# The influence of brand equity on consumer responses toward Cho Gao dragon fruits brand

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#### **ABSTRACT**

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This thesis study wants to implement a model test for better understandings of brand equity and consumer responses toward Cho Gao Dragon Fruit brand. With the rapid growth of agriculture, including domestic consumption and export of the dragon fruits, it is crucial to differentiate the Cho Gao Dragon Fruits to other competitors in both domestic and foreign markets. Using Structural equation modeling (SEM) to analyze the data of 274 questionnaires to investigate the effects of brand equity and its dimensions on consumer responses. The results show that brand equity dimensions such as brand awareness, brand association, perceived quality are interrelated and those dimensions have a direct and significant effect on brand equity, except brand awareness. The results support the assumption that brand equity has a positive relationship with consumer responses. The findings shed light on the current issues of the market for dragon fruits, which enables us to provide some suggestions for the Government to facilitate farmers and traders in building brand names, marketers for doing marketing activities, and students to know about brand equity of agricultural product such as dragon fruits.

#### 1. Introduction

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Since 1993, Vietnam has the advantages of the dragon fruits, main supplies because of the formation of provided by Directory of Open Access Journals that (SOFRI) in duce more than

460, 000 tones every year and directly contribute more than 150,000,000 USD per year. Since 2013, the Government and Tien Giang Agricultural Office, New Zealand Institute for Plant and Food Research (PRF), Southern Fruit Research Institute (SOFRI) have conducted many projects that aim to apply technologies enhancing the quality of dragon fruit grown and developing sustainable agriculture in Tien Giang. In addition, Tien Giang plans to increase this farming acreage to 4,500 hectares by 2015 along with speeding up trade promotion and expanding overseas outlets thank to the steady increases of trade every year and technology improvements. However, in recent years, many countries in the world like Thailand, Japan, and Taiwan have tried to grow Dragon fruits directed cause damage to Vietnamese farmers. That leads to the emergence of branding to compete in the diverse geographical market.

In Vietnam, two types of Dragon fruits are already named: Binh Thuan Dragon fruits and Cho Gao Dragon fruits. Cho Gao Dragon fruits are famous for the red and thin cover compared to Binh Thuan Dragon fruits. Consumers can hardly differentiate between two kinds of brands. In fact, Cho Gao' farmers are expanding the capacity of growing Dragon fruit in recent years. Those events both are chances and challenges in competing in the domestic and foreign markets, so assessing brand equity to build up the successful strategies for strong brand-building and understandings of brand equity in different markets is needed, which will help our country protect and enhance this valued asset.

Moreover, brand equity can influence consumer behavior (Hoeffler & Keller, 2003). Indeed, previous research shows that brand equity has a positive relationship with consumer responses (Cobb-Walgren, Ruble, & Donthu, 1995). Aaker (1996) claimed a brand was the only way to remove oneself from commodity status price competition and in this case of commodity good (dragon fruits). Meanwhile, there is a shortage of empirical research exploring the relationships among brand equity dimensions and the impact of brand equity on the consumer responses in Vietnam. Hence, we conduct this study to bridge this gap, also we would like to contribute to the empirical literature of marketing for both marketers and students.

#### 2. Literature review

### 2.1. Brand equity

Brand equity has been defined in many ways and many aspects since the 1980s. Simply, brand equity can be defined as the power of the brand in consumers' minds (Leone et al., 2006). In the research of Yoo and Donthu (2001), brand equity is defined as the incremental utility or value added to a product. Brand equity emerged as "a set of brand assets and liabilities linked to a brand, its name, and symbol" (Aaker & Equity, 1991). These assets refer to brand awareness, perceived quality, brand associations, brand loyalty, and other proprietary assets (Buil, Martínez, & De Chernatony, 2013). Keller, Parameswaran, and Jacob (2011) defined brand equity based on the perceptions of consumers, in terms of brand awareness, strength, preference, and brand associations that consumers hold in their memory.

In practice, brand equity is considered as the brand description or brand strength that is referred to as consumer-based brand equity which is different from the asset valuation definition (Wood, 2000). No matter how brand equity is defined, a brand must be valued by consumers, and the value of a brand reflects what consumers perceived (in five senses) and learned about the brand as a result of their experience over the time (Keller, Parameswaran, & Jacob, 2011).

Following previous studies of Kim, Gon Kim, and An (2003); Pappu, Quester, and Cooksey (2006); Yoo, Donthu, and Lee (2000), this study applies the consumer-based definition of brand equity which is constructed by 4 dimensions: brand awareness, perceived quality, brand associations, and brand loyalty.

Scholars already proved that forming good brand equity can affect the future profit of an organization (Srivastava & Shocker, 1991), the willingness to buy with premium prices (Keller, 1993), and the long-term competitive advantage (Bharadwaj, Varadarajan, & Fahy, 1993).

#### 2.2. Geographical brand

According to Docherty (2012), branding agricultural commodities: The development case for adding value through branding the geographical brands use the "geographical indicator" for

branding tool that is considered as a representative of distinctiveness attributable to its origin in a defined geographical area. To some extent, a geographical indicator is defined as "identifying a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or another characteristic of the good is, essentially, attributable to its geographical origin".

Cho Gao, a rural district of Tien Giang Province in the Mekong Delta region of Vietnam, is the main supplier of Dragon fruits besides Binh Thuan Province, maintaining more than 3000 ha, supplying more than 50 000 tones for export and domestic consumption in 2013 (Tien Giang Agricultural Office). Besides, Cho Gao is famous for Dragon fruits since the 20<sup>th</sup> century, with features like heavy items, thin cover compared to other items of other suppliers.

# 2.3. Brand equity dimensions

The collective dimension of brand equity consists of four dimensions: brand awareness, brand loyalty perceived quality, and brand loyalty, as proposed by Aaker (1996); Aaker and Equity (1991); and Keller (1993). According to Strategic Brand Management of Keller et al. (2011), brand awareness consists of brand recognition and brand recall and many researchers reveal that consumer decision to purchase bases on the brand name, logo, packaging, and other visible characteristics of the product for brand recognition. Perceived quality and brand associations are also two key dimensions of brand equity (Buil, Martínez & De Chernatony, 2013). Keller et al. (2011) claimed that strong brand association has a strong linkage to brand equity, in a simpler explanation, the brand association is every single feature that links the brand with consumers' memory (Aaker & Equity, 1991). The judgments of the consumer on a product's overall excellence or superiority are the perceived quality (Zeithaml, 1988). The research of Yoo and Donthu (2001) defined brand loyalty as the tendency of a consumer to be loyal to a focal brand, which already presented in the research of Oliver, Rust, and Varki (1997) by purchase intention at first in the mind of consumers.

This research aims to investigate how consumer responses toward brand name Cho Gao Dragon fruits. The significant aspects of brand awareness are the ability of consumers to recognize and recall the performance of a brand. In the previous research of Pappu, Quester, and Cooksey (2006) claimed the causal relationships among brand awareness, brand associations, perceived quality, and brand loyalty. (Buil et al., 2013; Cobb-Walgren, Ruble, & Donthu, 1995; Keller et al., 2011; Yoo et al., 2000) suggested a possible causal hierarchy among brand equity dimensions.

Brand awareness is the very first step of brand equity causal hierarchy (Aaker, 1996; Konecnik & Gartner, 2007), that means whether consumers can recall or recognize the brand bases on the strengths of the brand perceived by the consumers. In contrast, perceived quality and brand association were influenced brand awareness according to Keller et al. (2011), he claimed that brand awareness of the liking brand links to different associations in memory. In other words, the brand association is valuable in the case consumers aware of the brand (Aaker & Equity, 1991). Moreover, brand awareness affects the brand association strength and formation including the perceived quality (Buil et al., 2013; Keller, 1993). Therefore, we propose the following hypothesis:

H1: Brand awareness has a positive influence on perceived quality

H2: Brand awareness has a positive influence on the brand association

Perceived quality and brand association was proposed to have an impact on customers' loyalty to the brand (Keller et al., 2011). With the support of other research, proved the positive relationship between perceived quality, brand association to brand loyalty (Keller et al., 2011). Therefore, we propose the following hypotheses:

H3: Perceived quality has a positive influence on brand loyalty

H4: the brand association has a positive relationship on brand loyalty

Brand association, perceived quality, brand loyalty were theorized positive effects on overall brand equity (Buil et al., 2013; Pappu et al., 2006). Previous research revealed that brand association can make firms differentiate themselves from others and improve brand equity (Hal Dean, 2004; Yoo et al., 2000). Higher perceived quality can offer the brands more competitive advantages among a bundle of brands in the market (Kim, Gon Kim, & An, 2003; Yoo et al., 2000). Brand loyalty can be counted as the main major contributes to brand equity, loyal consumers can be another source of competitive advantage of the firm (Atilgan, Aksoy, & Akinci, 2005; Yoo et al., 2000). Hence, we propose the following hypotheses:

H5: Perceived quality has a positive influence on overall brand equity

H6: Brand associations have a positive effect on overall brand equity

H7: Brand loyalty has a positive influence on overall brand equity

# 2.4. Word of Mouth (WOM)

Arndt (1967) claimed that WOM is the verbal communication between individuals about a service or a good via various channels such as email, telephone, mailing list, and other means of communication. In research of Bone (1995), WOM is created by conversations about product and services between who are not stake-holders of the company with a medium perceived of the producer. Higie, Feick, and Price (1987) also revealed in his research that conversation motivated by salient experience plays an important role in information diffusion.

Among the existing channel marketing for Dragon fruits in Vietnam, WOM is an easy and effective way to communicate with target consumers. Furthermore, in the research of Brown, Kozinets, and Sherry Jr (2003), and Katz, Lazarsfeld, and Roper (2017), WOM as a source of information has a significant influence on consumers' decisions than other marketing communication channels.

#### 2.5. Consumer responses

In previous research, Buil et al. (2013) mentioned that consumer responses are the way consumers react toward a brand including four dimensions such as consumer willing to buy with price premium, the acceptance of consumer of brand extension, consumers' brand preference, and consumer purchase intention. This research supports the theory "overall brand equity has positive effects on consumer's response". Word of mouth, or "between-customer communication" has been defined as a potential driver of the customers' decision to buy products. WOM can be either positive or negative. The satisfied customer carries on purchasing the products and spreading the good news about these products; in contrast, in case of those who are dissatisfied, what remains in their minds are the disadvantages of the products and people are likely to tell other people about these things (Roster & Richins, 2009). Considering how influential WOM would be to shape the perceptions of the customers, WOM should be another element of consumer response in this research.

Buil et al. (2013) developed the research that counted the influence of brand equity on consumer responses in the UK and Spain in terms of four brand equity dimensions and empirically tested the relationship between overall brand equity toward consumers' responses. As a result, there is a strong relationship between brand equity and three dimensions of consumers' responses: willingness to buy price premium, brand preference, and purchase intention, the pessimistic result in brand extension. This research arm to test a specific brand that branding base on geographical, there is no reason for testing brand extension.

The willingness to buy a price premium is the number of money consumers who are willing to buy a product of a brand compared to other products of other brands with the same features or benefits (Keller et al., 2011). Brand equity influences consumer willingness to buy a product with a price premium, making price less of a consideration when purchasing a product (Keller & Lehmann, 2003; Keller et al., 2011).

Brand preference was defined as the positive evaluations, preferences of a favorable brand compared to other brands (Keller et al., 2011), furthermore, research of Cobb-Walgren et al. (1995) showed that the higher brand equity the greater brand preferences, and higher tendencies to buying a product.

The relationship between brand preference and purchase intention was confirmed by the research of Buil et al. (2013) as well as in other research of Hellier, Geursen, Carr, and Rickard (2003), theorized by Ajzen and Fishbein (1977).

Several researchers have studied how WOM influences on the decision to purchase products among brands (Chevalier & Mayzlin, 2006; Godes & Mayzlin, 2009; Grewal, Cline, & Davies, 2003; Herr, Kardes, & Kim, 1991). There was remarkable literature discussing the impact of WOM on how consumers make their decision (Chen, Wang, & Xie, 2011; Gupta & Harris, 2010; Herr, Feick, & Price, 1991), especially for new products (Peres, Muller, & Mahajan, 2010).

Therefore, we propose the following hypotheses:

H8: Overall brand equity has positive influences on consumers' willingness to buy price premiums

- H9: Overall brand equity has a positive influence on consumers' brand preferences
- H10: Overall brand equity has a positive influence on consumer's purchase intention
- H11: Overall brand equity has a positive influence on consumer's WOM (Word of Mouth)
- H12: Brand reference has a positive influence on consumer's purchase intention
- H13: Word of mouth (WOM) has a positive influence on consumer purchase intention

In the study of Roberts, Morrison, Chandrashekaran, and Gordon (2004), he argued that WOM is encouraged by the preference for brands. According to (Hutter, Hautz, Dennhardt, & Füller, 2013), there was a significant influence of brand awareness on word of mouth. Therefore, we propose the following hypothesis:

H14: Brand awareness has a positive influence on WOM (Word of Mouth)

# 3. Methodology

In this study, we applied the back-translation procedure of Brislin, Lonner, and Thorndike (1973) to ensure the English and Vietnamese versions of questionnaires have equivalent meanings. We converted the English questionnaire into Vietnamese and then translated it back into English.

This approach allows us to eliminate the potential discrepancies by comparing the second English version to the original one to ensure the consistency in meaning. All measurement items were evaluated on a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

#### 3.1. Measurement scales

All the measurement scales were constructed based on previous literature. The list of all 36 items used to measure 9 latent variables in the study is presented in the following table:

Table 1
Measurement scales

Construct	Measurement
Brand awareness	AW1. I am aware of brand X
(Yoo et al., 2000)	AW2. When I think of X, brand X is one of the brands that come to my mind
	AW3. X is a brand of Dragon fruits I am very familiar with
	AW4. I Know brand X look like
	AW5. I can recognize brand X among other competing brands of Dragon fruits
Perceive quality	PQ1. Brand X offers very good quality products
(Pappu et al.,	PQ2. Brand X offers products of consistent quality
2006)	PQ3. Brand X offers very reliable products
	PQ4. Brand X offers the product with excellent feature
Brand associations	AS1. Brand X is a good value for money
(Aaker, 1996;	AS2. Among Dragon fruits brands, I consider brand X a good buy
Pappu et al., 2006)	AS3. Considering what I pay for a brand X, I would get much more than my money's worth
	AS4. I trust the place which makes brand X
	AS5. I like the place which makes brand X
	AS6. The place which makes brand X is credibility
Brand Loyalty	LO1. I consider myself to be loyal to brand X
(Yoo et al., 2000)	LO2. Brand X would be my first choice when considering buying Dragon fruits
	LO3. I will not buy other brands of Dragon Fruit if brand X is available in store
Overall brand equity	OBE1. Even if another Dragon fruits brand has the same features as brand X, I still choose X
(Yoo et al., 2000)	OBE2. If there was another brand of Dragon fruits as good as X, I still choose X
	OBE3. If another brand of Dragon fruits is not different from X in any way, I still choose X
Consumer willingness to pay	PR1. The price of brand X would have to go up quite a bit before I would not consider buying it
a price premium Netemeyer et al.	PR2. I am willing to pay a higher price for brand X (Dragon fruits) than for other brands of Dragon fruits

Construct	Measurement
(2004)	PR3. I am willing to pay a lot more for brand X (Cho Gao Dragon fruits) than for other brands of Dragon fruits
Brand reference	PRE1. I like brand X better than other brands of Dragon fruits
Sirgy et al. (1997)	PRE2. I would use brand X more than other brands of Dragon fruits
	PRE3. Among brands of Dragon fruits, brand X is my preferred brand when I choose to buy
Purchase intention	PI1. I would buy brand X (Cho Gao Dragon fruits) because I know it well
Erdem, Swait, and Valenzuela (2006)	PI2. I would seriously consider buying brand X (Cho Gao Dragon fruits) because I know about Dragon fruits
	PI3. It is very likely that I would buy brand X (Cho Gao Dragon fruits) because I know it well
	PI4. Next time if I have demand for Dragon fruits, I would buy brand X
Word-of-mouth	WOM1. I mostly say positive things to others.
Goyette, Ricard, Bergeron, and	WOM2. I am proud to say to others that I am Brand X (Cho Gao Dragon fruits)'s, customer
Marticotte (2010)	WOM3. I strongly recommend people buy products of Brand X (Cho Gao Dragon fruits)
	WOM4. I spoke of Brand X (Cho Gao Dragon fruits) much more frequently than about any other
	WOM5. I would give a recommendation about Brand X for acquaintances when they need Dragon Fruit
Note	Brand X is Cho Gao Dragon fruits

Source: The research's data analysis

#### 3.2. Data collection

# 3.2.1. Research design

The survey questionnaires are distributed to gain the perceptions of consumers about brand equity dimensions, overall brand equity, and consumer responses toward Cho Gao Dragon fruits brand. The data was collected through surveys at several locations in Ho Chi Minh City, Tien Giang province, and Long An province.

The questionnaire was constructed with two parts: demographic information and survey questions. The respondents were asked to complete the Vietnamese version of the questionnaire with a clear explanation. We always welcomed additional questions from respondents for further explanations of ambiguous meanings (if any) or misunderstandings of some conceptual words. Respondents are free to stop the survey at any time and have the right to refuse to answer any specific questions if they did not have experience or knowledge of the surveyed questions.

Eventually, out of the total of 350 distributed questionnaires, there are 274 valid observations. The sample size of this study meets the acceptable standard, representing the population.

The demographic profile of the sample in Table 2 reveals a relative balance between male and female respondents, respectively 52.8% and 47.2%. The table also provides information about the ratio of age among respondents. Overall, the age group ranging from 18 to 40 takes a vast majority with 64.4%. Following is the 40-65 age group accounting for 23.7%. The less-than-18 and greater-than-65 age groups contribute a minority of 9.5% and 2.4% respectively.

Additionally, this table shows how often the respondents consumed Dragon fruits during a week during peak season. Nearly half of the sample admitted that they eat Dragon fruits less than 2 times a week in the peak season accounting for 49.3%. 87 people said that they consume Dragon fruits 2-7 times per week (31.8%). In this research, 12.4% of the total respondents claimed that they know about Dragon fruits but never eat. Finally, contributing to the lowest percentage is the number of people who consume over 7 times a week, making up 6.6%.

**Table 2** Demographic information

Characteristics	Number $(N = 274)$	Percentage
Gender		
Male	145	52.9%
Female	129	47.2%
Age		
Under 18	26	9.5 %
From 18 to 40	176	64.2 %
From 40 to 65	65	23.7 %
Over 65	7	2.6 %
Frequency of Consumption		
Less than 2 times per week	135	49.3%
2-7 times per week	87	31.8%
Over 7 times per week	18	6.5%
Know but never eat	34	12.4%

Source: The research's data analysis

# 3.2.2. Data analysis technique

This study made use of SPSS 22 and AMOS 22 for the statistical analysis of the collected data. First, we took the exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) to preliminarily test the dimensionality, convergent, and discriminant validity of the data. Second, the underlying causal effects among the 9 variables and their respective items in the theoretical model were discovered thanks to the application of structural equation modeling (SEM) approach.

# 4. Results

# 4.1. Reliability and construct validity

According to Hair, Anderson, Tatham, and Black (1998), factor loading and the Kaiser-Meyer-Olkin (KMO) which is greater than 0.5 can be considered as practically significant.

After eliminating 11 items that are below the standard requirements, 3 factors are deleted, including Brand loyalty, Price premium, Brand preference. The remaining factors together with the item factor loadings and overall alpha indices are demonstrated in the table below:

**Table 3**Data description and reliability analysis

Construct	Items (variable coding)	Mean	SD	EFA	Alpha
					0.858
	AW1	4.2226	.90869	0.925	
Brand awareness (AW)	AW2	4.0073	.97962	0.838	
	AW3	4.0438	.99720	0.849	
	AW4	3.7664	1.09118	0.731	
					0.860
Perceived quality (PQ)	PQ2	3.6606	.94817	0.852	
	PQ3	3.8248	.93682	0.508	
					0.895
	AS2	3.7883	.94486	0.408	
Brand associations (AS)	AS4	3.9672	.97722	0.869	
	AS5	3.9416	.98164	0.924	
	AS6	3.9453	1.00581	0.892	
					0.793
Overall brand equity (OBE)	OBE1	3.5547	1.10224	0.794	
Overain braind equity (OBL)	OBE2	3.4708	1.04174	0.869	
	OBE3	3.3905	1.03636	0.880	
					0.865
	PI1	3.9343	.97368	0.607	
Purchase intention (PI)	PI2	3.6241	1.03116	0.618	
	PI3	3.4964	1.08350	0.617	
	PI4	3.7591	1.00930	0.591	
					0.902
	WOM1	3.9088	1.04604	0.716	
Words of mouth (WOM)	WOM2	3.7737	1.08599	0.734	
" ords of mouth ( W OW)	WOM3	3.8832	.94977	0.905	
	WOM4	3.9307	1.00490	1.060	
	WOM5	4.0401	.91098	0.832	

Notes: SD: Standard deviation. 5-point Likert-type scales, with 1 representing strongly disagree to 5 representing strongly agree. Loading items were extracted from the maximum Likelihood with rotation method of Promax Source: Data analysis result of the research

# 4.2. Confirmatory Factor Analysis (CFA)

In this stage of the research progress, Confirmatory Factor Analysis is used to test the relationships among 6 latent variables - Brand Awareness (AW), Perceived quality (PQ), Brand Association (AS), Overall brand equity (OBE), Word of Mouth (WOM), and Purchase Intention

(PI). In specific, the next step is conducting the CFA test with remaining items that were grouped in 6 factors (use items which were eliminated from Reliability and EFA). Furthermore, to process the Confirmatory Factor Analysis for each variable, the AMOS 22 software is applied. In short, CFA was conducted to testify whether the measurement model fits with the data from the survey.

**Table 4**Model fit indices in CFA

Model fit indices	Recommended acceptable level	Indices value
CMIN/df	1 to 3	2.187
RMSEA	< 0.08	0.06
CFI	>=0.90	0.938
TLI	>=0.90	0.926
GFI	>0.90	0.872

Source: Data analysis result of the research

# 4.3. Convergent validity and discriminant validity

To examine the convergent validity of a measurement scale, two indicators were considered: the average variance extracted (AVE) and the composite reliability (CR). The minimum value of the AVE should be at least 0.5, and that of the CR should be greater than the 0.6 cut-off point to ensure the construct convergent validity (Fornell & Larcker, 1981). Also, based on the simulation results of Fornell and Larcker's research (1981), a value of AVE between 0.4 and 0.5 may be considered acceptable when the value of the CR is higher than 0.6, in all the measurement models. Furthermore, Malhotra (2010) also argued that the value of the AVE was too strict, and reliability could be established through the CR alone.

After conducting the CFA, the convergent validity met these criteria. Table 5 showed that all estimates and the AVEs of all factors were higher than 0.5 and the composite reliability values of all factors were higher than 0.7, all of which meet the requirement. In sum, the convergent validities of all constructs were confirmed, and the reliability for all constructs and items of this model completely satisfied the criteria.

**Table 5**The overall reliability of the construct

	CR	AVE
WOM	0.902	0.649
$\mathbf{AW}$	0.822	0.607
AS	0.859	0.604
PQ	0.796	0.665
OBE	0.795	0.565
PI	0.854	0.596

Source: Data analysis result of the research

The results of analyzing SEM was illustrated in Table 6. Overall, the goodness of fit statistics was acceptable, and the estimated coefficients were standardized.

**Table 6**Structural model results

Effect from	Hypothesis	Estimates
Brand awareness → Perceived quality.	H1	0.653***
Brand awareness → Brand association.	H2	0.812***
Perceived quality → Brand loyalty	Н3	ns
Brand association → Brand loyalty	H4	ns
Perceived quality → Overall brand equity.	Н5	0.470**
Brand associations → Overall brand equity	Н6	0.565*
Brand loyalty → Overall brand equity.	Н7	ns
Overall brand equity → Willingness to buy price premium.	Н8	ns
Overall brand equity → Brand preference	Н9	ns
Overall brand equity → Purchase intension.	H10	0.143*
Overall brand equity → WOM (Word of Mouth)	H11	0.120*
Brand reference → Purchase intention.	H12	ns
Word of mouth (WOM) → Purchase intention.	H13	1.095***
Brand awareness → WOM (Word of Mouth)	H14	0.671***
Goodness of fit statistics CMIN/DF=2.288; CFI=0.933; GFI	=0.866; TLI=0	.919; RMSEA=0.69

Notes: Standardized structural coefficients; \*\*\*p < 0.001; \*\*p<0.005; \*p<0.05; ns: non-significant

Source: Data analysis result of the research

### 5. Discussion

In line with previous studies of (Buil et al., 2013; Keller, 1993), brand awareness is significant in shaping the customers' perceptions of the product quality (in this case, the quality of dragon fruits) and associations with the brand, both of which in turn enhance the overall brand equity (Hal Dean, 2004; Kim et al., 2003; Yoo et al., 2000) (support H1, H2, H5, H6). In contrast to the study of (Keller et al., 2011), perceived quality and brand associations are shown to have no relationships with brand loyalty which consequently shows no connection to overall brand equity (reject H3, H4, H7). Inconsistent with previous studies of (Keller & Lehmann, 2003; Keller et al., 2011), overall brand equity is insignificant in relation to willingness to buy at a price premium and brand preference (reject H8, H9). However, overall brand equity is statistically proved to significantly stimulate WOM and customers' purchase intention (support H10, H11). While preference for the brand is insignificant to customers' intention to buy, WOM is evidenced to be a strong driver of the purchasing decision (reject H12, support H13). In line with the study of (Hutter et al., 2013), WOM can be strongly enhanced by the high awareness of customers of the brand (support H14).

# *Implications*

The research has much useful information on brand building for the Cho Gao Dragon fruits brand. This research use sample (non-students) and involve a different type of brand association (Yoo & Donthu, 2001), especially makes adaption organization associations to Geographical indicator (Cho Gao). As a result, people who perceived well with Cho Gao brand have a positive relationship to overall brand equity. Besides, some people in the research admit that they choose Cho Gao Dragon fruits because of its shape (beautiful, and thin cover) rather than its taste like Mrs. Hoa-officer of a book shop in Tien Giang, Mr. Tu- worker of Royal company in Tien Giang. Those are noticed points for Marketers to emphasize on in the content of marketing activities for Cho Gao Dragon fruits brand.

Results provide empirical proof that brand equity has a significant predictor of positive consumer response. From this point, brand equity should be strengthened to benefit farmers and traders. WOM still an effective way to tell the good side about the product and communicate with the consumer, the producer should strengthen this channel to draw the attention of consumers and push them to purchase the product.

Cho Gao Dragon fruits brand is in the developing stage, this research built the base knowledge for readers about brand equity and consumer responses toward Cho Gao Dragon fruits in 2014, that will benefit the students' knowledge about brand equity, an indicator for Marketer to build brand equity for this kind of product. Furthermore, based on the result of this research the Government can use this research to guide the farmers, the traders the way to improve brand equity that generates future income for those individuals and organizations.

Further research should be compared to the brand equity of Cho Gao Dragon fruits and other brands of Dragon Fruit, extend the geography of the sample across the country. The findings benefit for domestic consumption not for exporting, future research should link the domestic and oversea consumer responses toward the brand. The results built the base on consumers' perception, further research should be drawn a correlation between the perception measure and the behavioral outcome.

#### 6. Conclusion

In the brand equity literature, there is little research in Vietnam concentrates on brand equity and consumer respond of agricultural product especially Dragon fruits (potential products). The existent researches of Dragon Fruit are mainly focused on the Supply Chain of this product or how to standardize the quality of the product, whilst, this research is not only investigating the relationships between dimensions of brand equity toward brand equity but also the consumer's respond toward brand equity. Besides, this study promotes Word of Mouth as an effective channel to marketing in Dragon fruits brand.

The research results show that a casual order in the creation of brand equity exists somehow such as awareness contribute directly to perceived quality and brand association. Brand association and perceived quality can cause a positive relationship on overall brand equity. However, Brand awareness, in theory, can have a direct influence on overall brand equity, in this research this dimension doesn't have a significant impact on overall brand equity that revealed the same result in the research of Chu (2014) and Maio Mackay (2001). In the research of Chu (2014), COO (country of origin) has a significant relationship with the overall brand equity of cosmetics in

Vietnam but not brand awareness. The result also corroborates the positive influence of brand equity on consumer response. Meanwhile, most papers assume that brand equity has a positive relationship with consumers' response, this paper empirically proves that overall brand equity direct influence on Word of mouth and purchase intention. Purchase intention is influenced by Word of mouth as well. Brand Preference and willingness to buy price premium don't contribute significant influence on this study. In summary, the result of data analysis and finding gives the research study many useful and practical results especially for agriculture products in Vietnam.

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# **APPENDIX**

The Influence of brand equity on consumer responses toward Cho Gao Dragon Fruits Brand

# <u>Part 1.</u>

Sex	Ages
☐ Male	□ <18
☐ Female	□ 18-25
□ Others	□ 20-22
	□ >22

☐ Female ☐ Others	☐ 18-2 ☐ 20-2 ☐ >22							
How often do yo  Over 7 tir  2-7 times  Less than  Never eat  Part 2.  Please give your opinion the following statements	u consume I nes/week per week 2 times per	week	orand? Please in	dicate)	how m	uch yo	ou agre	ee with
C	. Disagree	3. Neutral	4. Agree	5. To	otally a	agree		
				1	3	3	4	5
The awareness of cons	umer towar	d Cho Gao I	Blue Dragon br	and				
I am aware of brand Che	o Gao Blue l	Dragon brand						
When I think of Dragon the one that comes to m		Gao Blue Dra	gon brand is					
Cho Gao Blue Dragon b	rand is a bra	and of Dragor	n fruit I am					
I know what Cho Gao B	lue Dragon	brand look lil	ke					
I can recognize brand X Dragon Fruit	among othe	r competing l	brand of					
The perceive quality of	fconsumer	toward Cho	Gao Blue Drag	on br	and			
Cho Gao Blue Dragon b	rand offers	very good qua	ality products					
Cho Gao Blue Dragon b quality	rand offers	products of co	onsistent					
Cho Gao Blue Dragon b	rand offers	very reliable	products					
Cho Gao Blue Dragon b	rand offers	products with	excellent					

	1	3	3	4	5		
The perceive value of consumer toward Cho Gao Blue Dragon brand							
Cho Gao Blue Dragon brand is good value for the money							
Within Dragon Fruit brand I consider Cho Gao Blue Dragon brand a good buy							
Considering what I would pay for Cho Gao Blue Dragon brand, I would get much more than my money's worth							
The perceive of consumer toward organizational association							
I trust the district which makes Cho Gao Blue Dragon							
I like the district which makes Cho Gao Blue Dragon							
The district which makes Cho Gao Blue Dragon is credibility							
Consumers' brand loyalty toward Cho Gao Blue Dragon bra	nd						
I consider myself to be loyal to Cho Gao Blue Dragon brand							
Cho Gao Blue Dragon brand would be my first choice when considering Dragon Fruit							
I will not buy other brands of Dragon Fruit if Cho Gao Blue Dragon brand available on store							
The overall brand equity toward Cho Gao Blue Dragon brand	d						
Even if another Dragon fruit brand has the same features as Cho Gao Blue Dragon brand, I still choose Cho Gao Blue Dragon							
If there was another brand of Dragon Fruit as good as Cho Gao Blue Dragon, I still choose Cho Gao Blue Dragon							
If there was another brand of Dragon fruit is not different from Cho Gao Blue Dragon brand in anyway							
Consumers' willingness to buy a price premium							
The price of Cho Gao Blue Dragon brand would have to go up quite a bit before I still buy it							
I am willing to pay a higher price for Cho Gao Blue Dragon brand than other brand of Dragon fruit							
I am willing to buy a lot more Cho Gao Blue Dragon brand than other brand of Dragon fruit							
Brand preference of consumers toward Cho Gao Blue Drago	n bran	ıd					
I like Cho Gao Blue Dragon brand better than other brand of Dragon fruit							
I would consume Cho Gao Blue Dragon more than other brand of Dragon fruit							
In Dragon fruit brand Cho Gao Blue Dragon is my preference brand when I choose to buy Dragon Fruit							

	1	3	3	4	5
Consumers' purchase intention toward Cho Gao Blue Dragor	n bran	ıd			
I would buy Cho Gao Blue Dragon because I know it well					
I would seriously consider buy Cho Gao Blue Dragon brand					
It very likely that I would buy Cho Gao Blue Dragon brand, whenever I buy fruits					
Next time when I need Blue Dragon, I definitely buy Cho Gao Blue Dragon product					
Word of Mouth					
I mostly say positive things to others.					
I am proud to say other that I am Chợ Gạo Blue Dragon's customer.					
I strongly recommend people buy products of Chợ Gạo Blue Dragon					
I spoke of Chợ Gạo Blue Dragon much more frequently than about any other Dragon Fruit Brand					
I would give recommendation about Cho Gao Blue Dragon for acquaintances when they need Dragon Fruit					