percent were 18 years of age, 11 percent 22 years of age, 7.7 percent 23 years of age and 2.7 percent 24 years of age.

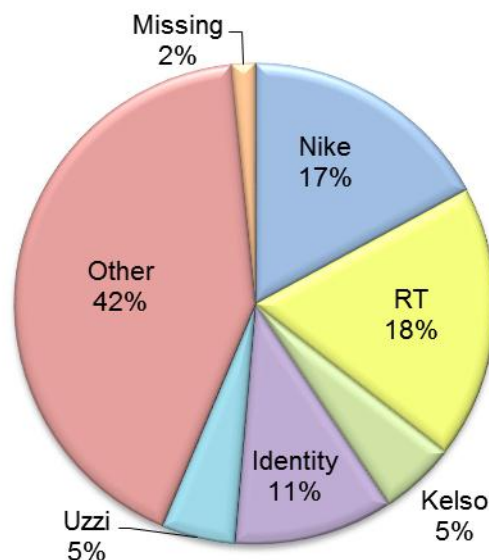
5.5.2 Preferred clothing brand information

For the purpose of addressing the first and second empirical objectives of this study, formulated in Chapter 1 (refer to Section 1.3.3), frequency distribution results were utilised to determine black Generation Y students' top-of-the-mind-awareness of clothing brands and clothing stores. Therefore, in addition to the demographic questions, Section A also included two questions requesting the participants' preferred clothing brand and the store where they purchase this preferred clothing brand. These results are presented in Table 5.11 and Table 5.12, respectively.

The participants' favourite clothing brand is reported in Table 5.11.

Table 5.11 Favourite clothing brand

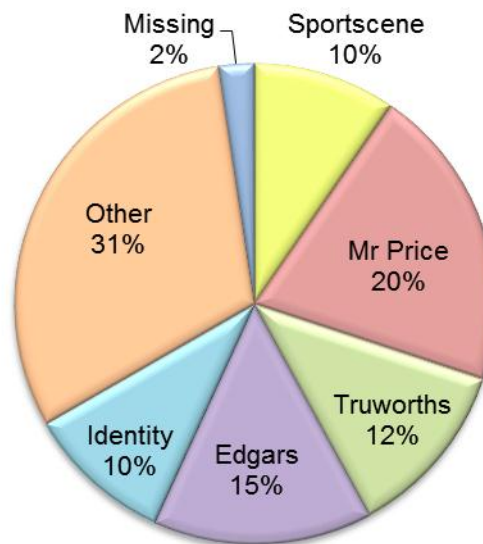
	Frequency <i>f</i>	Percentage %
Nike	107	17.1
RT	115	18.4
Kelso	32	5.1
Identity	67	10.7
Uzzi	31	5
Other	263	42.1
Missing	10	1.6
N	625	100



Owing to the significant assortment of popular clothing brand responses, only the top five most purchased clothing brands are reported on in Table 5.11. Regarding the participants' favourite clothing brands, the majority of the participants indicated the RT clothing brand (18.4%) as their favourite, followed by those who indicated purchasing Nike (17.1%) and Identity (10.7%). Of the remaining participants, 5.1 percent indicated purchasing the Kelso brand the most and 5 percent the Uzzi brand. The 'other' category, representing 263 participants (42.1%) comprise brands such as OBR, Adidas, Ginger Mary and Relay that were not listed amongst the top five brands. Ten participants failed to answer the question relating to the clothing brand they purchase the most, resulting in a missing 1.6 percent of the responses.

Table 5.12 Favourite store

	Frequency <i>f</i>	Percentage %
Sportscene	60	9.6
Mr Price	128	20.5
Truworths	75	12
Edgars	92	14.7
Identity	62	9.9
Other	193	3.9
Missing	15	2.4
N	625	100



Owing to the significant variety of store responses, only the top five stores are reported on. Table 5.12 reveals that the most popular store where the participants purchase their selected clothing brand is Mr Price, representing 20.5 percent of the sample. This is in agreement with the results found in the question pertaining to the sample's top-of-the-mind-awareness of clothing brands, where the RT clothing brand, offered by Mr Price, rated the highest. The second most popular store for purchasing their chosen clothing brand is Edgars, representing 14.7 percent of the sample. Again, this corresponds with the results pertaining to the sample's top-of-the-mind-awareness of clothing brands, where the Nike and Kelso clothing brands rated second and fourth highest, respectively. Furthermore, representing 12 percent of the sample, Truworths rated the third most popular store to shop for their favourite clothing brand, followed by those who indicated

shopping at Identity (9.9%) and Sportscene (9.6%). The 'other' category, representing 193 participants (30.9%) comprises stores such as Markham, Jet and Uzzi that were not listed amongst the top five stores. Fifteen participants failed to answer the question relating to the store where the participants' purchase their chosen top-of-the-mind-awareness clothing brands, resulting in a missing 2.4 percent of the responses.

The demographical information regarding the total sample used in this study was discussed in the section above. The following section provides a discussion on the results of the reliability and validity of the questionnaire used for the main study.

5.6 DESCRIPTIVE STATISTICAL ANALYSIS

In order to achieve the third and fourth empirical objectives set out in Chapter 1 (refer to Section 1.3.3), descriptive statistics were computed. For the purpose of this study, measures of location, variability and shape were calculated across all scaled items. Given that the six-point Likert scales used ranged from 1 = strongly disagree to 6 = strongly agree, higher mean values are associated with greater agreement levels, indicating more positive perceptions of their chosen clothing brand's marketing activities and brand equity, amongst the sampled black Generation Y students. Table 5.13 presents these descriptive statistics. The valid *N* presents the numerical presentation of the completed questionnaires.

Table 5.13 Descriptive statistics: total sample

Item	Valid <i>N</i>	Mean	Standard deviation	Skewness	Kurtosis
Scale B: Marketing activities scale	625	4.94	0.73	-1.02	2.82
Dimension B1 – Pricing activities	625	4.92	0.97	-1.51	3.14
B1	625	4.77	1.17	-1.38	1.95
B2	625	5.06	1.08	-1.79	3.90
Dimension B2 – Product activities	625	4.96	0.81	-0.99	1.67
B3	625	4.87	1.06	-1.05	1.17
B4	625	4.88	1.02	-1.08	1.59
B5	625	5.15	0.99	-1.48	2.75

Table 5.13 Descriptive statistics: total sample (continued...)

Item	Valid <i>N</i>	Mean	Standard deviation	Skewness	Kurtosis
Dimension B3 – Store image activities	625	4.85	0.78	-0.87	1.37
B6	625	4.57	1.10	-0.85	0.71
B7	625	4.90	1.02	-1.06	1.18
B8	625	5.08	0.97	-1.42	2.78
Dimension B4 – Advertising activities	625	4.52	1.07	-1.01	1.14
B9	625	4.55	1.28	-0.91	0.38
B10	625	4.62	1.29	-0.96	0.46
B11	625	4.60	1.24	-1.01	0.77
B12	625	4.32	1.25	-0.60	-0.03
Scale C: Brand equity scale	625	4.89	0.82	-0.63	0.74
Dimension C1 – Brand awareness	625	5.13	0.78	-1.11	1.68
C1	625	4.91	1.09	-1.24	1.78
C2	625	5.13	0.91	-1.27	2.11
C3	625	5.29	0.99	-1.81	3.90
C4	625	5.17	1.03	-1.45	2.29
Dimension C2 – Perceived quality	625	5.05	0.89	-1.23	1.89
C5	625	5.02	1.11	-1.33	1.79
C6	625	4.92	0.98	-1.10	1.64
C7	625	5.08	1.12	-1.40	1.94
C8	625	5.16	1.04	-1.52	2.75
Dimension C3 – Brand associations	625	4.78	0.78	-0.61	0.59
C9	625	5.01	1.02	-1.03	1.02
C10	625	4.83	0.99	-0.90	1.16
C11	625	4.69	1.01	-0.67	0.50
C12	625	4.58	1.01	-0.85	1.12

Table 5.13 Descriptive statistics: total sample (continued...)

Item	Valid N	Mean	Standard deviation	Skewness	Kurtosis
Dimension C4 – Brand loyalty	625	4.31	1.04	-0.66	0.23
C13	625	4.72	1.28	-1.01	0.46
C14	625	3.83	1.56	-0.35	-0.90
C15	625	4.23	1.40	-0.66	-0.28
C16	625	4.35	1.33	-0.68	-0.04
C17	625	4.41	1.27	-0.94	0.52
Dimension C5 – Overall brand equity	625	4.33	1.15	-0.81	0.40
C18	625	4.19	1.34	-0.70	-0.09
C19	625	4.41	1.34	-0.81	0.05
C20	625	4.38	1.37	-0.73	-0.14

As shown in Table 5.13, means above four were computed for all of the marketing activity items. This suggests that the marketing activities of price, product, store image and advertising all play a salient role in fostering clothing brand equity amongst black Generation Y consumers. In terms of the relative importance of these selected marketing activities, product activities had the highest mean value (mean=4.96), followed by pricing activities (mean=4.92) and store image activities (mean=4.85). Interestingly, advertising activities scored the lowest mean value (mean=4.52) of all the selected marketing activities. This suggests that black Generation Y students like brands that have products with a trendy image, trendy features and who continuously improve their product style. Furthermore, compared to product-, pricing- and store image activities, black Generation Y students perceive advertising activities to be the least essential marketing activity in fostering clothing brand equity.

Concerning the dimensions of brand equity, the information reported on in Table 5.13 suggests that black Generation Y students are very brand aware (mean=5.13) regarding clothing brands, perceive branded clothing to be of a high quality (mean=5.05) and perceive their favourite clothing brand to be clearly differentiated from competing brands (mean=4.78). The results also provide an indication that black Generation Y students are brand loyal towards their favourite clothing brand (mean=4.31), which translates into clothing brand equity (mean=4.33).

In order to determine whether the assumptions of normality were violated, the skewness and kurtosis values were considered. As indicated in Table 5.13, both scales may be classified as normally distributed, since none of the skewness scores fall outside the -2 or +2 range (Norman & Streiner, 2007:26). Regarding the peakedness of the data distribution, the kurtosis values for the marketing activities scale as well as for the brand equity scale were positive, indicating a sharper than normal distribution (Malhotra, 2010:489).

Prior to performing structural equation modelling, it is required to conduct a correlation analysis for determining if there is a significant relationship between the selected marketing activities and brand equity.

5.7 CORRELATION ANALYSIS

Correlation analysis, which involves measuring the strength of a relationship between two variables (Iacobucci & Churchill, 2010:441), was undertaken, whereby the Pearson's product-moment correlation coefficient was computed and assessed between each pair of dimensions to determine the nomological validity of the proposed measurement model and to assess if any evidence of multicollinearity existed. The correlation matrix is reported on in Table 5.14.

Table 5.14 Relationship between the dimensions

Dimensions	1	2	3	4	5	6	7	8
Pricing activities								
Product activities	.233**							
Store Image activities	.205**	.359**						
Advertising activities	.123**	.332**	.329**					
Brand awareness	.206**	.277**	.263**	.310**				
Perceived quality	.400**	.284**	.197**	.200**	.434**			
Brand associations	.185**	.316**	.280**	.331**	.479**	.441**		
Brand loyalty	.196**	.177**	.168**	.294**	.380**	.320**	.421**	
Overall brand equity	.207**	.235**	.206**	.285**	.261**	.330**	.361**	.690**

**Correlation is significant at the 0.01 level (2-tailed)

Table 5.14 shows that at $\alpha = 0.01$ significance level, there is a significant positive relationship between each of the pairs of variables. This suggests the nomological

validity of the proposed model. In addition, because this study includes a multivariate method in the data analysis, a tolerance test was run to examine multicollinearity between the independent variables (Hair *et al.*, 2010:201). The tolerance values ranged from 0.76 to 0.81, thus indicating a small and insignificant degree of multicollinearity.

Section 5.9 relates to the hypotheses formulated for the study that will be tested by means of structural equation modelling.

5.8 HYPOTHESES TESTING

For the purpose of this study, structural equation modelling was employed to address the fifth empirical objective. The significance level for the hypotheses testing was set at $\alpha = 0.05$ (Pallant, 2010:242) and the decision rule followed was as follows:

- If P-value $> \alpha$, then conclude H_0
- If P-value $\leq \alpha$, then conclude H_a

Based on the literature reviewed in chapters 2 and 3 and the observed significant relationships examined in the correlation analysis (refer to Table 5.14), the following hypotheses were formulated:

- H_{01} : Marketing activities' influence on brand equity is not a nine-factor structure composed of perceptions of pricing-, product-, store image- and advertising-activities on brand awareness, brand associations, perceived quality, brand loyalty and overall brand equity of clothing brands.
- H_{a1} : Marketing activities' influence on brand equity is a nine-factor structure composed of perceptions of pricing-, product-, store image- and advertising- activities on brand awareness, brand associations, perceived quality, brand loyalty and overall brand equity of clothing brands.
- H_{02} : Store image activities (a) (+) and advertising activities (b) (+) do not have a significant direct influence on black Generation Y students' clothing brand awareness.
- H_{a2} : Store image activities (a) (+) and advertising activities (b) (+) have a significant direct influence on black Generation Y students' clothing brand awareness.

- H₀3: Pricing activities (a) (+), product activities (b) (+), store image activities (c) (+) and advertising activities (d) (+) do not have a significant direct influence on black Generation Y students' perceived quality of clothing brands.
- H_a3: Pricing activities (a) (+), product activities (b) (+), store image activities (c) (+) and advertising activities (d) (+) have a significant direct influence on black Generation Y students' perceived quality of clothing brands.
- H₀4: Store image activities (a) (+) and advertising activities (b) (+) do not have a significant direct influence on black Generation Y students' clothing brand associations.
- H_a4: Store image activities (a) (+) and advertising activities (b) (+) have a significant direct influence on black Generation Y students' clothing brand associations.
- H₀5: Advertising activities (+) do not have a significant direct influence on black Generation Y students' clothing brand loyalty.
- H_a5: Advertising activities (+) have a significant direct influence on black Generation Y students' clothing brand loyalty.
- H₀6: Product activities (+) do not have a significant direct influence on black Generation Y students' overall brand equity of clothing brands.
- H_a6: Product activities (+) have a significant direct influence on black Generation Y students' overall brand equity of clothing brands.
- H₀7: Brand awareness (+) does not have a significant direct influence on black Generation Y students' perceived quality of clothing brands.
- H_a7: Brand awareness (+) has a significant direct influence on black Generation Y students' perceived quality of clothing brands.
- H₀8: Brand awareness (a) (+) and perceived quality (b) (+) do not have a significant direct influence on black Generation Y students' clothing brand associations.
- H_a8: Brand awareness (a) (+) and perceived quality (b) (+) have a significant direct influence on black Generation Y students' clothing brand associations.

H₀9: Brand awareness (a) (+), perceived quality (b) (+) and brand associations (c) (+) do not have a significant direct influence on black Generation Y students' clothing brand loyalty.

H_a9: Brand awareness (a) (+), perceived quality (b) (+) and brand associations (c) (+) have a significant direct influence on black Generation Y students' clothing brand loyalty.

H₀10: Perceived quality (a) (+), brand associations (b) (+) and brand loyalty (c) (+) do not have a significant direct influence on black Generation Y students' overall brand equity of clothing brands.

H_a10: Perceived quality (a) (+), brand associations (b) (+) and brand loyalty (c) (+) have a significant direct influence on black Generation Y students' overall brand equity of clothing brands.

The subsequent section comprises a discussion relating to the structural equation modelling undertaken for testing the hypotheses in this study.

5.9 STRUCTURAL EQUATION MODELLING

Within this section, the process undertaken to conduct structural equation modelling with reference to the measurement model and structural model is outlined for addressing the fifth empirical objective.

5.9.1 Measurement model specification

The first step in structural equation modelling is to specify a measurement model in order to indicate how the latent variables are measured by the observed variables (Bowen & Guo, 2012:6). In accordance with the proposed model in Chapter 3, the measurement model to be tested for the first hypothesis is a nine-factor structure as illustrated in Figure 5.1. This hypothesis will be tested by performing confirmatory factor analysis, through making use of SEM.

The measurement model is presented in Figure 5.1.

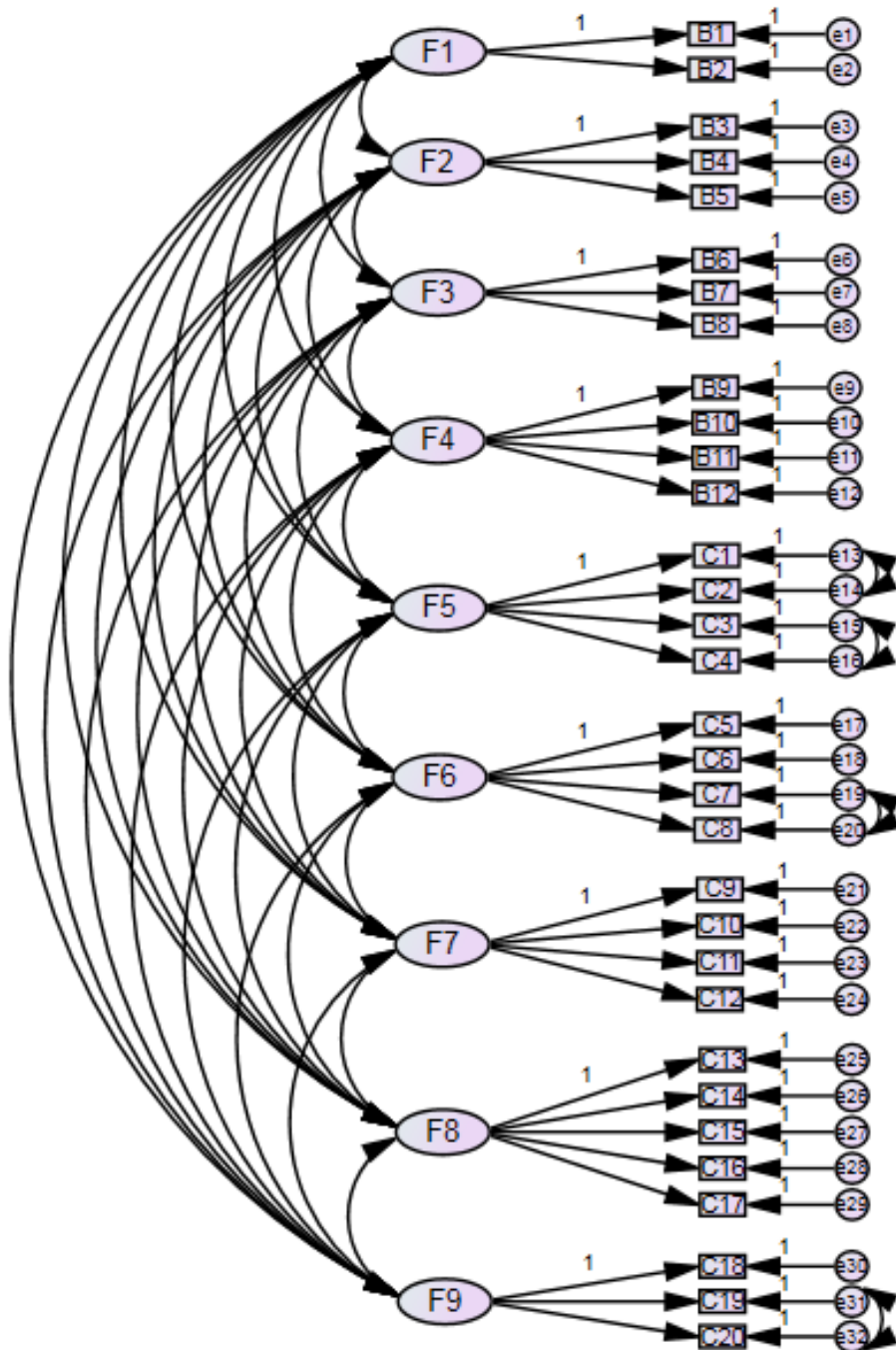


Figure 5.1 Specified measurement model

This hypothesised model comprises nine latent or unobserved factors – pricing activities (F1) (two indicators), product activities (F2) (three indicators), store image activities (F3) (three indicators), advertising activities (F4) (four indicators), brand awareness (F5) (four indicators), perceived quality (F6) (four indicators), brand associations (F7) (four indicators), brand loyalty (F8) (five indicators) and overall brand equity (F9) (three indicators). For model identification purposes, the first loading on each of the nine factors

was fixed at 1.0. Consequently, there are 528 distinct sample moments, and 104 parameters to be estimated, which leave 424 degrees of freedom based on the over-identified model, and a chi-square value of 879.463 with a probability level equal to 0.000.

The measurement model was evaluated for any problematic estimates, with reference to standardised factor loadings above 1.0 or below -1.0 (Hair *et al.*, 2010:706) and negative error variances (known as Heywood cases). The standardised coefficients of the measurement model are presented in Table 5.15.

Table 5.15 Standardised coefficients of the measurement model

Latent factors	Dimensions	Indicators	Factor loadings		Error	
F1	Pricing activities	B1	0.53	+	0.29	
		B2	0.91	+	0.83	
F2	Product activities	B3	0.70	+	0.49	
		B4	0.83	+	0.69	
		B5	0.53	+	0.28	
F3	Store activities	image	B6	0.64	+	0.41
			B7	0.62	+	0.38
			B8	0.52	+	0.27
F4	Advertising activities	B9	0.84	+	0.70	
		B10	0.90	+	0.81	
		B11	0.81	+	0.66	
		B12	0.61	+	0.38	
F5	Brand awareness	C1	0.61	+	0.37	
		C2	0.70	+	0.49	
		C3	0.65	+	0.42	
		C4	0.61	+	0.38	
F6	Perceived quality	C5	0.89	+	0.79	
		C6	0.65	+	0.42	
		C7	0.74	+	0.55	
		C8	0.77	+	0.59	

Table 5.15 Standardised coefficients of the measurement model (continued...)

Latent factors	Dimensions	Indicators	Factor loadings		Error
F7	Brand associations	C9	0.66	+	0.43
		C10	0.75	+	0.57
		C11	0.76	+	0.57
		C12	0.57	+	0.33
F8	Brand loyalty	C13	0.66	+	0.44
		C14	0.54	+	0.30
		C15	0.67	+	0.45
		C16	0.83	+	0.68
		C17	0.78	+	0.60
F9	Overall brand equity	C18	0.79	+	0.63
		C19	0.66	+	0.43
		C20	0.73	+	0.53

It is evident from Table 5.15 that there are no problematic estimates in the measurement model as all the indicators were above the recommended level of 0.5, and no factor loading above the 1.0 level or below -1.0 level was identified. Furthermore, no negative error variances were calculated.

In order to evaluate the model fit, indices produced by AMOS were used with reference to the absolute fit indices of the chi-square, the standardised root mean residual (SRMR), the root mean square of approximation (RMSEA), the incremental fit indices of the incremental fit index (IFI), the comparative fit index (CFI), and the Tucker-Lewis index (TLI). The modification indices (MIs) relating to covariances were examined, and indicated high MI values triggering error covariances between several items, suggesting that participants perceived a high level of overlap in these items' content. These items included C1 and C2 (err13↔err14, MI=32.127), C3 and C4 (err15↔err16, MI=41.299), C7 and C8 (err19↔err20, MI=18.795), and C19 and C20 (err31↔err32, MI=23.852). Adjustments were required for improving the overall model fit. As such, covariances were added to the error terms of these items with modification indices larger than 15 and 20 (Aluja *et al.*, 2005:347), as indicated in Figure 5.1. Consequently, the chi-square value decreased indicating a better model fit, which, as a result, improved the other model fit indices. A significant chi-square value of 879.463 with 424 degrees of freedom was delivered, which suggests a poor fit, however, the chi-square is known to be sensitive to

the sample size (Byrne, 2010:76; Malhotra, 2010:732). The other fit indices delivered an acceptable degree of fit between the measurement model and the data, SRMR=0.0511, RMSEA=0.04, IFI=0.95, CFI=0.95, and TLI = 0.94.

Subsequently, the reliability and validity of the model were measured.

5.9.2 Reliability and validity of the measurement model

In order to assess internal-consistency reliability, the Cronbach alpha value was computed. In addition, for assessing the composite reliability (CR) and construct validity within the measurement model, the CR and average variance extracted (AVE) values were calculated.

Table 5.16 reports on the Cronbach alpha values, together with the CR and AVE values computed for each dimension. In addition, the table contains the correlation coefficients computed between the dimensions in the measurement model.

Table 5.16 Measurement model: internal-consistency reliability, composite reliability, average variance extracted and correlation matrix

Dimensions	Cronbach alpha	CR	AVE	1	2	3	4	5	6	7	8
Pricing activities	0.653	0.65	0.50								
Product activities	0.708	0.74	0.50	0.31							
Store Image activities	0.614	0.75	0.50	0.26	0.48						
Advertising activities	0.868	0.80	0.50	0.14	0.37	0.45					
Brand awareness	0.777	0.81	0.52	0.26	0.34	0.40	0.39				
Perceived quality	0.857	0.80	0.50	0.55	0.30	0.26	0.22	0.56			
Brand associations	0.773	0.80	0.50	0.22	0.34	0.38	0.38	0.63	0.51		
Brand loyalty	0.815	0.83	0.50	0.24	0.21	0.24	0.34	0.50	0.39	0.52	
Overall brand equity	0.809	0.75	0.50	0.27	0.29	0.29	0.32	0.37	0.41	0.46	0.89

The scale for Section B, pertaining to the participants' perceptions of their chosen clothing brands' marketing activities, returned a Cronbach alpha value of 0.799 for the entire scale. The Cronbach alpha values of the dimensions ranged between 0.614 and 0.868. Furthermore, a Cronbach alpha value of 0.895 was computed on the brand equity scale in Section C, pertaining to the participants' brand equity perceptions of their chosen clothing brand and the Cronbach alpha values for the dimensions ranged between 0.773 and 0.857. As all of these values exceeded the acceptable level of 0.6 (Malhotra, 2010:319), these scales are deemed reliable.

All the CR values computed for each dimension exceeded the recommended level of 0.70, except for pricing activities (CR=0.65); however, CR values between 0.60 and 0.70 are acceptable if the AVE values are satisfactory (Malhotra, 2010:734). All the AVE values computed for the dimensions met the recommended level of 0.50, thus indicating that the measurement scale used in this study was reliable and suggests convergent validity.

With reference to discriminant validity, every correlation estimate in this study, as presented in Table 5.16 was less than the square root of the AVE ($\sqrt{0.5}=0.71$), except for one out of the 36 cases. Given that brand loyalty and overall brand equity are closely related dimensions (refer to Chapter 3, Section 3.4.6), high correlation is to be expected.

The specified measurement model demonstrates acceptable internal-consistency reliability, composite reliability, convergent validity and discriminant validity. As a result, the overall measurement model is considered reliable, valid and exhibits a satisfactory fit, therefore, making it suitable to test the structural model.

Owing to insufficient evidence to conclude the null hypothesis H_01 , the alternative, H_a1 , was concluded, inferring that marketing activities' influence on brand equity is a nine-factor structure.

5.9.3 Structural model

In the hypothesised structural model, which represents the relationship between the latent variables (Byrne, 2010:7), it was hypothesised that store image activities (F3) and advertising activities (F4) influence brand awareness (F5); pricing activities (F1) product activities (F2), store image activities (F3) and advertising activities (F4) influence perceived quality (F6); store image activities (F3) and advertising activities (F4) influence

brand associations (F7); advertising activities (F4) influences brand loyalty (F8); and product activities (F2) influences overall brand equity (F9). Furthermore, brand awareness (F5) directly influences perceived quality (F6); brand awareness (F5) and perceived quality (F6) directly influence brand associations (F7), which in turn, along with brand awareness (F5) and perceived quality (F6) directly influence brand loyalty (F8). In addition, perceived quality (F6), brand associations (F7) and brand loyalty (F8) directly influence overall brand equity (F9).

Figure 5.2 represents Structural Model A and illustrates the regression path estimates. For the purpose of improving the visual comprehension, the covariance lines between the independent variables, the indicator variables of the latent factors, the residuals of the dependent variables and the modification indices are not presented in the structural model figure. A detailed structural model is presented in Annexure B.

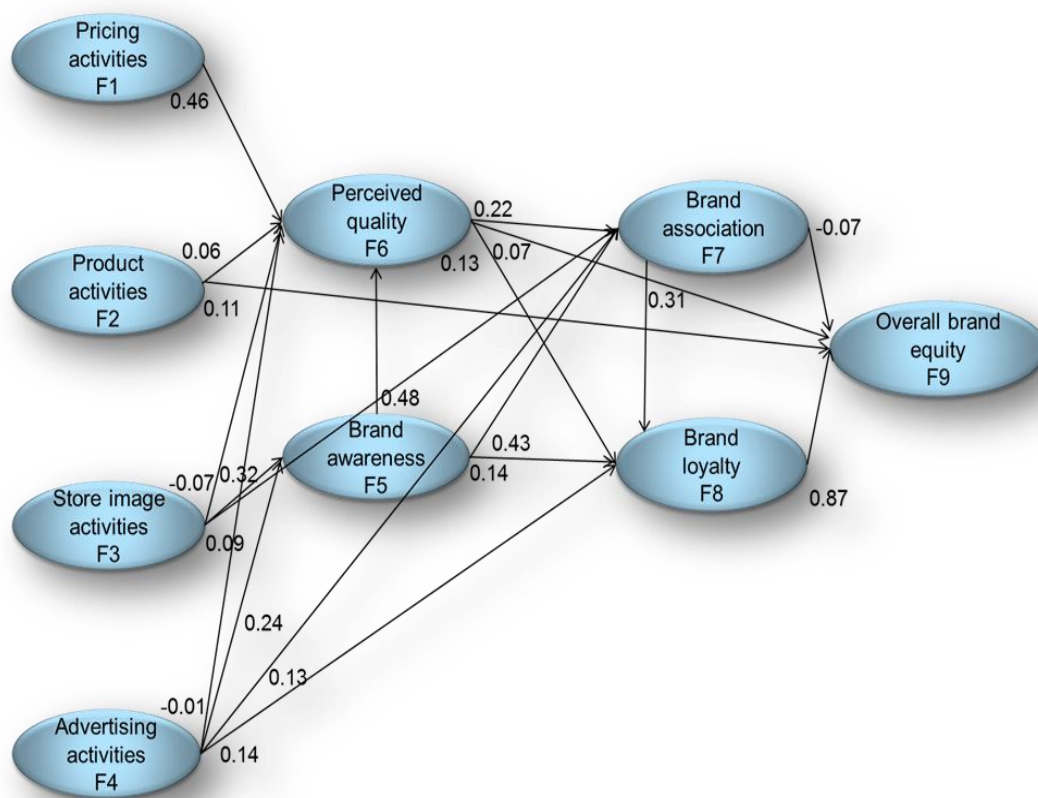


Figure 5.2 Structural Model A

The model fit indices for Structural Model A indicate that the overall fit of the model is satisfactory and delivered fit indices of chi-square= 909.132 (df=435), SRMR= 0.0548, RMSEA= 0.04, IFI= 0.94, CFI= 0.94, TLI= 0.93.

According to Structural Model A in Figure 5.2, store image activities (F3) ($p=0.000<0.05$) and advertising activities (F4) ($p=0.000<0.05$) have a significant positive influence on the clothing brand awareness (F5) of black Generation Y students. Consequently, H_{02a} and H_{02b} are rejected and H_{a2a} and H_{a2b} are concluded. Likewise, pricing activities (F1) ($p=0.000<0.05$) has a significant positive influence on black Generation Y students' perceived quality (F6) of clothing brands and, therefore, the null hypothesis (H_{03a}) is rejected and the alternative hypothesis (H_{a3a}) is concluded. However, product activities (F2) ($p=0.306>0.05$), store image activities (F3) ($p=0.297>0.05$) and advertising activities (F4) ($p=0.777>0.05$) did not have a significant positive influence on black Generation Y students' perceived quality (F6). This suggests that there is insufficient evidence to reject H_{03b} , H_{03c} and H_{03d} for these factors. Advertising activities (F4) ($p=0.013<0.05$) have a significant positive influence on black Generation Y students' clothing brand associations (F7). Consequently, for this factor, the null hypothesis (H_{04b}) is rejected and the alternative hypothesis (H_{a4b}) is concluded; however, for store image activities (F3) ($p=0.128>0.05$), H_{04a} cannot be rejected due to no significant direct influence of store image on the black Generation Y students' clothing brand associations (F7). Furthermore, advertising activities (F4) ($p=0.003<0.05$) have a significant positive influence on the clothing brand loyalty (F8) of black Generation Y students. As a result, the null hypothesis (H_{05}) is rejected and the alternative hypothesis (H_{a5}) is concluded. Moreover, product activities (F2) ($p=0.006p<0.05$) have a significant positive influence on black Generation Y students' overall brand equity (F9) of clothing brands. For this factor, H_{06} is rejected and H_{a6} is concluded.

Brand awareness (F5) ($p=0.000<0.05$) has a significant positive influence on black Generation Y students' perceived quality of clothing brands (F6), which result in rejecting the null hypothesis (H_{07}) and concluding the alternative hypothesis (H_{a7}). Additionally, brand awareness (F5) ($p=0.000<0.05$) and perceived quality (F6) ($p=0.000<0.05$) have a significant positive influence on black Generation Y students' clothing brand associations (F7), and for that reason, H_{08a} and H_{08b} are rejected and H_{a8a} and H_{a8b} concluded. Furthermore, brand awareness (F5) ($p=0.047<0.05$), perceived quality (F6) ($p=0.016<0.05$) and brand associations (F7) ($p=0.000<0.05$) have a significant positive influence on black Generation Y students' clothing brand loyalty (F8), therefore, H_{09a} ,

H₀9b and H₀9c are rejected and H_a9a, H_a9b and H_a9c are concluded. Moreover, brand loyalty (F8) ($p=0.000<0.05$) has a significant positive influence on black Generation Y students' overall brand equity (F9) of clothing brands, therefore rejecting the null hypothesis (H₀10c) and concluding the alternative hypothesis (H_a10c) for this factor. However, the paths between perceived quality (F6) ($p=0.115>0.05$), brand associations (F7) ($p=0.151>0.05$) and overall brand equity (F9) were insignificant, suggesting that there is insufficient evidence to reject H₀10a and H₀10b for these factors.

Given the insufficient evidence to reject the null hypotheses H₀3b, H₀3c, H₀3d, H₀4a, H₀10a and H₀10b, it was decided to test a revised model based on the measurement model presented in Figure 5.1. When comparing models, the Akaike's information criterion (AIC) and Bozdogan's consistent version of the AIC (CAIC) should be considered, where smaller values signify better model fit (Byrne, 2010:82). The AIC and CAIC for Structural Model A is 1095.132 and 1600.843 respectively. The revised structural model (Structural Model B) is presented in Figure 5.3.

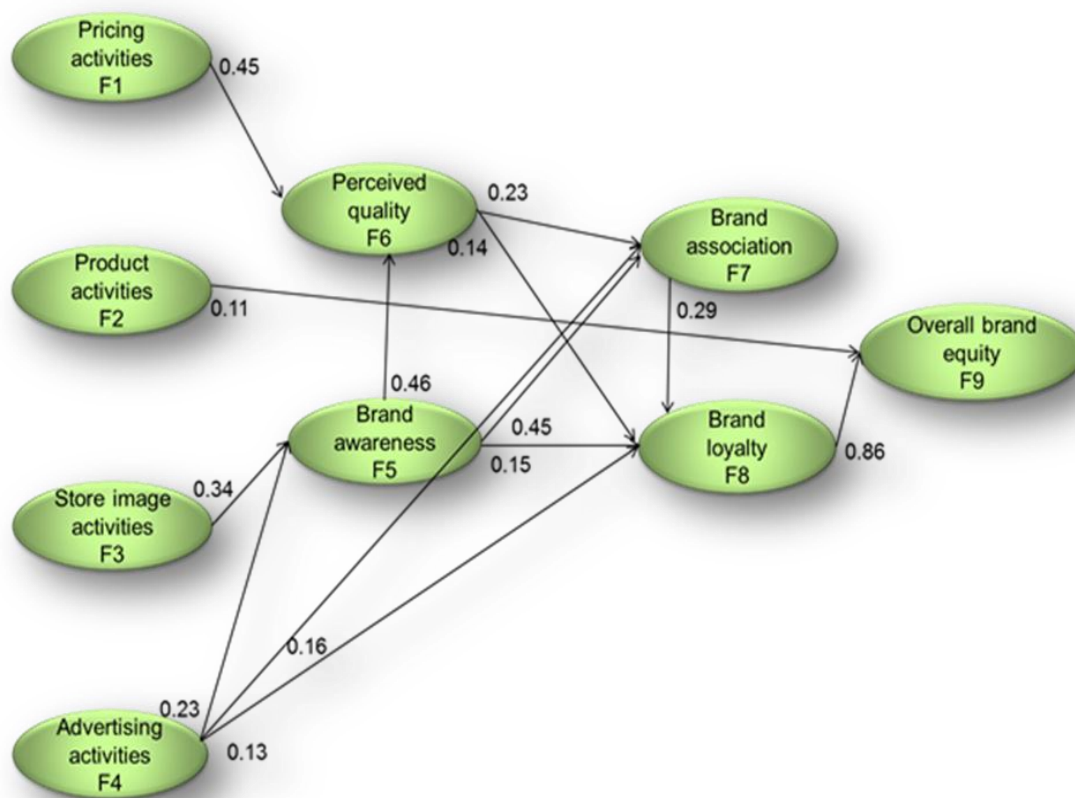


Figure 5.3 Structural Model B

The model fit indices for Structural Model B are satisfactory and delivered fit indices of chi-square= 916.884 (df=441), SRMR= 0.0558, RMSEA= 0.04, IFI= 0.94, CFI= 0.94, TLI= 0.94. The AIC and CAIC values of 1090.884 and 1563.968 for Structural Model B were lower than the AIC and CAIC values of Structural Model A, indicating better model fit. Since the chi-square of Structural Model B is slightly higher than the chi-square of Structural Model A, the chi-square difference statistic was assessed to determine the significance of the difference between the fits of these models. The difference between the chi-square values and degrees of freedom were 7.752 and 6 respectively, indicating a statistically insignificant difference based on the traditional criteria. This suggests that the problematic parameters can be removed and Structural Model B can be accepted (Werner & Schermelleh-Engel, 2010:3).

According to Structural Model B in Figure 5.3, store image activities (F3) (path estimate=0.34, $p < 0.05$) and advertising activities (F4) (path estimate=0.23, $p < 0.05$) continue to have a significant positive influence on the clothing brand awareness (F5) of black Generation Y students. These findings are in keeping with the studies conducted by Chattopadhyay *et al.* (2010), Neerakkal (2012) and Yoo *et al.* (2000). The squared multiple correlation (SMC) coefficient for brand awareness is 0.24, which indicates that store image activities and advertising activities collectively explain 24 percent of the variance in black Generation Y students' clothing brand awareness.

Likewise, pricing activities (F1) (path estimate=0.45, $p < 0.05$) and brand awareness (F5) (path estimate=0.46, $p < 0.05$) remain significant positive influences on black Generation Y students' perceived quality (F6) of clothing brands. Previous studies also found that price (Chattopadhyay *et al.*, 2010; Gil *et al.*, 2007; Yoo *et al.*, 2000) and brand awareness (Buil *et al.*, 2013; Chattopadhyay *et al.*, 2010; Tong & Hawley, 2009b) significantly influence perceived quality. The SMC coefficient for perceived quality is 0.47, which indicates that pricing activities and brand awareness collectively explain 47 percent of the variance in black Generation Y students' perceived quality of clothing brands.

Advertising activities (F4) (path estimate=0.16, $p < 0.05$), brand awareness (F5) (path estimate=0.45, $p < 0.05$) and perceived quality (F6) (path estimate=0.23, $p < 0.05$) still have a significant positive influence on black Generation Y students' clothing brand associations (F7). These results are consistent with previous studies, which found that advertising (Gil *et al.*, 2007; Yoo *et al.*, 2000), brand awareness (Buil *et al.*, 2013; Tong & Hawley, 2009b) and perceived quality (Tong & Hawley, 2009b) significantly influence

brand associations. The SMC coefficient for brand associations is 0.46, which indicates that advertising, brand awareness and perceived quality together explain 46 percent of the variance in black Generation Y students' clothing brand associations.

Similarly, advertising activities (F4) (path estimate=0.13, $p < 0.05$), brand awareness (F5) (path estimate=0.15, $p < 0.05$), perceived quality (F6) (path estimate=0.14, $p < 0.05$) and brand associations (F7) (path estimate=0.29, $p < 0.05$) continue to have a significant positive influence on the clothing brand loyalty (F8) of black Generation Y students. These findings are in agreement with previous studies in that brand loyalty is significantly influenced by advertising (Neerakkal, 2012; Yoo *et al.*, 2000), brand awareness (Tong & Hawley, 2009b), perceived quality (Kim & Hyun, 2011; Tong & Hawley, 2009b) and brand associations (Buil *et al.*, 2013; Tong & Hawley, 2009b). The SMC coefficient for brand loyalty is 0.32, which indicates that advertising activities, brand awareness, perceived quality and brand associations together explain 32 percent of the variance in black Generation Y students' clothing brand loyalty.

Product activities (F2) (path estimate=0.11, $p < 0.05$) and brand loyalty (F8) (path estimate=0.86, $p < 0.05$) remain significant positive influences on black Generation Y students' overall brand equity (F9) of clothing brands. The path from brand loyalty to overall brand equity was also significant in the studies conducted by Gil *et al.* (2007), and Moradi and Zarei (2012). The SMC coefficient for overall brand equity is 0.79, which indicates that product and brand loyalty collectively explain 79 percent of the variance in black Generation Y students' overall brand equity of clothing brands.

5.10 CONCLUSION

The empirical findings of the study were reported on in this chapter, with the first discussion relating to the outcomes of the pilot study, which indicated that the scale used in this study was reliable and valid. A discussion on the data gathering process was also included, followed by the preliminary data analysis, with reference to the coding and tabulation of the data. Subsequently, the focus of the next section was on undertaking the demographic and preferred clothing brand analysis. The descriptive statistics, with reference to the mean, standard deviation, skewness and kurtosis, was also calculated to summarise black Generation Y students' perceptions of their preferred clothing brands' marketing activities and their brand equity perceptions on their preferred clothing brand. The results indicated that the marketing activities of price, product, store image and advertising all play a salient role in fostering clothing brand equity amongst black

Generation Y consumers. Thereafter, correlation analysis was performed to determine if the relationships between the marketing activities and brand equity dimensions were significant. The hypotheses formulated for the study were then tested by means of structural equation modelling, which included measures of reliability and validity.

Based on the findings that are reported on in this chapter, along with the background provided in chapters 2 and 3, the subsequent chapter, Chapter 6, will include further interpretations of the empirical findings. In addition, the research objectives are reviewed to determine if they have been answered. This chapter also includes recommendations that emanate from this study and a discussion on the contributions and limitations of this study are provided.

CHAPTER 6

RECOMMENDATIONS AND CONCLUSIONS

6.1 INTRODUCTION

The growth in spending on apparel, textiles, footwear and leather merchandise in South Africa illustrates South Africans' appreciation for fashion goods. Accordingly, as mentioned in the preceding chapters, South Africa has experienced a proliferation of international brands, as these brands seek to exploit the lucrative fashion market in South Africa. The increased selection of fashion brands and products available to South African consumers has resulted in these consumers becoming more sensitive to brand offerings and marketing communications. At the same time, the increased competition between fashion brands and fashion retailers has resulted in an increased pressure for product and brand differentiation. Consequently, fashion companies are required to create brand equity in order to gain a competitive advantage, and to ensure that they are differentiated effectively from competing brands.

Understanding which marketing activities are most effective in appealing to specific target markets has a significant role to play in creating brand equity. The youth, currently classified as members of the Generation Y cohort, have always been an important segment to fashion marketers given that they are typically early adopters of new fashion trends. The South African black Generation Y consumers, in particular, represent more than three quarters of the entire South African Generation Y cohort, with most of these consumers being university students. The South African students spend more than the average South African consumer does, with black Generation Y students spending substantially more on fashion products compared to students of other ethnic groups. The higher future earning potential of university students, coupled with the increased disposable income and aggregate spending demonstrates the significance of this market segment. Moreover, clothing will remain one of their top priorities in the future and, therefore, it is likely that the increased disposable income and aggregate spending will be directed at the clothing market.

Understanding the influence of marketing activities on creating clothing brand equity amongst black Generation Y students is likely to make a valuable contribution in guiding the design of marketing activities aimed at this cohort. Based on this postulation, the primary objective of this study was to propose and empirically test a model of selected

marketing activity determinants of clothing brand equity in the South African market amongst black Generation Y students.

In the previous chapter, a measurement model comprising nine factors, namely pricing activities, product activities, store image activities, advertising activities, brand awareness, perceived quality, brand associations, brand loyalty and overall brand equity was proposed and tested for the purpose of establishing how these nine factors are measured. Based on this measurement model, two alternative structural models were tested to arrive at a model of the selected marketing activities that influence fashion clothing brand equity amongst black Generation Y students in South Africa. This chapter concludes the study and starts with providing an overview of the study in the first section. Subsequently, the main findings of the study are discussed, which are in line with the empirical objectives formulated in Chapter 1. Thereafter, the proposed model of marketing activities' influence on brand equity creation in the South African clothing market amongst black Generation Y students is presented. The contributions of this study then are outlined followed by the recommendations on creating brand equity. This chapter concludes with an explanation of the limitations of this study along with concluding remarks of the study.

6.2 OVERVIEW OF THE STUDY

The primary objective of this study was to determine selected marketing activities' influence on brand equity creation in the South African clothing market amongst black Generation Y students. In order to achieve this objective, a literature review relating to the marketing activities, namely pricing-, product-, store-image- and advertising activities and brand equity, including brand awareness, perceived quality, brand associations and brand loyalty was conducted. In order to understand the main findings (Section 6.3) and resulting recommendations (Section 6.4), this section provides a synopsis of the previous five chapters.

Chapter 1 introduced the study by providing background on the fashion industry and highlighting the importance of brand equity creation for gaining a competitive advantage. In addition, this chapter accentuated the role of marketing activities in creating brand equity. Furthermore, the motivations for using Generation Y students as the target population in this study are provided in Chapter 1. Based on the identified problem, one primary objective, seven theoretical objectives and five empirical objectives were formulated in Section 1.3. The hypotheses that were formulated in Chapter 5 were also

presented in this chapter (Section 1.4). The remainder of this chapter included a summary of the proposed research design and methodology (Section 1.5) followed in the empirical portion of the study and an overview on the ethical considerations (Section 1.6) of the study.

Chapter 2 sought to address the first three theoretical objectives of this study in the form of a literature review. This chapter began with defining marketing in Section 2.2, with the focus on determining the main concepts associated with marketing. In Section 2.3, fashion and marketing were explained, followed by Section 2.4, which defined fashion marketing and illustrated the importance and relevance of fashion marketing to the fashion industry. The fashion marketing process was outlined in Section 2.5, which also introduced the fashion marketing mix elements. The remainder of the chapter focussed on providing an in-depth discussion on each marketing activity. As such, product activities (Section 2.6), pricing activities (Section 2.7), place activities (Section 2.8) and promotion activities (Section 2.9) were discussed in detail separately. The main findings that emanated from the literature review in this chapter are that creative marketing activities are required to capture consumers' attention and for gaining their loyalty. In addition, each marketing activity should be combined, coordinated and presented in the marketing plan, which guides the marketing of the product. Owing to the continuous changes in the fashion industry, it is increasingly important to adapt the marketing activities accordingly. For this reason, marketers have to understand how the marketing activities are perceived by their target market.

The aim of Chapter 3 was to address the remaining four theoretical objectives of the study. The first discussion in this chapter began with an explanation of brands and branding in Section 3.2, to comprehend the value of a brand to fashion marketers. The discussion on brand equity started in Section 3.3, which comprises a definition of brand equity (Section 3.3.1), along with a discussion on the value of brand equity (Section 3.3.2) and steps to follow in building brand equity (Section 3.3.3). A discussion on brand equity measurement was also included in Section 3.3.4. Section 3.4 provided an overview of the brand equity models used to measure and explain the sources of brand equity. Subsequently, each brand equity dimension was discussed in detail, with reference to brand awareness (Section 3.4.3), perceived quality (Section 3.4.4), brand associations (Section 3.4.5) and brand loyalty (Section 3.4.6). Section 3.4.7 explained how marketing activities influences brand equity. Thereafter, the target market of this study, Generation Y consumers were discussed in Section 3.5, followed by an

explanation of the proposed model for this study in Section 3.6. This model represent marketing activities' influence on black Generation Y students' brand equity perceptions of clothing brands (Figure 3.4).

The literature reviewed suggests that various models have been developed to illustrate how brand equity is created. As such, brand equity is created by influencing four brand equity dimensions, namely brand awareness (Section 3.4.3), perceived quality (Section 3.4.4), brand associations (Section 3.4.5) and brand loyalty (Section 3.4.6). Furthermore, several researchers explored how various marketing activities can be used to influence brand equity creation. Understanding these relationships will assist in enhancing brand equity (Section 3.4.7). The main findings that emanated from the literature review were that well-formulated marketing activities are required to create or enhance brand equity for the purpose of gaining a competitive advantage and to be effectively differentiated from competing brands.

The Generation Y cohort comprises trendsetters in the fashion industry, who consequently influence the brand and clothing choices of other consumers. Shopping for clothing is amongst these consumers' favourite activities. In addition, these members are exceptionally interested in fashion apparel, and are influenced significantly by the latest fashion trends and advertisements; however, traditional advertising methods have proven to be ineffective. Being brought up in dual-income households forced Generation Y members to be involved in purchasing decisions at a young age. As such, these consumers have been taught that shopping is a complex process. Owing to the Generation Y cohort accounting for a significant percentage of the total South African population and that they are likely to remain loyal to the brands that they currently purchase, it is important that fashion marketers and retailers capture their loyalty at an early stage. Moreover, because the members of this cohort influence a brand's success, marketers and retailers should have sound knowledge of their attitude changes and changes in their preferred trends in order to develop an appropriate marketing strategy (Section 3.5).

The research methodology used for the empirical portion of the study was described in Chapter 4. A descriptive research design was implemented in this study (Section 4.2). The target population for this study was black full-time Generation Y students aged between 18 and 24 years, who were registered at a South African public HEI in 2014 (Section 4.4.1). From the sample frame of 26 public registered HEIs in South Africa (Section 4.4.2), three HEI were selected, one traditional university, one comprehensive

university and one university of technology, by making use of the judgement sampling method. Subsequently, a single cross-sectional non-probability, convenience sample of 750 full-time undergraduate black Generation Y students was selected (Section 4.4.3 & Section 4.4.4). A self-administered questionnaire was used for collecting the required data (Section 4.5). The statistical methods applied in this study, as outlined in Section 4.9, were reliability analysis (Section 4.9.1), validity analysis (Section 4.9.2), descriptive statistical analysis (Section 4.9.3), correlation analysis (Section 4.9.4) and structural equation modelling (Section 4.9.6)

Against the background of Chapter 4, Chapter 5 reports on the empirical findings of the study. As such, the results concluded in this chapter are in keeping with the empirical objectives formulated in Chapter 1, Section 1.3.3.

6.3 MAIN FINDINGS OF THE STUDY

This section outlines the main findings of this study, which are in accordance with the empirical objectives formulated in Chapter 1. The empirical objectives addressed in this study were as follows:

- Determine black Generation Y students' top-of-the-mind-awareness of clothing brands.
- Determine black Generation Y students' top-of-the-mind-awareness of clothing stores.
- Determine the perceptions of selected marketing activities (price, product, store image, advertising) in fostering clothing brand equity amongst black Generation Y students.
- Determine black Generation Y students' brand equity perceptions (brand awareness, perceived quality, brand associations, brand loyalty and overall brand equity) towards clothing brands.
- Empirically test the proposed model of selected marketing activity determinants of clothing brand equity in the South African market amongst black Generation Y students.

The first and second empirical objectives were set to determine the black Generation Y students' top-of-the-mind-awareness of clothing brands and clothing stores respectively (Section 5.5.2). Frequency distribution was used and the majority of the participants

indicated that RT clothing, Nike, Identity, Kelso and Uzzi were the top five favourite clothing brands. Furthermore, Mr Price, Edgars, Truworths, Sportscene and Identity were amongst the top five favourite stores.

Descriptive statistics (Section 5.6) were calculated to address the third and fourth empirical objectives set out in Chapter 1. The means of each dimension-related item in the six-point Likert scale were recorded. The third empirical objective was set out to determine the perceptions of marketing activities in fostering clothing brand equity amongst black Generation Y students. The findings suggest that in South Africa, black Generation Y students prefer brands that have a trendy image and features, and continuously update their product style. Furthermore, the findings infer that the price for their favourite brands provides an indication of the quality and status of that brand. In terms of the retail outlets through which their favourite brands are distributed, the findings indicate that these outlets offer a large variety of brands and have a store image and customers with whom they can relate. The students who participated in this study also indicate that they perceive the advertisements of their favourite brands as being trendy, creative, unique and effective at drawing their attention.

The fourth empirical objective of this study was to determine black Generation Y students' fashion clothing brand equity perceptions. The findings of this study infer that black Generation Y students are significantly brand aware and consider their favourite clothing brands as being of a high quality. In addition, they perceive their favourite brand to be differentiated clearly from competing brands. The high brand equity that the black Generation Y students exhibit towards their favourite clothing brands emanates from their high loyalty towards their favourite clothing brands.

Correlation analysis (Section 5.7) was conducted to guide the structural equation modelling analysis, where both a measurement and structural model were developed to establish the causal relationships amongst the nine dimensions. The results of the correlation analysis revealed that there was significant positive correlation between each of the pairs of variables, thereby suggesting the nomological validity of the proposed model. In addition, a test for multicollinearity (Section 5.7) indicated that there was an insignificant degree of multicollinearity between the factors proposed for inclusion in the model, implying that structural equation modelling was appropriate.

Structural equation modelling (Section 5.9) was performed to address the fifth empirical objective of testing a proposed model of selected marketing activities' influence on brand

equity in the South African clothing market amongst black Generation Y students. The measurement model comprised nine latent factors, namely pricing activities, product activities, store-image activities, advertising activities, brand awareness, perceived quality, brand associations, brand loyalty and overall brand equity. Based on the fit indices, it was established that the measurement model generated acceptable levels of model fit as presented in Section 5.9.1. In addition, there was evidence of internal-consistency reliability, composite reliability, convergent validity and discriminant validity (Section 5.9.2). Subsequently, a structural model (Structural Model A) was tested based on the measurement model.

In the first structural model in Figure 5.2, the paths between product activities and perceived quality; store image activities and perceived quality; advertising activities and perceived quality were not significant. Likewise, the path from store image activities to brand associations was not significant. Furthermore, the path between perceived quality and overall brand equity and brand associations and overall brand equity were also found not significant. Table 6.1 provides a summary of the unsupported hypotheses and their paths.

Table 6.1 Summary of the unsupported hypothesised relationships

Hypothesis	Path	Conclusion
H _a 3b	Product activities → perceived quality	Not supported
H _a 3c	Store image activities → perceived quality	Not supported
H _a 3d	Advertising activities → perceived quality	Not supported
H _a 4a	Store image activities → brand associations	Not supported
H _a 10a	Perceived quality → overall brand equity	Not supported
H _a 10b	Brand associations → overall brand equity	Not supported

A revised model (Structural Model B) as presented in Figure 5.3 was tested by removing the insignificant paths. Structural Model B produced improved model fit indices compared to Structural Model A. Concerning the marketing activities' influence on brand equity in Structural Model B, the results indicated that store image activities and advertising activities have a direct positive influence on the clothing brand awareness of black Generation Y students. These results are in keeping with previous studies (Chattopadhyay *et al.*, 2010; Neerakkal, 2012; Yoo *et al.*, 2000). In addition, black Generation Y students' perceived quality of clothing brands is directly positively

influenced by pricing activities, which corresponds with the studies conducted by Chattopadhyay *et al.* (2010), Gil *et al.* (2007) and Yoo *et al.* (2000). Furthermore, advertising activities have a direct positive influence on black Generation Y students' clothing brand associations, which is in line with studies conducted by Gil *et al.* (2007) and Yoo *et al.* (2000) and clothing brand loyalty, which is in accordance with the findings of Neerakkal (2012) and Yoo *et al.* (2000). Moreover, product activities have a direct positive influence on black Generation Y students' overall brand equity of clothing brands. This finding corresponds with the literature indicating that the product is central to brand equity and that the product attributes is the primary reason for purchasing a particular product (Jooste *et al.*, 2012:382; Riaz & Tanveer, 2011:48). With reference to the relationship between the brand equity dimensions and overall brand equity, this study indicated that brand awareness has a direct positive influence on black Generation Y students' perceived quality of clothing brands, which is in accordance with previous studies (Buil *et al.*, 2013; Chattopadhyay *et al.*, 2010; Tong & Hawley, 2009b). Furthermore, black Generation Y students' clothing brand associations are directly positively influenced by brand awareness, which was also found by Buil *et al.* (2013), and Tong and Hawley (2009b), and perceived quality, which is in keeping with the study conducted by Tong and Hawley (2009b). Moreover, black Generation Y students' clothing brand loyalty is directly positively influenced by brand awareness, which is in keeping with Tong and Hawley (2009b) and perceived quality, which is in accordance with the findings of Kim and Hyun (2011), and Tong and Hawley (2009b), however, this is inconsistent with the studies conducted by Buil *et al.* (2013) and Gil *et al.* (2007). In addition, brand associations have a direct positive influence on black Generation Y students' clothing brand loyalty, which is in agreement with the studies conducted by Buil *et al.* (2013), and Tong and Hawley (2009b). Furthermore, brand loyalty on its own has a direct positive influence on black Generation Y students' overall brand equity of clothing brands. This finding is contradictory with Kim and Hyun (2011), Neerakkal (2012) and Yoo *et al.* (2000); however, it corresponds with the studies conducted by Gil *et al.* (2007), and Moradi and Zarei (2012). Table 6.2 summarises the supported hypothesised relationships and their paths.

Table 6.2 Summary of the supported hypothesised relationships

Hypothesis	Path	Conclusion
Marketing activities' direct influence on brand equity dimensions and overall brand equity		
H _a 2a	Store image activities → brand awareness	Supported
H _a 2b	Advertising activities → brand awareness	Supported
H _a 3a	Pricing activities → perceived quality	Supported
H _a 4b	Advertising activities → brand associations	Supported
H _a 5	Advertising activities → brand loyalty	Supported
H _a 6	Product activities → overall brand equity	Supported
Brand equity dimensions' direct influence on brand equity		
H _a 7	Brand awareness → perceived quality	Supported
H _a 8a	Brand awareness → brand associations	Supported
H _a 8b	Perceived quality → brand associations	Supported
H _a 9a	Brand awareness → brand loyalty	Supported
H _a 9b	Perceived quality → brand loyalty	Supported
H _a 9c	Brand associations → brand loyalty	Supported
H _a 10c	Brand loyalty → overall brand equity	Supported

Although store image and advertising activities do not directly influence perceived quality, these activities indirectly influence perceived quality via brand awareness. Likewise, store image activities influence brand associations indirectly via brand awareness. The findings of this study suggest that brand loyalty is the only dimension that directly influences overall brand equity, however, perceived quality and brand associations influence overall brand equity via its influence on brand loyalty.

The findings of this study infer that the marketing activities' influence on brand equity in the South African clothing market amongst black Generation Y students may be explained in conformity with the model presented in Figure 6.1.

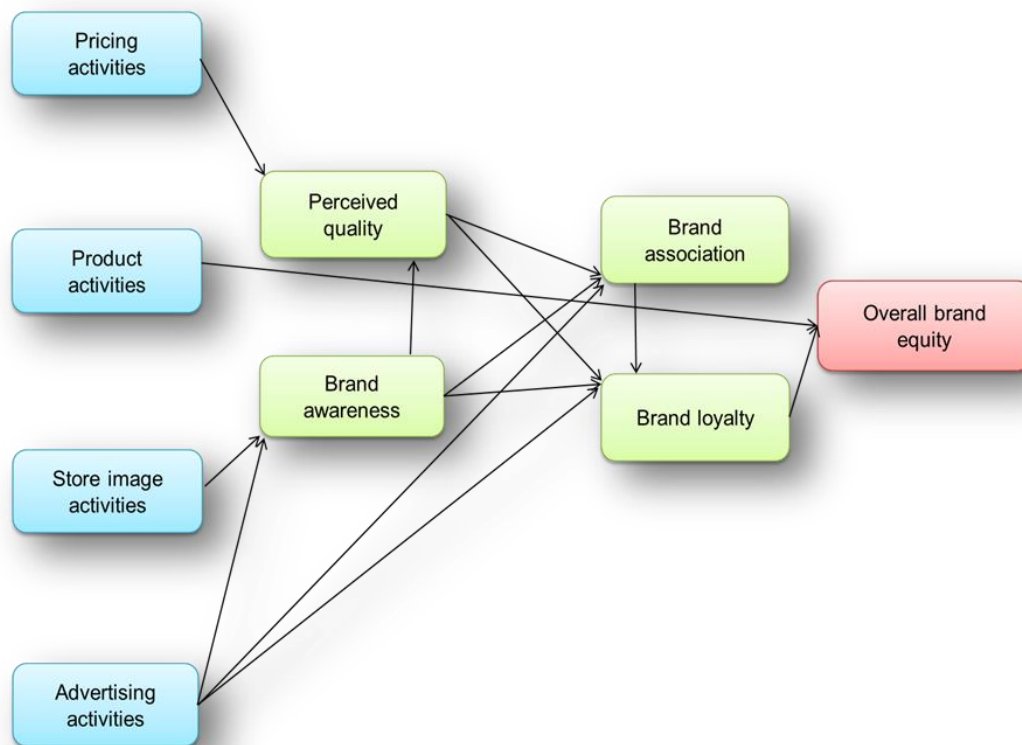


Figure 6.1 Effectiveness of selected marketing activities in creating brand equity in the South African clothing market amongst black Generation Y students

The subsequent section explains the contribution made by this study.

6.4 CONTRIBUTION OF THE STUDY

The intensifying competition between local and international fashion brands accentuate the importance of gaining a competitive advantage and effective differentiation. For that reason, fashion marketers and retailers need to understand marketing activities' role in creating brand equity amongst the black Generation Y market segment, as well as how to control these activities to generate and sustain brand equity. This study contributed to the body of knowledge regarding the perceptions of marketing activities and brand equity by empirically testing a model of selected marketing activities that create brand equity for clothing brands in the South African market amongst black Generation Y students. Consequently, this model established which marketing activities contribute towards brand equity creation. It is suggested that marketing activities' influence on brand equity is a nine-factor structure comprising perceptions of pricing activities, product activities,

store image activities, advertising activities, brand awareness, perceived quality, brand associations, brand loyalty and overall brand equity. Additionally, this study also contributes to the ProGenY research project of the North-West University (Vaal Triangle Campus), aimed at profiling the consumer psychology of Generation Y students in South Africa.

The results of this study have important implications for South African and international marketing practitioners and retailers involved in brand management, given that they can use the model proposed by this study to understand black Generation Y students' perceptions of selected marketing activities and its effect on brand equity. This study offers guidance for selecting, developing or adapting marketing strategies to create and enhance brand equity in the South African clothing market amongst black Generation Y students.

6.5 RECOMMENDATIONS

High brand equity is central for gaining a competitive advantage (Christiansson & Sundvik, 2013:1; Kariuki, 2015). In addition, marketing activities have the ability to influence brand equity through the brand equity dimensions, namely brand awareness, perceived quality, brand associations and brand loyalty (Neerakkal, 2012:37). For this reason, it is essential to regard the importance of brand equity while designing marketing activities (Masterson & Pickton, 2014:492), and subsequently, to control these marketing activities to create (Buil *et al.*, 2013:116) or strengthen the brand equity (Neerakkal, 2012:37).

Insights gained by the previous chapters highlight marketing activities' profound role in creating or enhancing brand equity. Therefore, fashion marketers and retailers have to understand their target markets' needs and preferences and alter the marketing activities accordingly, to appeal to the target market and effectively create brand equity. In keeping with the findings of this study, the next section outlines the recommendations for creating brand equity.

6.5.1 Provide value for money

Generation Y consumers are significantly conscious of clothing brands' prices (Mothapo, 2013:79; Nielsen, 2014), which largely influences product selection (Grewal & Levy, 2008:357; Mothapo, 2013:87) and how the brand is perceived by these consumers

(Pincott, 2011:4). The intensifying competition amongst fashion brands increases the complexity and pressure of setting the right price for fashion products (Jackson & Shaw, 2009:155; Lander, 2015). This study found that black Generation Y students purchase clothing products of which the price reflects the quality as well as the status of the fashion brand. Furthermore, by setting the appropriate price, the students quality perceptions of the brand would improve, which affects their loyalty towards the brand and ultimately creates brand equity.

It is recommended that fashion marketers use pricing to gain a competitive advantage by providing value for money. In order to do so, fashion markets should price products in accordance with these consumers' value judgements, which require understanding how much value is attached to the product benefits, attributes and quality. While Generation Y consumers prefer trendier clothing at lower prices to luxury brands with expensive price tags, they are prepared to pay a higher price for a product. However, the reason for a higher price should be evident and, therefore, the high price should be justified by for example a particular brand name, particular style or expensive and/or high quality fabrics. Likewise, if a product is of lower quality, it is expected that the product should be sold at a lower price. It is essential to consider Generation Y students' disposable income and, therefore, to attract this market segment, it is recommended that fashion retailers offer low-cost, fashion-forward clothing collections at affordable prices that represent the trendy styles sought by this market and simultaneously meet their value for money expectations.

6.5.2 Stay abreast of the latest fashion trends

Generation Y consumers are exceptionally interested in fashion apparel (Andersson *et al.*, 2004:104; Frings, 2008:43; McDevitt, 2013; Solomon & Rabolt, 2009:182; Williams & Page, 2011:45) and, therefore, spend a considerable portion of their disposable income on trendy fashion products (Martin & Turley, 2004:466; Student Village, 2010:24). This particular market segment is susceptible to the latest fashion trends, which consequently awakens their desire for modern fashion products (Andersson *et al.*, 2004:104; McDevitt, 2013; Runyan *et al.*, 2013:326). The findings of this study are in accordance with the literature, suggesting that black Generation Y students seek a continuous supply of modern-styled fashion products with trendy features and a trendy image. In addition, fashion brands that succeed in offering products that represent the latest fashion trends and styles will likely enhance their brand equity.

Owing to these consumers' desire for the latest fashion trends, a continuous introduction of modern fashion products that appeal to this market segment will positively affect their fashion purchase behaviour. In addition, because extremely fashionable products tend to remain in fashion for a maximum period of one year, consumers wear these items for a short period of time and, therefore, the focus should be on providing trendy clothing at affordable prices rather than on providing high quality products at expensive prices. However, in order to produce modern fashions, fashion marketers and retailers should be updated on the latest trends and changes in consumers' attitudes and preferences. Moreover, fashion marketers and retailers should identify which product features are important to these consumers. To remain up to date with the latest fashion trends, fashion marketers should monitor fashion shows, fashion television, designer collections and celebrity wardrobes, including following trends on the Internet and talk to people regarding changes in their lifestyle and clothing preferences. It is also recommended that South African fashion designers seek to meld international and African fashion trends and develop African interpretations of international fashion trends.

6.5.3 Monitor the perceived quality of retail distribution outlets

Shopping for clothing is amongst Generation Y consumers' favourite activities (Martin & Turley, 2004:466). However, the store image of a fashion retailer has a foremost role in attracting consumers (Neerakkal, 2012:38) and significantly influences consumers' attitudes and intention to purchase from a store (Jackson & Shaw, 2009:228; Wu *et al.*, 2011:36). From a distance, consumers assess a store's image (Lea-Greenwood, 2013:94), and consequently, purchase from retail outlets that have a store image consistent with their self-image and personality (Birtwistle, 2004:190). Based on the findings of this study, black Generation Y students indicate that they prefer to buy from retail outlets that they could personally relate to, in terms of the image of the store and its customers. In addition, this market segment seeks retail outlets that offer a variety of products. This study also suggests that by distributing products through retail outlets with an appropriate store image, consumers are becoming more aware of the brand. This brand awareness affects the perceived quality of the brand, the associations linked to the brand and finally influence consumers' loyalty towards the brand, which translates into brand equity.

This study recommends that fashion brands should be distributed through good image stores. Owing to clothing shopping being amongst Generation Y members' favourite

activities, fashion retailers should focus on creating an in-store experience that is inviting and entertaining. The window displays should be designed in such a way that they attract the attention of consumers and invite them to shop. By making use of appropriate props, the retailer could represent the store identity in the window displays and throughout the store. This would assist with attracting the consumer segment that the store is targeting. Interactive or technology advanced displays such as virtual walls could be used to attract the tech-savvy Generation Y segment. The layout of the store should be created in such a way that consumers can easily move around and find products. Furthermore, fashion retailers should ensure that they stock the latest fashion trends desired by the target audience. By providing a large product assortment in terms of diverse designs, colours and sizes, consumers could easily compare products, which increase the enjoyment of shopping. In addition, by making product information such as product reviews and ratings available to consumers, it could assist in making better-informed decisions. The sales personnel should also be trained to provide product information, assist consumers with finding products and provide inspiration and solutions.

6.5.4 Develop unique advertising campaigns to draw the attention of black Generation Y students

Advertising is fundamental for promoting the image of apparel brands (Oh & Jasper, 2006:15); especially to the Generation Y market (Fernandez, 2009:93). Accordingly, the Generation Y segment is significantly influenced by fashion advertisements (Andersson *et al.*, 2004:104; McDevitt, 2013), which influences consumers' product and brand perceptions and, consequently, purchase behaviour (Hult *et al.*, 2014:562). The findings of this study suggest that in order to draw black Generation Y students' attention, the advertisements of the brand should be creative and different from other brands' advertisements, and should have a trendy theme that appeals to this specific market segment. When marketers succeed in gaining this segment's attention, it would lead to greater brand awareness, strengthened brand associations and increased brand loyalty, which enhances brand equity.

This study recommends that fashion marketers select an advertising vehicle that target the same audience as pursued by the fashion marketer. In addition, the theme and style of an advertisement should appeal to the target audience. For example, status images might be used to advertise professional clothing, while a physically attractive setting will

be used to advertise trendy clothing. In order to be effective, the fashion marketers should have substantial knowledge about the target market and should be creative in developing a distinctive advertisement, as distinctive advertisements are more likely to break through the media clutter. Furthermore, it is recommended that the advertisement provides pleasure and entices positive emotions that allow the target audience to experience the brand and visualise themselves in an ideal consumption world. Moreover, it is essential that the uniqueness of the product be communicated, by emphasising information such as the benefits and/or quality product, or the status of the brand. In this regard, fashion marketers should provide as much information about the product as possible, so that it could assist with making better-informed purchase decisions. As such, it is recommended that the advertisement contains high-quality images that display the finest detail of the products, the different product angles and provides a brief but clear description of the product.

6.5.5 Incorporate digital advertising platforms to reach the Generation Y cohort

Technology is central to the Generation Y cohort's existence as it simplifies their lives (Nielsen, 2014). Retailers could use this segments' addiction to technology to their advantage and, therefore, it is recommended to incorporate technology in various facets of marketing activities. Mobile phones, in particular, are the most essential device to Generation Y consumers (Alleyne, 2011). For this reason, it is suggested to connect to this segment through their mobile devices. In addition, social networking sites, which are accessed mainly from mobile phones and laptops (Benedict *et al.*, 2011:9) have a profound role in the lives of Generation Y consumers (Van den Bergh, 2013). Consumers use social networking sites for the same purpose as websites, to gain a reference price (Valentine & Powers, 2013:83), evaluate and compare product choices, and subsequently filter the product choices (Ruane & Wallace, 2013:322). For that reason, it is essential that fashion brands or retailers continuously connect to this segment through social networking sites and ensure that the information communicated is up to date. An alternative option is to make use of the short message system (sms) to notify these consumers of new products available in store as soon as they arrive. Another option is to create a mobile app that serves as a product catalogue. By making use of this mobile app, consumers could view the latest products available from a particular retailer as well as the current stock levels of a specific branch, have access to product reviews and ratings and view the amount of times that a particular clothing item

was liked or shared on social networking sites such as Facebook. Moreover, the mobile app could be used to browse, scan and purchase clothing items, whereby the consumer has the option of picking up the purchase from a specific branch or to have it delivered. Additionally, the mobile app could assist with finding the clothing item in store by scanning the code and subsequently indicating where the particular item is located in store.

Fashion retailers could also incorporate technology into the retail outlet to enhance the shopping experience for these consumers, by increasing the ease and fun of shopping. Mobile point of sale (POS) devices could be implemented to speed up the checkout process, by enabling staff to check out customers from anywhere in the store, which shortens the queues. Furthermore, stores could install user-friendly interactive devices such as tablets or touch screens that consumers could use themselves to search for their purchase history, to view the product catalogue, to check stock and to search for the sizes and colours available for a specific item. Based on the customer's purchase history, this device could also make product suggestions from the current stock available in the store. Fashion retailers could install virtual shopping walls in store. Consumers could also use this device to view the merchandise of the retailers and the various designs and colours that a particular clothing item are available in. Additionally, the consumers will also be able to 'fit' the clothes on screen and view the clothing from various angles. This device could provide the consumer with suggestions on other clothing items that could be worn with the selected item or suggest clothing items that suit a particular body shape. From the virtual walls or tablets, consumers could place orders by clicking on the item. Furthermore, by clicking on the item, the device could also indicate where the particular item is located in store. Fashion retailers could also display the total amount of times a particular clothing item is liked or shared on social networking sites on the hangers of clothing or on the shelves. This engagement between the customers and retailer and/or brand could lead to more store visits and building a long-term relationship.

The purpose of this study was to determine marketing activities' influence on brand equity creation in the South African clothing market amongst black Generation Y students. Similar to most studies, certain limitations were identified in this study, which present opportunities for further research

6.6 LIMITATIONS AND FUTURE RESEARCH OPPORTUNITIES

A quantitative research approach was used for this study to measure Generation Y students' perceptions of selected marketing activities in creating brand equity. By following a qualitative research approach, the reasons for these perceptions may be determined. Furthermore, this study was limited to selected marketing activities, which create the opportunity to measure consumers' perceptions on other marketing activities not measured in this study, such as celebrity endorsement, event sponsorship and distribution intensity. Moreover, the opportunity exists to measure students' perceptions of marketing activities and brand equity within an industry other than the fashion industry.

Three HEIs in the Gauteng province were used in this study. Although the sample represented sample elements from the nine South African provinces (Section 5.5.1), the opportunity is available to conduct a more extensive study, thereby comparing the different students' marketing activities and brand equity perceptions of the different provinces. Additionally, this study can be conducted in other countries for comparative purposes to determine whether there are any differences between South African and international students' marketing activities and brand equity perceptions.

The sample of this study was black full-time Generation Y undergraduate students aged between 18 and 24 years. Consequently, opportunities exist to determine the perceptions of consumers that form part of other ethnic groups or the perceptions of part-time and post-graduate students. Furthermore, opportunities exist to determine perceptions of the non-student population or consumers that form part of another generation. Such study might generate different results given that these consumers are earning their own money.

6.7 CONCLUDING REMARKS

There is little dispute that the competition in the fashion industry is increasing. For a brand to thrive in this extremely competitive environment, a competitive advantage and effective differentiation is required. In achieving this, brand equity should be created. Each marketing activity plays an essential role in creating brand equity, with reference to offering the right product at an appropriate price, distributing the product through good image stores and developing unique advertisements. However, the success of fashion marketing strategies largely depends on the fashion marketer's understanding of the target audience. Currently, the youth are the trendsetters in the fashion industry and they

largely influence other consumer's brand- and clothing product choice. Given Generation Ys influence in future product and brand choices, the fundamental step, as suggested by this study, is to determine this segments' marketing activities and brand equity perceptions in order to alter marketing activities so that their loyalty could be captured and brand equity could be created.

This study investigated how marketing activities influence the brand equity of clothing brands amongst black Generation Y students. Understanding these influences and by using the model proposed by this study as guidance, fashion marketers, retailers and/or manufacturers can develop or control marketing activities to create, increase or maintain brand equity when targeting the black Generation Y market segment. As a result, clothing brands would be differentiated from competing brands, and competitively positioned in the consumers' minds. Additionally, this model may be applied to determine marketing activities' influence on brand equity across different product categories and different population segments.

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ANNEXURE A

QUESTIONNAIRE



Effectiveness of selected marketing activities in creating brand equity in the South African clothing market amongst Generation Y students

I am conducting a research project, under the supervision of Prof N. De Klerk, as part of the requirements for completing my PhD: Marketing Management at the North West University (Vaal Campus). The purpose of this research project is to evaluate the effectiveness of selected marketing activities in creating brand equity in the South African clothing market amongst black Generation Y students.

Please assist me by completing the attached questionnaire. The questionnaire is user-friendly and should take approximately 10 minutes to complete. All responses are confidential and the results will only be used for research purposes, outlined in the form of statistical data.

Thank you - your assistance and contribution is highly appreciated.

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 School of Economic Sciences & IT
 Department of Marketing & Business Management
 North West University (Vaal Campus)

SECTION A: Demographical information

Please mark the appropriate box with a cross (X) or write down your answer.

1.	Name of your institution:	Traditional University	University of Technology	Comprehensive University		
2.	Country of origin:	South Africa	Other (please specify):			
3.	Province of origin:	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	
		Limpopo	Mpumalanga	Northern Cape	North West	
		Other (Please specify):				
4.	Current year of study:	1 st year	2 nd year	3 rd year	4 th year	Post graduate
5.	Gender:	Male	Female			
6.	Ethnic group:					
		African/Black	Asian	Coloured	Indian	White

	Other (Please specify):
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7.	Please indicate your mother tongue language:				Afrikaans
	English	IsiNdebele	IsiXhosa	IsiZulu	Sesotho
	Sesotho sa Leboa	Setswana	SiSwati	Tshivenda	Xitsonga
	Other (Please specify):				

8.	Age at your last birthday:	>18	18	19	20	21	22	23	24	25	25>
9.	Please write down the one clothing brand that you purchase the most (e.g. Nike, OBR, Kelso, RT Denim, Network, Identity, Ginger Mary, Uzzi, Stone Harbour, Levi's, RE, Zeta, Daniel Hechter, Lacoste etc.):										

10.	Write down the name of the store where you purchase this brand:	
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SECTION B: Marketing activities

Based on the clothing brand that you have selected (From now on referred to as **brand X**) in Question 9 (Section A), please indicate the extent to which you disagree/agree with each of the following statements by placing a mark in the appropriate box; 1 being strongly disagree and 6 strongly agree.

	Brand X is the clothing brand that you purchase the most.	Strongly disagree	Disagree	Slightly disagree	Slightly agree	Agree	Strongly agree
1.	The price of brand X reflects its status.	1	2	3	4	5	6
2.	The price of brand X reflects the quality.	1	2	3	4	5	6
3.	Brand X has products with a trendy image.	1	2	3	4	5	6
4.	Brand X products have trendy features.	1	2	3	4	5	6
5.	Brand X continuously improves their product style.	1	2	3	4	5	6
6.	The store where I buy brand X , has customers that I can relate to.	1	2	3	4	5	6

	Brand X is the clothing brand that you purchase the most.	Strongly disagree	Disagree	Slightly disagree	Slightly agree	Agree	Strongly agree
7.	I do not feel out of place in the store where I buy brand X .	1	2	3	4	5	6
8.	The store where I buy brand X , offers a variety of product selection.	1	2	3	4	5	6
9.	Advertisements for brand X are creative.	1	2	3	4	5	6
10.	Advertisements for brand X draw my attention.	1	2	3	4	5	6
11.	Advertisements for brand X have a trendy theme.	1	2	3	4	5	6
12.	Advertisements for brand X are different from those of competing clothing brands.	1	2	3	4	5	6

SECTION C: Brand equity elements

Based on the clothing brand that you have selected (**brand X**) in Question A9, please indicate the extent to which you disagree/agree with each of the following statements by placing a mark in the appropriate box; 1 being strongly disagree and 6 strongly agree.

	Brand X is the clothing brand that you purchase the most.	Strongly disagree	Disagree	Slightly disagree	Slightly agree	Agree	Strongly agree
1.	I can recognize brand X easily from other competing brands.	1	2	3	4	5	6
2.	I am very familiar with brand X .	1	2	3	4	5	6
3.	I can quickly recall the symbol or logo of brand X .	1	2	3	4	5	6
4.	I can easily make a distinction between brand X and other brands.	1	2	3	4	5	6
5.	Brand X products are of high quality.	1	2	3	4	5	6
6.	Brand X products are functional.	1	2	3	4	5	6
7.	Brand X products are durable (long-lasting).	1	2	3	4	5	6

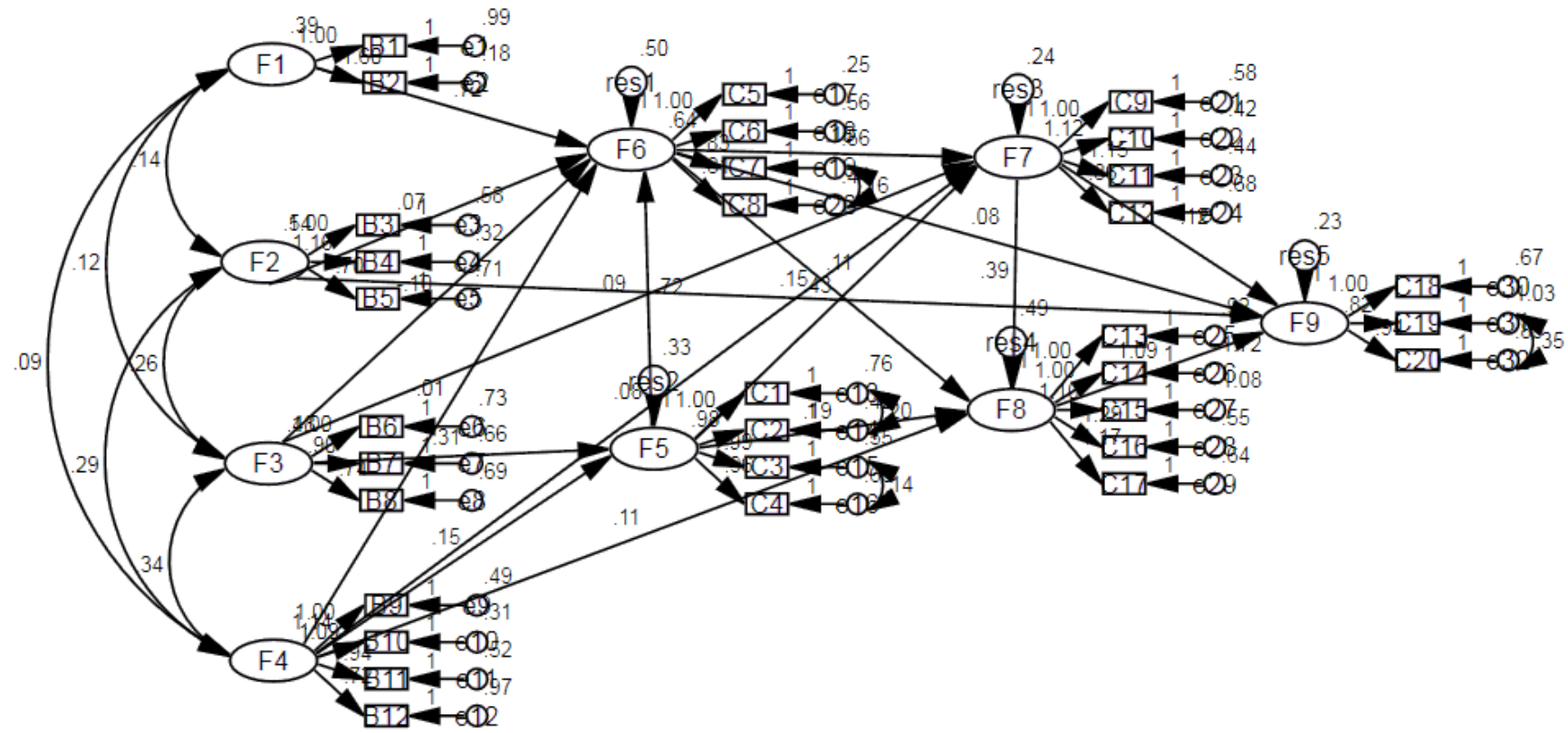
	Brand X is the clothing brand that you purchase the most.	Strongly disagree	Disagree	Slightly disagree	Slightly agree	Agree	Strongly agree
8.	I trust the quality of products from brand X .	1	2	3	4	5	6
9.	Brand X has a very unique style.	1	2	3	4	5	6
10.	Brand X has a very characteristic design that is different from competing brands.	1	2	3	4	5	6
11.	Brand X 's design stands out from other brands.	1	2	3	4	5	6
12.	I associate certain characteristics immediately with brand X .	1	2	3	4	5	6
13.	Brand X will be my first choice when buying clothing	1	2	3	4	5	6
14.	I will not buy other brands if brand X is available at the store.	1	2	3	4	5	6
15.	I am still willing to buy brand X even if its price is a little higher than that of its competitors.	1	2	3	4	5	6
16.	I consider myself to be loyal to brand X .	1	2	3	4	5	6
17.	I recommend brand X whenever I can.	1	2	3	4	5	6
18.	It makes sense to buy brand X instead of other brands available in the market.	1	2	3	4	5	6
19.	If other brands have similar features to brand X , I will still buy brand X .	1	2	3	4	5	6
20.	If other brands have other characteristics, I will still prefer brand X .	1	2	3	4	5	6

Thank you.

ANNEXURE B

STRUCTURAL MODELS

STRUCTURAL MODEL A



STRUCTURAL MODEL B

