PERCEIVED BRAND EQUITY INFLUENCING INTENTION BEHAVIOR OF OTOP NAWATWITHI TOURISM COMMUNITY

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ABSTRACT

Abstract—This research aimed to study perceived brand equity that influence intention behavior of OTOP Nawatwithi tourism community. The sample was 385 general consumers interested in the product of OTOP Nawatwithi tourism community by using multi-stage sampling method. Data was collected using the generated questionnaires with the validity and reliability tested. The statistics used in the analysis were mean, standard deviation, and Multiple regression analysis. The results of the research revealed that the respondents emphasized on perceived brand equity in all aspects at high level. The hypothesis testing revealed that the perceived brand equity in the aspect of brand awareness, perceived brand quality, brand loyalty and brand awareness have positively affected intention behavior of OTOP Nawatwithi tourism community which the variables can jointly forecast with significant at .05. The highest multiple regression coefficients were brand awareness, followed by perceived brand quality, brand association and brand association, respectively. While the perceived brand equity in the aspect of brand loyalty did not affect intention behavior of OTOP Nawatwithi tourism community.

Keywords— Intention behavior, Perceived brand equity, OTOP Nawatwithi tourism community

INTRODUCTION

Tourism is vital to the economic development of Thailand where the tourism industry is growing exponentially. The Ministry of Tourism and Sports has driven various activities according to the mission of the agency for providing tourism by using "Thai way of life" tourism as a driver for both domestic and international tourism, including creating awareness of the value of Thai brands for both Thai and foreign tourists (Ministry of Tourism and Sports, 2020). It is in line with the development strategy in the National Tourism Development Plan that plans to balance Thai tourism through niche marketing, promoting Thai way of life and building confidence among tourists with a plan to enhance the image of quality for Thailand. Including the government has created awareness of the value of products, services and tourist attractions to reflect the identity of the community and promote and promote the uniqueness of Thailand and the uniqueness of each locality (National Tourism Policy Committee, 2017).

Community products are intended for people in the community to use their existing wisdom to develop creative products to sell and generate income for themselves, their families and communities, which is one way to strengthen the community. The approach of community product development is to produce or manage the resources available in the community to become quality products, have their own identity and in accordance with the culture in each community (Bureau for Promotion of Local Wisdom and Community Enterprise, 2020). Governments should support and encourage communities to create marketable products, use technology and management to ensure that quality is acceptable and in demand in international markets. This is based on physical energy, creativity and the desire to primarily use locally available resources, as well as continuing the good culture of the locality to remain.

However, community products have to face an increasingly competitive business situation at present including even though the community products are selected products and are quality products that originate from the brand community wisdom (Suwunniponth, 2022). But it has low competitiveness and is not accepted by consumers as it should be because it is a product that the communities produce (Nilratsamee, 2020). Therefore, consumers have a brand image that is of low quality. This makes it unable to compete in the market with products that have been processed by the factory, and creating the value of the product. Entrepreneurs need to learn to adapt to the competition by creating brand equity for brand awareness and developing innovative products to meet customer needs. In this situation, research was conducted to find a solution by developing the concept of brand equity, which is used as a strategy to keep the product above the competition. Thus, it is important for businesses

to create attraction in their brands to be in better position than their competitors. This is evident that the consumers disseminate and always willing to acquire a product, so here the brand awareness is always a vital factor to manipulate the buying decisions and purchase intensions (Nazia et al., 2011). Purchasing decisions are also influenced by perceived quality which is an aspect of brand value that causes consumers to pay for certain products or services (Aaker, 1991).

In this situation, community entrepreneurs need to learn to adapt to the competition by creating brand equity in order to gain brand recognition and develop innovative products to meet customer needs. Therefore, the researcher is interested in studying the brand equities that affects the purchasing decision of Thai community products. The purposes of this research were to study perceived brand equity that influence the purchasing decision of Thai community products. The results of the study will be empirical data on adjusting strategies to create brand equities of community products. This will increase competitiveness to be on par with other products that are generally sold and support community products to reach international standards.

LITERATURE & THEORY

Brand equity is value that can be perceived by consumers, users and purchasers. It makes the importance of the brand happen and results in positive consumer behavior. Consumers perceive that brand equity will have a positive effect on that product as well (Keller, 2013). Brand equity is an important marketing tool for building a strong brand which is necessary for marketers to study and use as a guideline in formulating a strategy to make the product different and unique characteristics that meet the needs of consumers. In addition, branding is an important marketing strategy for building relationships and brand engagement with consumers as well. Consumer perception of brand equity consists of 4 components consisting of Brand awareness, Perceived brand quality, Brand association and Brand loyalty (Aaker, 1991). *Brand awareness* refers as recognizing or remembering the brand and can link the relationship between product categories and those brands which brand awareness is a strength that arises in the minds of consumers. Consumers will become familiarity in that brand, make the product trustworthy or reliability, credible and reasonable quality, and is the main reason for the final purchase decision. In which consumers choose to buy well-known brands rather than brands that consumers are not aware of. *Perceived brand quality* refers to how consumers perceive the overall quality of the target consumer towards the product. The perception of quality determined by the purpose or functional properties of the product and perceived quality is measurable but intangible because it is the overall feeling towards the consumer's brand. *Brand association* refers to the ability of target consumers to associate a brand with images, activities, or symbols of the brand which connects components of the brand to the memories of consumers. This relationship will help create a positive attitude for the brand and become a link between consumer sentiment and that brand (Keller, 2013). Consumers' connection with a brand helps to create brand equity by extracting brand-related information from memory and help differentiate the brand. *Brand loyalty* refers commitment and confidence that consumers have with any brand and with the consumer using the same brand repeatedly. This will reflect the likelihood that consumers will switch to other brands or not. Brand loyalty is also related to the purchase and experience of using the product. It also helps reduce marketing costs, build bargaining power, attract new customers, make consumers buy again, reflect the market potential of that product as well as helping to protect from the threat of customer loyalty to competitors (Kotler & Armstrong, 207).

Purchase decision is the thought process that leads a consumer from identifying a need, generating options, and choosing a specific product and brand which each product has a different decision-making process. For very complex products, consumers will need to search data and evaluate their decision-making options rather than the slightly more efficient and complex products that can be explained by the consumer's purchasing decision-making process (Kotler & Armstrong, 2017). The purchasing decision process begins with the awareness of consumer problems that are driven by intrinsic motivation, such as a desire or perhaps a desire driven by an external motivation such as advertising. When stimulated by these factors, it creates demand. The purchase decision sometime occurs after evaluating the choice of consumers who intend to purchase the product and later behavior purchase and use of the product for a period of time. Consumers compare their expectations with the performance they expect. If the efficiency is higher than the expectation, it will satisfy by the consumers. When consumers are satisfied the products, there will be a process of satisfaction which is like referrals, repeat purchases, etc. Therefore, post-purchase behavior will vary according to personal preferences and characteristics. But if

consumers are not satisfied, consumers may stop buying the product next time and this can hurt referrals, causing them to buy less as well (Kotler & Armstrong, 2017).

METHODS

The target population used in this research were consumers who have used Thai community products which cannot determine the exact population. The sample of 350 was conduct to collect data by using cluster sampling method from groups of social media users such as Facebook, Line, etc. An invitation to fill up the questionnaire was sent to members of the group who have used or purchased Thai community products by using convenience sampling methods until the required number of samples is reached.

Tools used in this research is a questionnaire created by the researcher and in accordance with the definition of operations according to the characteristics to be measured, divided into 3 parts, consisting of demographic data, perceived brand equity opinions and purchase decisions for community products. The estimation scale type of questionnaire was 5-level Likert's scale. The generated questionnaires were used to test the validity and reliability of the questionnaires before collecting data in order to obtain accurate research results and achieve the stated objectives. In this regard, the researcher will arrange for a pre-test with preliminary questionnaire of 40 sets. The results of the confidence check were the confidence values of each question were between 0.7-1.00 and got the total confidence of 0.886, which passed the reliability criteria (Hair et al., 2010). Additionally, the questionnaires generated were subject to content review from the advisor already. Therefore, it was concluded that the questionnaires could be used to collect data. The empirical data of 350 valid responses was collected through an online survey from consumers who have purchased a Thai community product.

Statistics used in data analysis, the researcher used descriptive statistics to describe the demographic characteristics such as frequency, percentage, mean and standard deviation. As well as the inferential statistical analysis was used to test research hypotheses by using Pearson correlation coefficient analysis and Multiple regression analysis.

RESULTS

The demographic information of the samples were consumers who had used Thai community products among the 350 samples. Most of responders accounted for 63 percent were female, 35.5 percent were aged between 31 and 40 years, 35.2 percent had marital status, and 31.5 percent had the highest level of education at the bachelor's degree. Moreover, 34.8 percent were state enterprise employees, 28.75 percent had average monthly income between 30,001-40,000 baht, and 52.3 percent had online shopping experience for more than two years and 33.6 percent used social commerce sites for several times a week.

The descriptive data on the perception of brand equity and purchasing decisions community products of consumers in Thailand, the overall aspects of perceived brand equity was at a high level. If considering each aspect, the aspect of brand awareness was at the highest level. followed by perceived brand quality, brand loyalty, and brand association, respectively, all aspects were at a high level.

The result of multiple regression analysis revealed that brand awareness, perceived brand quality, brand loyalty and brand association can together predict consumers' decision to purchase community products with statistical significance at F=62.526. All variables can explain the variability of consumers' decision to purchase community products in Bangkok (R^2) accounted for 67.89 percent. The test results accept all hypothesis (H_1-H_4) that brand awareness, perceived brand quality, brand loyalty and brand association positively influenced purchasing decisions of Thai community products. When considering multiple regression coefficients in the form of a standard score, the aspect of brand awareness had the highest multiple regression coefficients (β =.269), followed by perceived brand quality (β =.232), brand association (β=.178), and brand loyalty (β=.118), respectively.

CONCLUSION AND FUTURE WORK

Conclusion and discussion

The results revealed that the respondents paid attention on the components of perceived brand equity as a whole was at a high level. When considering in each aspect, the respondents paid the high attention to brand awareness, followed by perceived brand quality, brand loyalty, and brand association, respectively. The result was consistent with the research of Rukkhachat (2016) which found that customers pay the most attention to brand awareness more than other aspects. Considering the indicators of brand awareness was found that the respondents were aware of the brand that it produced from local wisdom, made from natural raw materials, remember the brand of the community that they are using as well, know the brand of the community very well and be able to recommend the brand of community products used correctly to others. The results shown that consumers know community products very well. This may be because community products are government-sponsored products to increase the potential of the community and use the strengths of the cultural community and wisdom to create a symbol and expand marketing opportunities. However, from the previous research, it can be seen that the marketing communication cannot be communicated to consumers to be able to remember the community brand and cannot be linked between product categories and brands.

The results of the influence of perceived brand equity on purchasing decisions of Thai community products which this study aims to explore the effects the component of brand equity (brand awareness, perceived brand quality, brand loyalty and brand association) on consumers' decision to purchase Thai community products. The result was found that the perceived brand equity in the aspect of brand awareness, perceived brand quality, brand loyalty and brand association affected the decision to purchase Thai community products. The result was consistent with the previous research of Junnapiya (2015), Nithichaowakul (2015), and Phattana & Thipjumnong (2020) revealed that brand value in recognition of the unique quality of a product is a factor that drives purchasing decisions. As well as consistent with the research of Rukkhachat (2016) in the aspect of perceived brand quality and brand loyalty but not consistent in the aspect of brand awareness and brand association. Based on the results of this study, a similar study by Mohammad et al. (2011) found that brand loyalty had the greatest effect on consumers' purchase intention. In addition, the study of Nazia et al. (2011) was found that the brand equity of various products in the retail business in the aspect of product quality had the most effect on consumers' purchase intention. Consumers will also assess their perception of product quality based on their purchase experience and brand awareness, which in turn can build brand loyalty and lead to purchase intention.

The results of related research show that consumers will be more willing to buy products. A marketer or brand manager must create brand equity in the product that will go to the market, such as creating quality in the branded product and brand awareness in the minds of consumers, as well as brand association can result in brand loyalty. These elements of brand equity building will ultimately lead to purchase intention (Aaker, 2010).

Recommendations and future work

Recommendations obtained for applying the research results were that entrepreneurs should develop innovative products in terms of design and usability by developing innovative products, has a beautiful look and color, and attractive to see including awareness. As well as they should improve the appearance of the product in accordance with the needs of consumers and differentiate the design and functionality of the product to create a distinctive stand in the minds of consumers. Moreover, the marketers should be aware of creating brand equity for community products especially in terms of brand awareness and brand association. They should continually support advertising and public relations arouse consumer interest, convey the experience to consumers and make consumers remember the product until the relationship with the brand which affects the image of the product as well. In addition, marketing strategies should be formulated in order for consumers to have intent to buy, make a purchase decision and have brand loyalty. The marketers must build engagement, confidence and loyalty that consumers have for any community product brand. The consumer will use the same community product brand repeatedly and tell others to come and buy.

For further research should be studied in conjunction with other relevant or expected factors influencing purchasing decisions in order to gain more insights covering all dimensions such as factors of marketing mix, brand image, service quality and word-of-mouth marketing, etc. In addition, it should study in other population groups or other areas such as consumers in ASEAN countries.

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