

## **MEASURING THE IMPACT OF BRAND POSITIONING ON CONSUMER PURCHASE INTENTION ACROSS DIFFERENT PRODUCTS**

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### **ABSTRACT**

*This study attempts to determine the combined impact of brand signaling variables: brand prestige, brand image and brand credibility; on consumer purchase intention. It also empirically examines the moderating role of product involvement in this brand positioning framework across high and low involvement product categories. This study targets not only students but also professionals and non-professionals within a wide range of demographic characteristics using random sampling technique. Overall 776 consumers have participated in the questionnaire based survey. Within the brand positioning framework lie four more latent (moderating) variables: perceived value for money, perceived quality, information costs saved and perceived risk. The complete model of overall eight constructs is tested with structural equation modeling (SEM). Results indicate that all the three brand signaling variables (brand prestige, brand image and brand credibility) positively influence consumer purchase intention; through perceived value for money, perceived quality, information costs saved, and perceived risk. The total impact of brand positioning variables is greater in case of high involvement product as compared to the low involvement product category. By extending the sampling frame to consumers from professional and non-professional fields an effort is made to make the results of this study more generalizable in all contexts and markets. This study may prove useful for marketers and advertisers for framing effective policies and enhancing profitability. Limited studies have analyzed the role of brand prestige, brand image and brand credibility as signaling variables in determining consumer purchase intention. The present study add value to existing literature by extending the framework of brand positioning by including and testing the impact of a new signaling construct, brand image, on consumer purchase intention. Furthermore, not much has been previously explored about whether the impact of these signaling variables upon consumer purchase intention may remain same across various product categories.*

**Keywords:** *Brand credibility; brand image; brand prestige, consumer purchase intention; perceived value; perceived quality; perceived risk; product involvement.*

## **1) INTRODUCTION**

Increase in market share is a usual objective of every organization. Sales are dependent on intention of consumers to purchase. Purchase intention (PI) is an implied commitment of buyers to themselves for purchasing the product/service each time they visit the market (Fandos & Flavián, 2006; Halim & Hamed, 2005). PI represents the notion of consumer retention (Tariq et al., 2013). Marketing research surveys extensively use purchase intention measures to predict sales. In this connection the concept of pre-purchase intention is important to study. It is the stage when a customer examines the product/service and makes purchase decision. Henceforth, determination of product/service characteristics that may provoke a customer to purchase is quite necessary. But in fact in competitive markets, availability of a wide range of products makes this purchase decision rather difficult. This difficulty arises because of asymmetric information (that is, firms are more aware about products/services than the customers). This may create mystification or ambiguity in customers' mind when they undertake a purchase decision.

In this scenario, brands play a major role by acting as symbols or signals for product positioning (Erdem & Swait, 2004; Wernerfelt, 1988). Literature identifies two important factors that are supposed to be indispensable virtues for every marketer for building a strong brand. These include credibility and perceived value in the brand (Vanrenen, 2005). Previous studies have incorporated brand credibility and brand prestige as brand positioning variables. The present study has included one more variable, brand image, in addition to previously used brand positioning variables.

Thus, present study focuses on determining the combined impact of brand positioning variables (brand credibility, brand prestige and brand image) on customer's purchase intentions along with examining the moderating role of product involvement in brand positioning framework.

## **2) THEORETICAL BACKGROUND**

From the view point of “information economics”, signaling theory suggests that information regarding a particular product flows between customers and organizations at varying levels thereby causing asymmetric information (Kirmani & Rao, 2000). This asymmetric information creates mystification in customers’ mind regarding products’ or services’ quality being offered by an organization. A likely solution for this discrepancy may be the utilization of signals. Signals can be described as actions taken by the seller to credibly convey the information to the buyer regarding those attributes of product quality which go unobserved (Rao et al., 1999). According to signaling theory a range of marketing mix elements: product, price, place and promotion; if employed efficiently by a corporate, may act as signals of product quality and can create unique position about the product in the mind of customers. Brands can also be considered as signs, informing customers about the products qualities, thereby creating a unique position about them in the eyes of customers (Dawar & Parker, 1994). Hence, for reducing the ambiguity in the mind of customers regarding the quality of products or services, companies are accustomed to utilize brands as signs of product positioning, preferably in a market which comprises asymmetric information (Gammoh et al., 2006; Washburn et al., 2004).

Brand signals comprise the strategies of a firm underlying marketing mix and the brand related activities associated with these strategies, adopted in past and being practiced presently. In other words a brand itself acts as signals because it symbolizes a firm and its past and present marketing strategies (Erdem & Swait, 1998). An indispensable feature of a brand is its ‘credibility’ (Başgöze & Özer, 2012). As compared to customers, companies have more knowledge about the quality of their products/services (asymmetric information). While most customers are not able to assess or believe in the products’ quality feature unless they themselves have experienced it or have read a consumer report about it or if the brand is not much trustworthy (imperfect information). Therefore companies require a framework to control the flow of imperfect information to the customer about their products/services’ quality, thereby enabling the customers to rank their product as high in terms of credibility (Erdem & Swait, 1998). Literature describes brand credibility as a perceived credence that a company is willing, able and has promised to offer on a continuum pattern (Erdem & Swait, 2004).

In addition to credibility, one more attribute of brand that creates unique positioning of product in customer's mind is the high perception of brand's value (Baek et al., 2010). Even though research suggested various dimensions of perceived brand value; the focus of present research is laid on more hedonic and social aspects of brand value – “brand prestige” and “brand image”. Brand prestige is expressed as the comparatively high-minded status of product position affiliated with a brand (Steenkamp et al., 2003; Alden et al., 1999); and brand image is identified as a symbol of high quality in customers' cognition and comprises every information and expectations affiliated with a product (Keller, 2008). Where brand credibility acts as a signal of tangible and utilitarian part of perceived value, brand prestige and brand image are signals of intangibility of perceived value. Both of these value constructs – brand prestige and brand image represent brand value in the mind of consumers. The basic difference between them is that consumer seeks value through brand prestige in terms of social status or wealth while brand image creates value in customers' mind through their strength, favorability, and uniqueness. Prestige brands are those with high prices and less frequently purchased therefore creates a value in the mind of consumers as a high status brand. Whereas brand image creates value in customers' mind not only because it is expensive but also that it has its own personality, differentiating it from the competitors' brands. Hence inspecting the tangible (credibility) aspect of product positioning together with the intangible (image and prestige) aspects will exhibit a better and more comprehensive picture of consumers' decision choices. If there is increase in brand credibility, brand prestige and brand image in customers' minds, the quality of the products will be perceived high by them along with increased perceived value for money. This leads to reduced information research cost with diminishing perceived risk which finally results in augmentation of expected benefit derived by the customers from the purchase of the branded product. The augmented expected benefit implies “the added-value provided to a product by the brand” (Farquhar, 1990). Stating otherwise, augmented expected benefit enhances the brand-value and in turn affect the decision making process.

Limited studies have analyzed the role of brand prestige, brand image and brand credibility as signals in determining consumer purchase intention. Hence a proper comprehension of the coalesced framework of these signaling variables in the establishment of brand purchase intention will be very vital and indicative for every one engaged with advertising

and marketing of products. The rationale behind this is that such a framework endows the advertisers and marketers with the guideline that enables them to establish better position of brand in customer's minds. One such study was conducted by Erdem and Swait (1998) who explored the relationship between brand positioning and purchase intention taking brand credibility as a signal of brand positioning. In this realm, Baek et al. (2010) incorporated one more variable, brand prestige, along with brand credibility as signals of brand positioning to identify how they affect consumer purchase intentions. This study further extends the framework of brand positioning by including another new signaling construct, brand image, from the existing literature. It will examine how customers purchase intention is affected through brand positioning (brand credibility, brand prestige and brand image). Furthermore, not much is explored about whether the impact of these signaling variables upon consumer purchase intention may remain same across various product categories within this coalesced framework. Therefore this study will estimate whether the impact of these brand signaling variables on consumer purchase intention varies with high and low involvement products to affirm the generalizability and robustness of the model.

Moreover most previous studies focused only on university students, especially the undergraduate students with average age of 20. Whereas a greater proportion of market share comprises of professional and non-professional people whose purchase intentions are strongly influenced through the brand signaling variables. Excluding this group of consumers cannot yield sufficiently generalizable results. Therefore, present study has targeted general consumers including students as well as professionals and non-professionals within a wide range of demographic characteristics. Thus the results are likely to be more comprehensive and may be generalized in all contexts and markets. This study will also be useful for marketers and advertisers for framing effective policies and enhancing profitability.

### **3) LITERATURE REVIEW & HYPOTHESIS DEVELOPMENT**

#### **3.1) Perceived Value**

Perceived value can be described as follows: it is based on perceptions of customer. It is evaluation of the utility of a product as to what value (money) the customer has spent and what value (satisfaction and utility) is received in return (Zeithaml, 1988).

#### **3.2) Perceived Quality**

Perceived quality of a product can be conceptualized as: it is an evaluation of the inherent as well as other dimensions of a good or the service made by the customer (Jeddi & Zaiem, 2010).

#### **3.3) Perceived Risk**

Perceived risk can be described as the uncertainty that exists in the mind of customers regarding the unforeseen consequences of their purchase decisions” (Shiffman & Kanuk, 2003).

#### **3.4) Information Costs Saved**

Erdem and Swait (1998) has operationalized information costs saved as the reduction in costs associated with collection and processing of information, which include expenditure of money, time and psychological costs.

#### **3.5) Brand Credibility**

The construct of “brand credibility” was first explored by Erdem and Swait (1998) in the pursuance of examining brand equity (basis of which was customer) through signaling theory. As explained previously, it is identified as perceived credence that a brand is willing and able to provide on a continuum pattern what it has promised to offer (Erdem & Swait, 2004). Accordingly the two major attributes that comprises brand credibility are “trustworthiness and expertise” (Sweeney & Swait, 2008; Erdem, Swait, & Valenzuela, 2006; Erdem et al., 2002; Erdem & Swait, 1998). The will of companies to provide what has been promised by them is “trustworthiness” whereas companies’ ability to provide truly what

was promised is called “expertise”. Brand credibility is an essential feature or attribute of brand (Maathuis et al., 2004). If customer perceives a brand to be credible enough it will be reflected in his/her purchase decisions. This is because brand credibility is the likely information for creating position in customers’ minds (Erdem & Swait, 1998); and therefore actively participates in establishing customers’ brand preferences and/or buying intentions (Maathuis et al., 2004; Erdem & Swait, 1998; Wernerfelt, 1988). Furthermore as previously stated, a brand itself acts as signals because it symbolizes a firm and its past and present marketing strategies (Erdem & Swait, 1998); it is not astonishing that consistency of marketing mix strategies is strongly reflected through brand credibility as its components (trustworthiness and expertise) are dependent upon collective impacts of the entire prior marketing strategies (Baek et al., 2010). Hence, higher brand credibility is a strong signal of high product positioning in customer’s mind. Keeping other things constant, the quality of product will also be perceived as high by the customers if higher position the brand has occupied in their minds (more credibility) as compared with the brand having lesser credibility of occupying space in customers’ mind (Wernerfelt, 1988). Hence, the greater the brand’s credibility signaling position of a product in customer’s mind, the lesser the customer’s perception would be of being risky and minor would be the cost borne by the customers with regard to collection and processing of information required for decisions building (Srinivasan & Ratchford, 1991; Shugan, 1980). Stating otherwise, greater perceived quality, lesser information costs, and lesser risks lead to greater brand credibility (Aaker, 1991). The psycho-physical progression is influenced by signaling effect of brands due to which objective quality levels are transformed into perceived levels (Park & Srinivasan, 1994).

To sum up, credible brands enhance expected utility (i.e. purchase intention) through (a) Increment in perceived value for money (Hanzaee & Taghipourian, 2012); (b) Enlargement of perception or expectation of quality; (c) Reduction of expected risk; and (d) Lessening of cost associated with information (Hanzaee & Taghipourian, 2012; Baek et al., 2010; Erdem & Swait, 2004; Erdem et al., 2002). Literature also identifies direct association between risk perception and information cost (Baek et al., 2010).

Following hypotheses are examined in this study to generalize the model of Erdem and Swait (1998) across different product categories and in a

different environment (Pakistan). Furthermore, all previous researches have focused on undergraduate students only. This study is more comprehensive in that it has targeted general consumers including students, professionals and non-professionals. Finally the following hypotheses will enable us to examine the continuum roles of brand credibility, brand prestige and brand image in influencing costumers' brand purchase intention.

**H1:** Brand credibility directly influences the perceived value for money;

**H2:** Brand credibility directly influences the perceived quality;

**H3:** Brand credibility directly influences the information cost saved; and

**H4:** Brand credibility indirectly influences the perceived risk.

### **3.6) Brand Prestige**

Brand Prestige is expressed as the comparatively high-minded status of product position allied with a brand (Steenkamp et al., 2003; Truong et al., 2009). Though there are numerous ways to position the brands but a fundamental distinction is between prestige and functional brand (Monga & John, 2010). More abstraction is found in prestige brand construct as compared to functional brand construct, thereby permitting prestigious brands to accomplish those products with few physical attributes (Monga & John, 2010). Moreover, high pricing products (Truong et al., 2009; Wiedmann et al., 2009; Lichtenstein et al., 1993); and products whose consumption may be influenced by reference groups (Bearden & Etzel, 1982); are often used as proxies for brand prestige. The customer's perception of a prestigious brand is established through their interactions with environmental factors, thereby concluding that same brand cannot have same prestige level for different consumer. Concept of prestigious brands may vary from consumer to consumer but the common conjecture is that prestigious brands are not bought very often, necessitate relatively greater amount of interest and stoutly associate with socially wellbeing of individuals (Hanzaee & Taghipourian, 2012). In this regard, Alden et al. (1999) argued that customers get utility from prestige brands because such brands position themselves in customer's minds being a cue of "social status", "wealth", or "power". As per O'cass and Frost (2002) prestigious brands contrast themselves from those not being prestigious in that they can mold customers to purchase in order to enhance their social status and/or worth. In this context, Wong and Zhou (2005) also analyzed that a brand being expected to be prestigious would impact



consumers' buying motives largely when the product category is of high social display value. Thus, the brands being prestigious are considered valuable by the customer because such brands are symbol of high status for them, thereby influencing their purchase intention.

Brand prestige has a close and direct connection with perceived quality and perceived value. Research conducted by Steenkamp et al. (2003) identified positive association of value of global brand with brand prestige and perceived quality. Findings of their research also demonstrated direct relation of brand prestige with buying motive. Findings of the study of Vigneron and Johnson (1999) also evidently conclude that a consumer selects/buys prestige brands because they derive quality from them.

Since prestigious brands act as a signal of high status product in consumers' minds, consumers do not require much effort to obtain information regarding the product for taking buying decision. Hence, information costs associated with purchase decision would decrease in case consumers perceive the brands as prestigious Baek et al. (2010). This is because consumer is of the view that if society wants the product then it must be of high value.

Like other decisions, purchase decisions are also not without risk. The risk is that the product may not be of good quality if purchased or may require a lot of information before purchase. Since prestigious brands are considered of good quality and require less information cost so lesser risk is associated with buying decision of prestigious brand.

To sum up, prestige brands also enhance expected utility (i.e. purchase intention) through the (a) Increment in perceived value for money (reference: best article); (b) Enlargement of perception or expectation of quality; (c) Reduction of expected risk; and (d) Lessening of cost associated with information (Hanzaee & Taghipourian, 2012; Baek et al., 2010). Taken together, the following hypotheses are presented:

- H5:** Brand prestige directly influences the perceived value for money;
- H6:** Brand prestige directly influences the perceived quality;
- H7:** Brand prestige directly influences the information cost saved; and
- H8:** Brand prestige indirectly influences the perceived risk.

### **3.7) Brand Image**

Purchases made by most of the people are not only because of the physical attributes of the product but because their self-esteem is attached with the product (Ghafoor et al., 2012). One such attribute of self-esteem is brand prestige (Hanzaee & Taghipourian, 2012; Baek et al., 2010). Some researches demonstrate that image which has been formed in consumer's mind about a particular product or brand (i.e. brand image) is reflected in their purchase attitude; hence most of the time consumers make purchases not for product's attribute but for what the brand demonstrates to them (Levy, 1981). So, the other attribute representing self-esteem is brand image. Brand image can be described as number of brand associations about a brand, which consumers preserve in their recall (Keller, 1993). It is a symbolism established in a consumer's cognition and is comprised of every information and perception allied to the product (Keller, 2008). Both brand prestige and brand image represent brand value in the mind of consumers but the basic difference between them is that consumer seeks value through prestige brands in terms of social status or wealth only (Steenkamp et al., 2003); while brand image creates value in customer's minds through their strength, favorability, and uniqueness (Keller, 2008). Prestige brands are those with high prices and not purchased frequently therefore creates a value in the mind of consumers as a high status brand; whereas brand image creates value not because the brand is expensive but because it has its own personality differentiating it from the competitors' brands.

Hence, a central decision relating to brand positioning is considering the benefit of its distinguishing appeal, making it distinct from competitor, and reverberate with potential consumers. Therefore, In addition to brand credibility and brand prestige another essential concept of branding that is to be included as positioning signal in the present study is brand Image.

Park et al. (1986) described brand image an essential tool of marketing since it causes increased sales at times. In addition acting as a sign of high position in consumer's mind, brand image is also supposed to convince the consumers to buy this brand repeatedly (Ghafoor et al., 2012). Moreover, Dobni and Zinkhan (1990) found through research that brand image is an essential feature modern age consumers cater when they intend to purchase and therefore strongly influence the consumers'

purchase intention. In addition, the strength, favorability and uniqueness of brand image is considered to be directly associated with the customers' will to purchase products even they are highly priced (Faircloth & Alford, 2001).

Brand image is an indispensable sign connected with customers' perception of quality. One such study conducted by Chiang and Jang (2007) indicated that brand image is a significant predictor of customer's perception of quality and trust. A strong, favorable and unique brand represents the connotation of brand to the customer by connecting the product info to the brand cue being created in customer's memory, thereby representing product well-being and recapitulation assessments of brand (Keller, 2008). In this way less information is required for purchase of products that have high image in the mind of consumers. Because of this information cost saved, risk associated with purchase decision would also decline. This is because if consumers have high image of a product in terms of its strength, uniqueness and favorability in their mind, lesser time will be spent in gathering the information which in turn results in reduction of risk that will lead the consumer to purchase the product.

Taken together following hypotheses are presented:

- H9:* Brand image directly influences the perceived value for money;
- H10:* Brand image directly influences the perceived quality;
- H11:* Brand image directly influences the information cost saved; and
- H12:* Brand image indirectly influences the perceived risk.

### **3.8) Purchase Intention**

An extensively used factor for predicting the successive purchases is purchase intention (Samadi & Nejadi, 2009). Purchase intention (PI) is an implied commitment of the buyers to themselves for purchasing the product/service again each time they visited the market (Fandos & Flavián, 2006; Halim & Hamed, 2005). Thus, marketing research surveys extensively use purchase intention measures which results in sales and ultimately fulfillment of company's objectives. But the question is what causes purchase intention, stating otherwise the predictors of purchase intention. Literature identified numerous predictors of purchase intention. For example studies conducted by Erdem and Swait (2004;

1998); Erdem et al. (2006); and Baek et al. (2010) examined perceived quality, information cost saved and perceived risk as main factors influencing consumers' purchase intention. The work of Hanzaee and Taghipourian (2012) instigated one more factor, perceived value for money as a major cause of convincing consumers to purchase in addition to perceived quality, information cost saved and perceived risk.

Literature identifies that perceived value influences purchase intention more strongly as compared to perceived quality (Szybillo & Jacoby, 1974). Prior studies demonstrated positive association between perceived value and customer's intention to purchase (Sweeney et al., 1999; Dodds et al., 1991). Study of Chong et al. (2003) has also suggested perceived value as a partial mediator between brand trust and buying behavior.

The second predictor influencing customers' will to purchase is perceived quality. It is basically a person's assessment of overall excellence of the brand. Prior studies demonstrated positive relationship between purchase intention and perceived quality (Hanzaee & Taghipourian, 2012; Baek, et al., 2010; Erdem & Swait, 1998, 2004; Zeithaml et al., 1996).

Like other decisions, purchase decisions are also not without risk. The risk is that the product may not be of good quality if purchased or may require a lot of information before purchase. Thus, another factor impacting buying intentions of consumers is the risk associated with the purchase. Studies done by Mitchell et al. (1999); and Wood and Scheer (1996) effectively shown that customers' will to purchase is indirectly influenced by perceived risk. People usually purchase those products whose purchase is associated with minimum risk. It has been extensively researched that perceived risk by customers are chief factor influencing their brands' assessment and buying (Laroche et al., 2004). Therefore, the need of the hour suggests that marketers should understand the perceived risk framework and have clear empathy that if purchase of product is characterized by lesser risk consumers will tend to purchase that product (Samadi & Nejadi, 2009).

One more factor impacting purchase intentions of consumers is the cost of the information incurred while making purchase decisions. It has been established that lower the cost incurred in collecting information relating to product more the consumers will be inclined towards purchase of that product. Furthermore, saving of information cost leads to curtailed

perceived risk (Hanzaee & Taghipourian, 2012); which in turn increases the chances of purchase (Baek, 2007).

Hence, following hypotheses have been proposed in this connection:

**H13:** Perceived value for money positively influences the Purchase intention;

**H14:** perceived quality positively influences purchase intention;

**H15:** perceived risk negatively influences Purchase intention; and

**H16:** information costs saved positively influences purchase intention.

### **3.9) Product Involvement**

Involvement is frequently recognized to be the essential moderator predicting consumer choice behavior (Celsi & Olson, 1988). It is generally described as perceived individual significance and is identified as either short-lived or permanent (Celsi & Olson, 1988; Richins & Bloch, 1986).

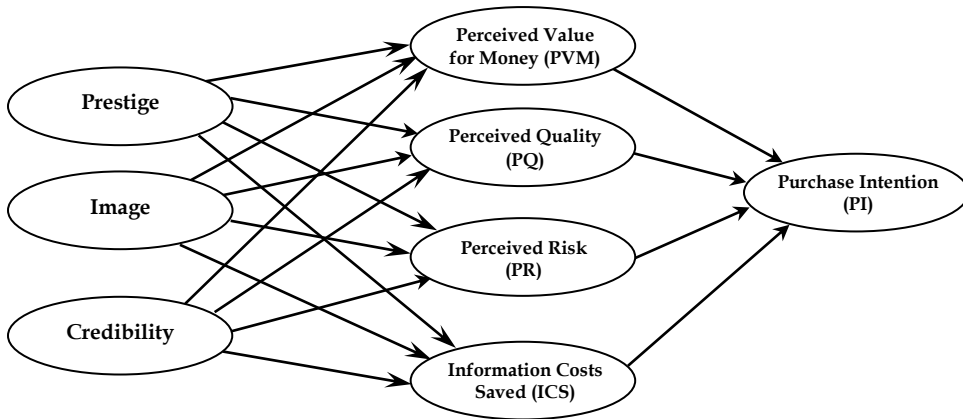
Substantial consideration has been received by involvement research until now (Hanzaee & Taghipourian, 2012), and is considered to be an essential variable in predicting customer buying intention (Evrard & Aurier, 1996).

Product involvement is construed to result in a larger perception of distinctive features, larger product significance and larger commitment to brand preference (Howard & Sheth, 1969). When there is a lesser involvement of an individual in a product, he/she will be less motivated to analyze the info allied with a particular product. Hence, information cannot be properly identified when consumers have different involvement with different products (Wang & Lin, 2011).

Thus, the association between brand positioning signals (brand prestige, brand image and brand credibility) with customers' purchase intention may vary in terms of high/low degree of product involvement. This analysis can produce more general and robust results by contrasting the impacts of brand credibility, brand prestige and brand image on purchase intention across different product categories. Taking in view the above discussion following hypotheses is proposed.

**H17:** The impact of brand signaling position framework on purchase intention will be greater for high involvement products as compared to low involvement product categories.

All the hypothesis reported above are presented in the figure 1 below.



*Figure 1: Conceptual Model*

## **4) METHODOLOGY**

### **4.1) Measurement Instrument**

For measuring the constructs of brand credibility, perceived quality, perceived risk, information costs saved, and purchase intention 5-point scale (1-strongly disagree to 5-strongly agree) established by Erdem and Swait (1998) was utilized in the present study. This scale has been authenticated to analyze brand credibility (6 items), perceived risk (3 items), information costs saved (3 items), and purchase intention (3 items) (Hanzaee & Taghipourian, 2012; Baek & King, 2011; Baek et al., 2010; Erdem et al., 2006; Erdem & Swait, 2004 & 1998; Erdem et al., 2002). 3 items were extracted from (Dodds et al., 1991) scale to measure perceived quality and validated in the study of (Yoo et al., 2000). Brand prestige was measured with a three item scale originated from previous research (Steenkamp et al., 2003; and Han & Terpstra, 1988); and authenticated in the studies of (Baek et al., 2010; Hanzaee & Taghipourian, 2012). Finally, the General Brand Image (GBI) scale suggested by Aaker (1996) and incorporated widely by Wang and Yang (2010); and Martinez and De Chernatony (2004); was adapted in this study to measure brand image. 5-

point scale was incorporated for perceived quality, brand prestige as well as brand image.

To check the reliability of scales incorporated in present study, Cronbach's alpha coefficients were estimated. The value of this measure signified that all the items of all constructs are reliable as Cronbach's alpha value was according to acceptable limit (Appendix-1).

To analyze the validity of scales used, convergent validity was estimated. To estimate this validity measure factor loadings are examined for statistical significance (Baek & King, 2011). Factor loadings are resulted through confirmatory factor analysis. Hence, all the variables proposed in the model were undergone through (CFA). Results of CFA indicated that factor loadings of all the items ranged from 0.577 to 0.875 were significant at 5% level of significance (Appendix-1).

#### **4.2) Pretest Results**

Before analyzing hypotheses, a pretest was conducted to recognize high and low involvement product categories. This was done through PII (Personal Involvement Inventory) scale proposed by Zaichkowsky (1985) and incorporated in many researches for analyzing customer involvement degree as this scale meets the standard limit for reliability (internal and over time) and validity (content and construct) (Hanzaee & Taghipourian, 2012). Preliminary a pool of four product categories was selected to identify low and high involvement products. 66 respondents (51.5% male and 48.5% female) were targeted to assess the level of involvement of four product categories.

PII comprises 20 semantic differential items scores on 7-point scale. In general to identify the level of involvement (low or high), items' scores are added up in the range of 20 to 140. According to PII scale, products recognized as low involvement get score in the range from 20 to 69, medium involvement products in the range from 70 to 110 and high involvement products score range is 110 to 140 (Zaichkowsky, 1985).

The present study identified Mobile as the high involvement product as this product category score was 111.8 which was the highest mean rating on the PII. Chewing gum was deemed as low involvement product

category with lowest mean rating of 60.5. Remaining two products (shampoo and biscuits) fell in the medium involvement range.

### 4.3) Sample

800 questionnaires were distributed among the general consumers residing in Lahore out of which 776 were returned complete with response rate of 97%. Thus, the sample consisted of 776 general consumers (53.7% male and 46.3% female) residing in Lahore. The demographic profile of respondents is reported in Table-1. Random sampling technique was adopted. Respondents were asked to answer the questionnaire covering both product categories (mobile and chewing gum). After the treatment of missing data through list-wise deletion of cases, a total of 1552 observations (776 respondents x 2 product categories) were incorporated for the analysis of pooled data.

*Table 1: Demographic Profile of Respondents*

Demographics	Categories	Frequencies	Percentages
Gender	Male	417	53.7
	Female	359	46.3
Age	20-29	343	44.2
	30-39	163	21
	40-49	147	19
	Above 50	123	15.8
Monthly Household Income	Less than 25000	343	44.2
	25000-35000	155	20
	35001-50000	103	13.3
	Above 50000	175	22.5
<b>Total</b>		<b>776</b>	<b>100</b>

### 5) Results

The hypotheses were estimated using structural equation modeling through (SEM) via AMOS. In order to test the hypothesis H17 that brand signaling constructs' impact on purchase intention of customers vary in low and high product involvement, two separate models were analyzed for each of 16 hypotheses (H1 to H16). Model-1 represented Low product involvement category (Chewing gum) whereas Model 2 represented High Product involvement category (Mobile). For testing hypotheses, structural path coefficients estimated through SEM were analyzed. Separate path



represented different hypothesis. The significance of hypotheses was examined through goodness of fit indices which had indicated that both the models were a good fit (Table-2).

Table 2: Fit Indices of Models under High/Low Product Involvement

Fit Indices	Low Involvement	High Involvement
RMSEA	0.06	0.059
GFI	0.805	0.815
AGFI	0.767	0.778
NNFI	0.856	0.867
CFI	0.865	0.885

Note: All coefficients are significant at 5%

Table 3: Estimated Path Coefficients and Total Effects

Path	Proposed models under product involvement			
	Low Involvement (Model-1)		High Involvement (Model-2)	
	Path-Coefficients	t-value	Path-Coefficients	t-value
H1: Prestige →PVM	.035	2.176	0.148	4.430
H2: Prestige→PQ	0.070	2.316	0.322	9.549
H3: Prestige→PR	-0.004 (ns)	-0.128	-0.347	-9.647
H4: Prestige→ICS	0.018 (ns)	0.657	0.157	4.611
H5: Image→PVM	0.085	2.602	0.057 (ns)	1.590
H6: Image→PQ	0.121	3.590	0.072	2.071
H7: Image→PR	-0.111	-3.579	-0.125	-3.668
H8: Image→ICS	0.084	2.773	0.063	1.729
H9: Credibility→PVM	0.719	16.105	0.550	13.257
H10: Credibility→PQ	0.737	16.314	0.615	14.434
H11: Credibility→PR	-0.537	-13.661	-.577	-13.415
H12: Credibility→ICS	0.460	12.325	0.461	11.045
H13: PVM→PI	0.044	1.766	0.011 (ns)	0.289
H14: PQ→PI	0.003 (ns)	0.138	0.193	4.677
H15: PR→PI	-0.144	-4.767	-0.109	-2.854
H16: ICS→PI	0.493	14.066	0.447	10.393
Total: Prestige→PI	0.14	-	0.168	-
Total: Image→PI	0.033	-	0.044	-
Total: Credibility→PI	0.334	-	0.381	-

No. of respondents = 776 for each product Category

Note: ns means not significant

In both the models developed for low (Model-2) and high involvement (Model-1) product categories, all the brand signals viz brand prestige, brand image and brand credibility are found to have direct impact on perceived value for money (PVM), perceived quality (PQ) and information cost saved (ICS) but these brand signals variables indirectly impact perceived risk (PR) in both the models. All these relationships are statistically significant except the relationships between Image and PVM under high involvement product (Model-2) and between Prestige and PR and Prestige and ICS under Model-1. Thus, path coefficients support the hypotheses H1, H2, H3, H4, H5 H6, H7, H8, H10, H11 and H12 in case of Model-2 and in Model-1 hypothesis H1, H2, H5 H6, H7, H8, H9, H10, H11 and H12 are signified. The results are depicted in Table-3 along with the path coefficients and their statistical values. Table-3 also signified that customer's purchase intention is positively and significantly impacted by PVM (H13), PQ (H14) and ICS (H16). However, H13 is not supported in Model-2 and H14 is not signified in Model-1. Furthermore, perceived risk negatively influences purchase intention in both the models, thereby, signifying hypothesis H15.

Finally, contrasting the brand signaling variables framework it appears that all brand signal variables (prestige, image and credibility) has more effect in totality on purchase intention in product category (0.168, 0.044, 0.381) as compared to the total effect under low involvement product category (0.14, 0.033, 0.334). This suggests that people give more importance to brands when they are to purchase high involvement products as compared to low involvement products (Table-3).

## **5) CONCLUSION AND DISCUSSION**

The present study focuses on determining the combined impact of brand positioning variables (brand credibility, brand prestige and brand image) on customer's purchase intentions along with examining the moderating role of product involvement. Previous studies have incorporated brand credibility and brand prestige as brand positioning variables. The present study has included one more variable brand image in addition to previous used brand positioning variables. Moreover, few studies have analyzed the role of brand signals in consumer choice behavior. Hence, comprehending the coalesce framework of brand credibility, brand prestige and brand image in the establishment of brand purchase intention is vital and indicative for every one engaged with advertising

and marketing of products. The rationale behind this is that such a framework endows the advertisers and marketers with the guideline that enables them to establish high position of brand in customer's minds. Furthermore, not much is explored whether the impact of coalesce framework of brand credibility, brand prestige and brand image upon purchasing decision may or may not remain same across various product categories.

Results indicate significant impact of brand positioning variables on purchase intention thereby suggesting that people are more inclined towards purchase of a product if the brand or product has high image in their minds, considered it as a status symbol for them and/or consider it to be credible. This relationship between brand positioning or signaling variables and purchase intention is significantly found to be moderated by perceived value for money, perceived quality, perceived risk and information costs saved. Thus, suggesting that if people have high brand prestige, brand image and brand credibility in their mind, they will perceive the value and quality of the product to be high, they will also expect that little risk will have to be borne by them and lesser information will be required in making purchase decision which in turn will convince them to buy that brand or product gain and again.

Finally, considering the role of high and low involvement of product suggests that results are robust and the model can be generalized to different product categories as there is not much greater difference among the estimates in low and high product involvement. The results suggest that brand credibility, brand image and brand prestige may act as resourceful constructs and contribute to the development of consumers' brand purchase intention. These results are consistent with the results of the study conducted by Erdem and Swait (1998) and partly consistent with the findings of Baek et al. (2010); and Hanzaee and Taghipourian (2012). The results differ in terms of the total effect of brand credibility on purchase intention; the brand credibility's total effect on purchase intention is greater in case of high involvement product in present study while in previous studies Baek et al. (2010); and Hanzaee and Taghipourian (2012) total influence of brand credibility is lower in high involvement products as compared to low involvement products. These results may differ because of more diversified sample targeted currently. Previous studies have focused only university students especially the undergraduate students with average age of 20. But a greater proportion

of market share comprises of professionals whose purchase intentions are strongly influenced through the brand positioning variables. Hence, excluding this group of consumers cannot yield generalized results. Therefore, present study has targeted all the general consumers of all ages including students as well as professionals and non-professionals. Thus, present study gives more comprehensive results and the model proposed can be generalized in all contexts and markets. This study will also be useful for marketers and advertisers for framing their policies in order to enhance sales.

## **6) FUTURE RECOMMENDATIONS**

This study should also be conducted in other major cities of Pakistan with larger sample size. Furthermore, for checking the generalizability and robustness of the model, the study can be repeated to estimate any difference exist between total impact of brand positioning variables on professional and non-professional consumers' purchase intention. The same technique can be used as incorporated for analyzing total impact across low and high involvement product.

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## APPENDIX

### Appendix-1: Model Measurement Constructs and Estimates of Reliability and Validity Coefficients

Constructs	Measurement Items	Factor Loadings	Cronbach's Alpha Value
<b>Prestige</b>	This brand is very prestigious.	.805	0.939
	This brand has high status.	.875	
	This brand is very upscale.	.828	
<b>Image</b>	This brand is different from competing brands.	.638	0.925
	There are reasons to buy this brand over competitors.	.733	
	This brand has a personality.	.774	
	This brand is interesting.	.781	
	I have a clear image of the type of person who would use the brand.	.635	
<b>Credibility</b>	This brand delivers (or would deliver) what it promises.	.577	0.908
	Product claims from this brand are believable.	.581	
	Over time, my experiences with this brand led me to expect it to keep its promises.	.596	
	This brand is committed to delivering on its claims.	.612	
	This brand has a name you can trust.	.638	
	This brand has ability to deliver what it promises.	.615	
<b>Perceived value for money</b>	This brand appears to be a good value for the money.	.800	0.949
	The price shown this brand is very acceptable.	.813	
	This brand is considered to be a good financial deal.	.870	
	How would you rate the competitiveness of the price of the brand?	.752	
<b>Perceived quality</b>	The quality of this brand is very high.	.776	0.936
	The likely quality of this brand is extremely high.	.818	
	The likelihood that this brand is reliable is very high.	.777	

<b>Constructs</b>	<b>Measurement Items</b>	<b>Factor Loadings</b>	<b>Cronbach's Alpha Value</b>
<b>Perceived Risk</b>	I need a lot more information about this brand before I would buy it.	.762	0.908
	I never know how good this brand will be before I buy it.	.725	
	To figure out what this brand is like, I would have to try it several times.	.683	
<b>Information Cost Saved</b>	Knowing what I am going to get from this brand saves me time shopping around.	.698	0.899
	This brand gives me what I want, which saves me time and effort trying to do better.	.765	
	I know I can count on this brand to be available in the future.	.672	
<b>Purchase Intention</b>	I would never buy this brand.	.767	0.936
	I would seriously consider purchasing this brand.	.832	
	How likely would you be to purchase this brand?	.805	

**All factor loadings are significant at 5% level of confidence**