



ADJUSTMENT OF CORPORATE DECISION-MAKING  
STRATEGIES WITH CONSIDERATION AND APPLICATION  
OF BRAND EQUITY

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Abstract

This paper aims to explore the concept of brand equity; whose intangible value can favor business by generating less spending on promotion as well as molding organizational image. The observed targets in studies derive from diversified industries, and those papers display diverse perspectives to brand equity dispersing from service, word-of-mouth (WOM), posts on social media, to communication; which identifies the key position and demonstrations of brand equity to different industries. The evaluation of advantages, profits, positive meanings, and corresponding strategies are scattered among those articles by tables, fig., and even statistical data; which manifests the linkage of market value as well as different strategies applied. Success cannot be duplicated but only the pattern, and brand equity is the best paradigm.

Key Words: brand equity, decision-making, WOM

## Background and Rationale

The purpose of this study aims to discuss and elaborate the main issues encountered in managing brand equity. For Aaker (1991, 1997), brand equity signifies the observation by four categories: brand loyalty, brand awareness, perceived quality and brand association (perceived value, personality and organization); well-known with good reputation and trustworthy concept allow sellers to possess better compatibility while encountering the rivals in the same industry, and without more expenditure on promotion and advertisements. However, the points shouldn't only emphasize buyers' perception but also their mental acceptance or approval on quality, or which can be entitled as customer's recognition, and lead to the presence of brand identification, and brand loyalty. This phenomenon can reduce the advertisement cost with more interaction and/or transmission with targeted clients; ads and promotions for focal customers with interesting can really function and respond by selling records and revenues. Patents really favor the brand equity for long-term brand loyalty and image-mapping. The positive mapping image, acting as a useful communicating channel to deliver effective and influential images inside purchasers' minds, can provoke the purchasing in-

tentions among consumers; the communication process for "a brand's image clearly and effectively to consumers is crucial for building brand equity" (Keller, 1998) and conducts better selling records. The value added by brand equity can be identified from this point of view.

Such a combination of on-site work and remote control can collect and record customers' detailed data by transforming into their lists of loyal customers. Plenty of descriptions to advantages and profits by brand equity can be seen from existed data; which are divided into three types by Hunt and Mello (p. 3, 2015):

- . Brand equity increases a firm's ability to succeed in a difficult competitive environment.
- . Brand equity facilitates a brand's expansion into new markets.
- . Brand equity can contribute to positive perceptions of product quality.

These points are critical and relevant to delivering customer desires, service and ultimately, stimulating and maintaining brand loyalty to corporate products or services with positive confirmation and recommendation. Extending the brand equity, marketing by advertisement should not be the sole method; furthermore, the influence of

advertisement, the purchasing will by ads, seems to decline since the effect by social media commercials and posts can trigger more discussions and arouse more attention contemporarily.

Considering of this situation, WOM is more concerned and taken as the more potential factor to business success; however, different from conventional adoption, modern WOM utilizes social media, especially Facebook and other online discussion forums, and evolves into e-WOM with easier and wilder operation. However, some enterprises utilize these channels to mold their positive images, or even solve them from the morass of negative conditions. And because the process leads the posts more like personal ideas instead of direct selling for some firms, public shows higher acceptance to such a new promotional method; e-WOM generates higher influence and strengthens brand equity. Since “the net present value of the incremental cash flows attributable to a brand” (Gielens, et. al., 2018), brand equity triggers the decision-making process. Many enterprises develop their brand equity through corporate social responsibility (CSR) since this can highlight their spontaneous feedback to the society; when “people perceive firms fulfilling their CSR as socially responsible” (Wang, et. al., 2015), consumers are motivated to exchange their admiration

to their purchasing intention or even brand loyalty. CSR provides a platform for extending social sponsorship; which can be expected to help the minorities counter with social pressure for their own benefits. CSR can be adopted as the effective tool to strengthen the efficacy of brand equity and marketing. There’re still plenty of small-and-medium enterprises (SMEs) with steady development on business and without outstanding brand equity. The data indicate that most of those SMEs are not situated at metropolitans or downtowns; the small retailers at remote suburban areas can be survival with loyal customers even without splendid selling records; however, only those who can access the knacks can sustain the long-term operation.

#### Research Questions and Methodology

Before further step for the conceptual review, relative definitions to brand equity should be checked; further expression can be found as below: “A considerable amount of research has focused on how the personality of a brand enables a consumer to express his or her own self, and ideal self, or specific dimensions of the self through the use of a brand. Further brand personality can be viewed as a key way to differentiate a brand in a product category, as a central driver of consumer preference and usage,

and as a common denominator that can be used to market a brand cross cultures. (Aaker, 1997). When network system spreads all over the world, the brand equity can be extended with easy operation. Furthermore, in modern society consumers have the tendency to believe in those data and researches from social media more than the direct advertisements from suppliers; That corporations must adjust their strategies on marketing and promotion policies since social media changes the type of ads as well as the influence of makers. Based on brand asset valuator (BAV), the BAV model is framed with two major categories: Brand Strength, and Brand Stature; this model can be represented with diverse items based on diverse data and targets.

Brand equity is crucial to product with special status, comprehension of some items should be required; brand equity is an important concern for business customers in their purchase decision for certain products. Motivating “organizational customers to repurchase, to pay a price premium, to consider brand extensions, and to recommend the brand to others” (Zhang, p, 7, 2015), brand equity is always the first consideration by most of the consumers; which means not only the product quality and reputation but also the service provided. Buyers can shift to diverse brands of products if manufacturer(s) cannot pro-

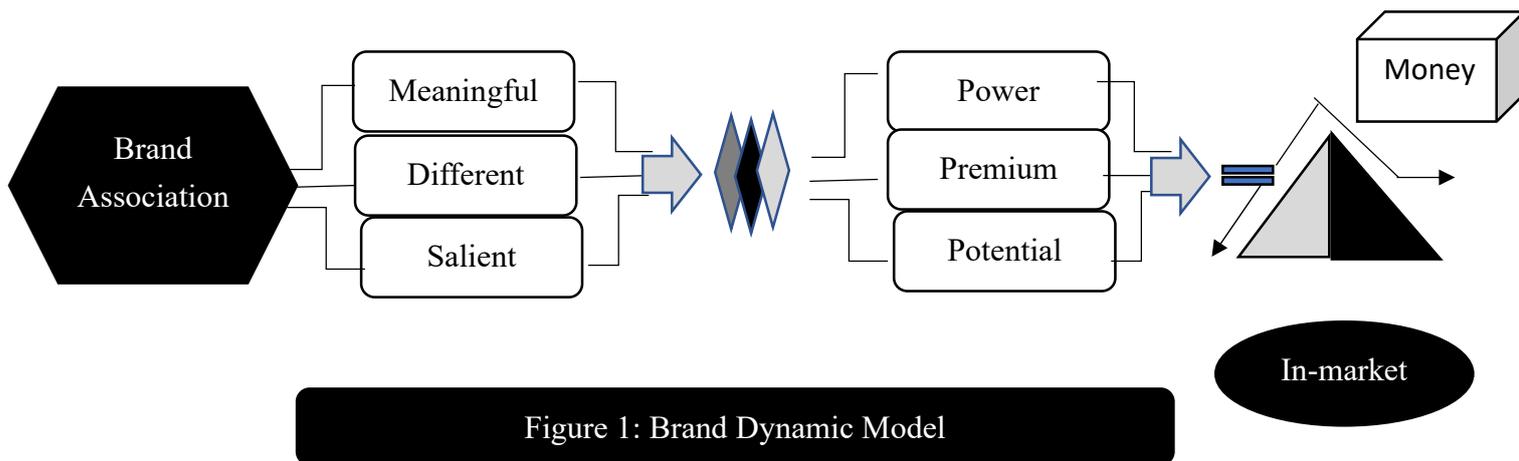
vide strong attraction for customers.

Applying structural equation modeling techniques (SEM) to investigate the effects of customer’s perception on brand through social media brand communication should be more precise method.

### Findings

Assuring of the brand equity, some celebrities, especially those ones with positive image and with high popularity, are hired to endorse for some merchandizes; the influence of the endorsement can be determined by local culture, fame and reputation of the celebrities, or even habit.

Implication and value unseen by brand Figure 1 demonstrates the brand value transformation process as which describes the brand equity into countable values required by plenty of effort and time duration. Brand equity can trigger more business opportunities and/or increase the selling value and revenue from the customer-based perspective; Considering that “perceived quality is found to influence both brand image and brand loyalty” (Seri’c, Saura, and Molina, 2014, p. 154), brand equity’s perpetual and stretching value can be lasted for a long-period of time; the value of brands is widely recognized while reviewing the profitable



conditions. The value added by the brand assures of enterprises to be different from the rest of competitors, and with higher possibilities to lure more potential loyal customers for long-term stable operation of business. Simultaneously, consumers can be benefited because the enhanced experiences by brand equity offer buyers without spending plenty of energy and time on comparison while purchasing the same category of product. A strong brand justifies a price premium over other similar products due to the intangible benefits associated with the brand, and which provides approval with confirmation to some specific brands.

best example to transmit the idea; when a brand signifies some category containing diversified items, and with the ability to vitalize the image and simplify the process of all the merchandizes of the brand into the market with easier manipulation and better performance on selling, then the scenario can be entitled as something relative to brand equity. Brand equity also needs the strong support by corporate social relationship, CSR, since enterprises need to maintain moral image in front of the public, especially their consumers, for molding or maintaining the concern for public affairs with sympathy and empathy.

#### Global Demography Leads the New Business Channels

While discussing the brand equity, the brand embraces and stretches more than one specific product should be the

#### Building Brand Equity

Brand equity is crucial to product caused by value added, and must ensure that most of the consumers do have the better comprehension of some

items instead of high spending with brain-washing advertisements all the time; brand equity has deep concern with business customers' purchase decision for certain products. Motivating "Organizational customers to repurchase, to pay a price premium, to consider brand extensions, and to recommend the brand to others" (Keller, p. 125, 2018) since "Value is co-created by both marketers and consumers" (Ding and Tseng, 2015, p.49). In relate to brand equity, brands may help manifest services with more concrete, decreasing perceived risks and lowering search costs. Contemporary social media allows to produce plenty of colorful, multiple, and interesting, films by oneself and/or enterprises; ads channels are wild open and free of charge. Of course, the channel's features should be understood for assuring of the appeals can be accessible for the segmented customers. The above-mentioned points highlight the necessity of bold actions once if with ancient brands in hands; reshaping, or even rebuilding processes will be required while the brand doesn't at the stable position after periods of time. Even for the green sign or environment, some image in front of public is required; This green brand image, that is the environmental aspects associated with the brand, in turn, adds (or subtracts) value to the brand, and increases the brand's green equity and independent from stereotype of planting more trees and no trespassing

the lawn. Brand equity can be treated as a modern and evolutionary concept to extend the acceptance to the goods.

## Discussion

The power of brands builds strong net in the market with higher dedication to customer-based brand equity (CBBE) and sales-based brand equity (SBBE); present assessments concern on these two items more than employ-based perspective. Industries consider the ultimate objective of a branding team to be able to increase the brand equity of an organization for higher profit and eliminating spending at the same time. Although there're differences among models, the brand equity, obviously, brings substantial advantages for manufacturers; brand equity can trigger market share, profit margins, less costs on advertisements, and other relevant brand values. Contemporary researches not only demonstrate the brand equity through CBBE but also SBBE since this indicates the focus has shifted from business - to - customer (B2C) to business - to - business perspective; therefore, the research will be presented two categories: customer's informational part, and brand associations.

Accordingly (Datta, Ailawadi, and Heerde 2017), SBBE should be with more notice with "diagnosis and ac-

tion”, and the CBBE manager should take all the necessary measures by order; sales mean the income revenue to enterprises, this determines the survival of firms. Besides, when SBBE jobs can be done in offices most of the time, CBBE still relies on human resources and with brand equity as the assistance. Brands are particularly important when benefits require experience to be judged or credibility to be accepted as present. If the costs of making a mistake are high and there is a perceived difference between the performances of suppliers, brands will be important. During the research process, the value caused by the brand equity can be generated into two different images through customer’s brand perceptions: positive or negative. More or less favorable responses to the element of the marketing mix can identify one brand’s image to the public; which can be traced from the attribution to the same product or service while without certain brand for potential customers. Some brands, therefore, apply blind experiments by advertisements for less bias to strengthen the advantages of products; brand equity can manipulate the purchase decision with less concern on the problems occurred on product or service but more attention to the brand. The message indicates that mental factor, preference or hatred, to one brand can lead to actual outcome on procurement and/or cooperation. Regarding the

application of brand equity for commercial success, human still matters; those staffs, especially those newcomers and/or with the position as sales, should utilize the skillful tactics for creating most profits but with less spending. Delivering brand equity is as important as innovation; most of the time, customers would like to receive mails or postcards with greeting, wish, or concerns to contemporary news. This positive mental response favors future job development; therefore, while discussing the brand equity, more attention to relevant activities as supporting force to fulfill the completeness of brand equity.

#### Conclusion

Brand knowledge is conceptualized based on fully associative and connected network memory model in terms of two components, brand awareness and brand image. Customer-based brand equity occurs only when consumers are familiar with some brands and with strong and favorable feeling to some subject; some social medias and public posts incite human’s desire to collect something valuable.

According to the results indicated among the survey, user-generated social media brand communication had a positive impact on brand loyalty and perceived brand quality. Additionally, there

are significant differences between the industries being investigated. This article aims to disclose the diverse aspects of brand equity with application of social media and other communication channels across industries; which implies that the spending on advertisement, not mention the high spending requested, may not have compatible influence to customers; practitioners should implement social media strategies as the most suitable strategy with efficacy. Due to diverse specifications of diverse industries, there's no sign to identify the efficacy of local advertisement can be extended to more similar projects or products, nor the influence of posts can be effective. "Firms reap the benefits of that investment in product market and financial market outcomes and leverage their brand equity to introduce brand extensions" (Datta, Ailawadi, and Heerde, 2017, p.1) since this can bring long-term revenue; otherwise, the devoted amount can become vain if without obvious outcomes accompanying with the brand equity activities. Although researchers still have the mental recognition about the extension of brand Equity ; "higher brand equity leads to greater satisfaction" (Ding and Tseng, 2015); such mental response on satisfaction can be the impulse for further amendment.

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