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Measuring Brand Equity of Restaurant Chains

Woo Gon Kim
Oklahoma State University, null@okstate.edu

Peter DiMicelli
Oklahoma State University, null@null.edu

Jin Khang
CJ Foodville Corp, null@null.edu

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Abstract
Little research has been done to measure brand equity of hospitality companies. It is important for food service organizations to measure accurately their brand equity in order to manage and leverage it properly. This study attempts to measure the brand equity of casual dining restaurant chains in monetary terms using conjoint analysis.

Keywords
Food service, Organizations, Hospitality Administration and Management, Finances

Measuring brand equity of restaurant chains

by Woo Gon Kim,
Peter DiMicelli, Jr.,
and Jin Kang

Little research has been done to measure brand equity of hospitality companies. It is important for food service organizations to measure accurately their brand equity in order to manage and leverage it properly. This study attempts to measure the brand equity of casual dining restaurant chains in monetary terms using conjoint analysis.

The term "brand name" (brand) originated from putting the name of the producer on the product to find out who had the responsibility when the product had a problem.[1] Ironically, the term "Uncle Sam" got its origin from a brand name. It seems that during the War of 1812, pork was shipped to American soldiers in barrels stamped with the letters "U.S." and the name of the packer, Sam Wilson. The soldiers referred to the U.S. pork barrels as "Uncle Sam's meat" and this brand name later became the nickname for a major symbol representing the United States.

According to Keller, "Consumer brand knowledge can be defined in terms of the personal meaning about a brand stored in consumer memory...."[2] An example of this statement and of how brand is being used in the hospitality industry is evident with the Hilton Grand Vacations Company, which uses brand recognition through the continued development of the company's line of Hilton Grand Vacations Club ownership program. Thus through the continued development of the vacation ownership program, consumers are becoming more aware of the brand name known as Hilton Grand Vacations Club. This consumer awareness (brand recognition) of brand equity is being stored in their memory, passed on to others, and also used by them in investing in the ownership program which allows the brand equity to continue to grow for the company. This type of brand equity recognition makes it easier for banking, investment, and other financial industries to place an equity value on the brand name.

Keller describes several consumer stimuli factors that are "key dimensions of brand knowledge": awareness, attributes, benefits, images, thoughts, feelings, attitudes and experiences.[5] These dimensions of brand knowledge can further be described or defined in terms of brand recognition as a name, term, sign, symbol, design, or a combination of these factors which is intended to identify the goods and services of one seller or group of sellers, and also to differentiate them from those of competitors.[4] Though brand covers various meanings of identification, it is used in this study as a representative of the value and equity it gives to corporate recognition and identification. In short, brand equity has a value that attaches to brand name and recognition.

Brand equity is the sum of the total amount of assets, including those formed by the brand identifiers such as good will, deducted by the total amount of liabilities. It can increase or decrease the value of a product or service offered by a company. The correct measurement of brand equity should be calculated in order to manage a restaurant firm's brand and to build strong brand equity.[6] The purpose of this study is twofold: first, to measure the brand equity of casual dining chain restaurants in monetary terms through conjoint analysis, and, second, to determine the relationship between brand awareness and brand equity value of chain restaurants.

Brand names have increasingly been considered as primary capital for many businesses. Financial professionals developed the notion that a brand has an equity value, which exceeds its conventional asset value. This notion is based in part on the fact that the cost of introducing a new brand to its market has been approximated at $100 million, with a 50 percent probability of failure.[7] Brand power as a long-standing part of the base for equity, instead of management strategies for short-term performance, has been re-evaluated by many American companies.[8]

The concept and measurement of brand equity has interested academicians and practitioners for more than a decade, primarily due to the importance in today's marketplace for building, maintaining, and using brands to obtain a definite competitive advantage. Many companies have established a strong brand image as a way of making customers believe that all of their corporate products are of good quality and beneficial to consumer needs. This brand image also has an effect on the overall corporate image, which helps to form the value of the company. This overall effect is valued as good will, which is then given a dollar value for purposes of corporate acquisitions and buy-outs.

It is no secret that the food service industry has a high mortality rate, especially within the first few years of a new operation. This is one reason why it is hard to attract investors for new food service operations. However, even successful food service operations find it difficult to acquire new investment funds for the purpose of expansion and growth. One reason for this is the problem associated with assessing "added value or intangible assets." It is difficult to assess or evaluate "added value" without knowing the actual value that a brand name adds to a product or business.[9] As a major player in the corporate world and one with continued growth potential, food service firms should be well aware of the importance of brand equity. If service companies can provide economic worth for their brands that could partly explain the value of intangible assets, they will be able to attract more outside investors by showing a more accurate valuation of the firm's equity.

McDonald's ranked highest

A number of different methods have been suggested for measuring brand equity, such as the consumer-based perspective, the financial perspective, and the combined perspective. Interbrand Group, a British consulting group, annually estimates and ranks the value of major global brands by using a multiplier of brand profits based on the brand's performance along seven dimensions. In 1999, the group, using a subjective multiplier of brand profits, ranked McDonald's corporation as eighth internationally, with a value of $262 billion as a value for brand equity.

Interbrand's 2001 worldwide research and corporate estimates produced the following ranking of some major American food service operators: McDonald's was ranked ninth, followed by Pizza Hut, Kentucky Fried Chicken, and Burger King, with rankings of 47, 51, and 80, respectively. It is not surprising to find that food service firms ranked high in their value of brand equity in comparison to many other service firms.

Research is summarized

Much research has been conducted concerning the branding phenomenon in the hospitality industry. However, research concerning the consumer-based equity of restaurant brands has not been fully explored. Muller and Woods made several proposals and suggestions regarding the importance of brand management rather than product management in the food service industry.[10] They first proposed that the common skills and competencies necessary for managing the brand name of a multi-unit restaurant should include a clear understanding of the concept of the restaurant, the dependability of the brand name, the development of a better brand image, as well as price and value reconciliation. These researchers believed that a restaurant brand contains specific elements, and promises explicit benefits to the customer.

Restaurant brand management goes beyond traditional means of product differentiation such as service excellence, signature menu items, attractive facilities, and convenient locations. Brand management in food service also depends on positioning strategies based on a clear understanding of demographic and socio-economic characteristics of customers as well as their patronage behavior. The authors also pointed out that brand equity is built based on the flawless execution of service, symbolic image, quality products, and satisfaction of customer expectations. A restaurant brand offering these attributes can achieve an increased market share, enhanced customer loyalty, and a positive brand image.

A number of alternative methods have been suggested for measuring brand equity. During the 20th Century, the most commonly accepted approaches to measuring brand equity were either financial or consumer-related methods. However, the evaluation of these methods presents some problems in measuring brand equity. The result from the financial approach does not suggest a correct direction for a company to follow, since it relies solely on the current financial condition that fluctuates with the daily movement of the stock market. The consumer-related method is more of a marketing approach, and though it may be more reflective of value based on consumer behavior, it is not objective.

In his article "Assessing the Value of Brands," Murphy identified three generic brand strategies in the restaurant industry: simple, monolithic, and endorsed.[11] Such industry leaders as Tricon (Pizza Hut, Taco Bell, and KFC) and Darden (Olive Garden, Red Lobster, and Bahama Breeze) have followed the simple brand strategy over the years. Following this strategy, each independent brand stands alone, thereby establishing its own identity value and brand equity. A monolithic strategy adheres to the principle that the strength of the corporate brand will add value to an entire company's product offerings. A good example of this is evidenced in the Walt Disney Corporation which has a line of theme parks as well as animation films.

The endorsed brand strategy implements a recognized and well-accepted name, which comprises identifiable guarantees of quality and consistency on a cluster of products or services in a similar general product category. Several hotel chains have embraced brand extensions as a means for their market power. One such chain is Marriott Corporation, which maintains a collection of lodging brands operating in different industry segments: Courtyard by Marriott, Fairfield Inns by Marriott, Residence Inns by Marriott, and Marriott Resorts. Each brand has distinct attributes, but they are unified by the corporate name Marriott. Jiang, Dev, and Rao[12] pointed out that brand extensions helped to minimize the rate of switching from a brand family. However, brand switching increased after the number of extensions exceeded three.

Research ranks values

This research design is based on the ranking of specific food service related attributes that create a perceived value for the brand. In conducting research using conjoint analysis, respondents assign a value to predetermined features, referred to as levels, of a product or service. In this study, there are five attributes and each attribute is broken down into two to four levels, which are used to determine total brand utility.

In the study, each respondent was given a card containing the following attributes: brand name, menu, service, location, and price in randomized levels. These attributes are similar to those proposed by the National Restaurant Association with regard to price, service, and location. However, it should be noted that in the Korean market, menu is synonymous with food item selections, and brand name is more important to the focus of this study than ambiance.

Three of the four names of the sample restaurants were randomly assigned to each card. The fourth attribute is listed in a randomized rotation on each card so a balance of selection opportunity exists, eliminating a carryover effect of a respondent's opinion. The levels of analysis for the attributes are as follows: three levels for price, four for brand name, two for location, three for service, and three for menu. There are a total of 216 ($3 \times 4 \times 2 \times 3 \times 3$) product profiles, so the respondents have the opportunity to make a decision based on a possible 216 rankings in the study.

The Orthoplan and its Fractional Factorial Design component within the SPSS analysis program were used to run the data analysis. What makes these components and program so nice to use is that each respondent does not have to evaluate all possible profiles.

After all data were collected, 16 carefully chosen restaurant concepts (profiles) were selected through this process, and three profiles were added to the preference research totaling 19 profiles in all to determine the validity of the preference model. The preference of each profile can be calculated by these ranking results.

Measuring preference is difficult because it is an abstract and psychological matter. The easiest way to measure preference is to let respondents rank them according to criteria of preference. However, it is not easy to rank 19 profiles using this study. Therefore, the Balanced Incomplete Block (BIB) test was used to measure the preference of each respondent in this study. The BIB test is used widely in the field of management, marketing, research, and product development. Using the BIB test requires as many cards as profiles to design the questionnaire.

It is likely that respondents may pay more attention to the first attribute when the profiles are presented on each card. To prevent a type of carryover effect of a respondent's opinion, a type of counterbalancing was used through the rotation of the attributes with every fourth set of cards in the BIB tests. For example, attributes from card 4 to card 7 are presented in order of price→menu→service→location; attributes from card 8 to card 11 are put in order of location→price→menu→service, and from card 12 to 15 the attributes are in the order of service→location→price→menu. The attribute names are also rotated with every fourth set of cards. This will prevent profile bias and increase respondent objectivity.

Conjoint analysis is useful

Conjoint analysis is widely recognized as a useful marketing research tool which can provide invaluable information for product design, market segmentation, pricing decisions, and brand equity research[13]. Conjoint analysis is a technique for measuring trade-offs by analyzing survey responses regarding the consumer's preference.[14] In a real purchase situation, restaurant customers examine and evaluate options that simultaneously vary across several attributes in making their final purchase selection. Conjoint analysis makes it possible to calculate the brand utility based on the responses on each questionnaire by clarifying the consumer's preference. Conjoint analysis was adopted to quantify the brand equity of chain restaurants in monetary terms. It has not only been applied to tangible products, but also to intangible products such as education, information offering, tour guide, and many other tangible and intangible products.

Casual restaurants selected

This study attempted to measure the brand equity of certain restaurant chains using conjoint analysis. To evaluate brand equity of a corporate name within the food service industry required the sampling of people who frequented casual dining restaurants. Customers ranging in age from their twenties through thirties were identified as the primary guests of casual dining restaurants such as T.G.I. Friday's, Bennigan's, Outback Steakhouse, and Snoopy Place, and were therefore targeted for this study.

T.G.I. Friday's is a leading full-service casual theme restaurant founded in 1965. It is currently operated by a worldwide restaurant consortium, which emphasizes great food, quality beverages, and outstanding service rendered in a festive dining environment. The interior design is distinctively decorated with authentic antiques/memorabilia that showcase the specific location and local décor. The restaurant's menu has evolved to reflect the needs of guests and is catering to single adults, families, and seniors. The menu variety is upscale and selectively reflects a host of delicious and healthy entrees.

Outback Steakhouse is the number three operator of casual-dining restaurants in 21 countries. The chain prides itself on steak, chicken, and seafood entrees served in an Australian-themed atmosphere. The Outback Company also owns and operates other restaurant chains with Italian, prime rib and seafood themes.

Bennigan's was founded by D. Bennigan, a native of Ireland, who upon coming to America searched for places to relax with family and friends, enjoy great food, raise a glass, and wish them a hearty cheer, just like the taverns of his homeland. Backed by Metromedia Restaurant Group's 30-plus years of franchising experience, Bennigan's now offers potential franchisees experience, expertise, and brand equity, making them one of the fastest and most popular restaurant franchises today. The menu is as diverse as the countries in which Bennigan's is located, offering unique sandwiches, seafood dishes, burgers, and their famous baby back ribs.

Snoopy Place is a theme concept offering food, shopping, and entertainment, which opened in late December 1998 in Singapore, and eventually expanded to other locations throughout Southeast Asia. Each complex offers great food and service, and has well over 2,000 kinds of Snoopy toys in the gift shop, Snoopy cartoon strips, a playroom for children, and a huge airplane piloted by Snoopy. All the grilled foods at Snoopy Place use black oak in the oven. These dishes include pizza steak, kebobs, and other meat dishes. There are, in fact, over a hundred items on the menu at Snoopy Place, including pasta, chicken fajita salad, grilled chicken Caesar salad, chicken quesadillas, seafood gumbo, and pumpkin soup with lots of vegetables. The Linus set menu for children has crispy fried mozzarella cheese and dim sum made into in various shapes.

The respondents in this study were selected while walking or shopping in a downtown shopping mall in the city of Seoul, Korea, where all of the sample restaurants are located. The survey administrators were instructed to ask a screening question to determine whether a person frequented casual dining restaurants more than five times during the past one-year period. A total of 500 people who met the minimum dining frequency requirement were selected to complete the survey, and 285 completed the on-site survey, resulting in a response rate of 57 percent.

Brand awareness plays role

High brand awareness plays a vital role when a consumer selects a restaurant chain over another. Such strong awareness is a leading factor in building high brand equity. In this study brand awareness is divided into three major categories: first, "Top of mind," which represents the restaurant name that is foremost on the mind of respondents; second, "Brand recall," which is representative of the casual dining establishment that the respondent first brought to memory when asked to participate in the survey; and third, "Brand recognition," which represents the most perceived casual dining restaurant when considering going out to dinner.

The results reflected in Table 1 show that T.G.I. Friday's holds the highest level of brand awareness with regard to being uppermost in consumer's minds at 49.2 percent. Bennigan's, which can be described as the strongest rival, had a 21.2 percent "top of the mind" awareness rating. This study also included an up-and-coming rival and competitor in the casual dining market in Korea, the Outback Steakhouse chain. Though Outback showed a low rate in the brand recall (16.7 percent) as well as in the brand name recognition (55.4 percent), it is considered to have a high growth rate potential. Snoopy Place, the most recently emerging restaurant chain in Korea, showed a very poor brand awareness level overall. See Table 1.

Brand equity is measured

The first step is to measure the brand equity of the selected four restaurant chains in monetary terms. It is easy to measure brand equity when the product is tangible, in which case a hypothetical product is selected and analyzed. Such is not the case in the service area where objectively choosing a real service product and a hypothetical one for observation can be difficult. Also, the four restaurant chains that are the subjects of this study all provide a similar level of service and menu, which could be a problem. Therefore, this research attempted all of the hypothetical combinations about all attribute levels of both menu and service for each brand. The total utility of each attribute was added together and then divided for an average, which was then used in the research.

In the first stage, the researchers computed the relative importance rating of the five attributes and the utility level of attributes by using SPSS conjoint analysis program. As seen in Table 2, the score of Pearson's R and that of Kendall's Tau are used in conjoint analysis as a means to verify the validity of the observed preference and that of the speculated preference observed among the holdouts in the combinations. Table 2 shows that location turned out to be the most important

Table 1
Results of brand awareness in four restaurant chains

	T.G.I. Friday's	Bennigan's	Outback Steakhouse	Snoopy Place
Top of mind	65 (49.2%)	28 (21.2%)	1 (0.8%)	-
Brand recall	41 (38.0%)	65 (60.2%)	18 (16.7%)	1 (0.9%)
Brand recognition	120 (92.3%)	123 (94.6%)	72 (55.4%)	16 (12.3%)

Table 2
Relative importance of the five attributes

Attribute	Importance (%)	Ranking
Location	28.63%	1
Price	26.06%	2
Brand name	19.33%	3
Menu	13.94%	4
Service	12.05%	5

Pearson's R =.983, p <.0001
Kendall's tau =.889, p<.0004

attribute (28.63 percent) among the five attributes, followed by price 26.06 percent, brand 19.33 percent, menu 13.94 percent, and service at 12.05 percent.

By systematically observing how respondents react to the resulting restaurant profiles, one can statistically deduce the scores (part-worths, a.k.a., brand utility) for the separate attribute levels. Table 3 shows that Bennigan's topped the list in the attribute levels of brand name with a part-worths score of 1.10. This table also showed friendly service to have the highest part-worths score among the three service attribute levels with 0.68. Of the remaining attribute levels, fine taste had a part-worths score of 0.40, while the price level of $12 had a score of 1.48, and easy access with 1.62 showed the highest part-worths score for the menu, price, and location attributes, respectively. The part-worths scores are useful for determining which levels are preferred. Once these scores are known, an individual can simply sum them to predict how each respondent would react to the 19 profiles.

The second stage is needed to estimate the total utility (desirability) of the four hypothetical restaurants, which were estimated to reflect the most realistic representation of attribute levels for each restaurant chain. This stage shows a simplified way to calculate the total utility of a hypothetical restaurant that was assigned with an attribute level. The estimated total utility of these four restaurant alternatives is equal to the sum of its part-worths, and its breakdown is offered in Table 3. The total utility of the four restaurants is presented in Table 4. In examining a hypothetical unit of T.G.I. Friday's equipped with an average check of $12, easy access, friendly service, and fine taste, such an establishment should render a total utility of 4.78. A review of the hypothetical restaurant under the brand name of Bennigan's should show a slightly lower total utility at 4.55. This reduction in total utility could be a reflection of the fact that all other criteria being equal, i.e., location, service and menu, Bennigan's had a higher price by only one dollar for a total price of $13.

Table 3
Attribute part-worths

Attribute	Level	Part-worths
Location	Easy access	1.62
	Uneasy access	0.00
Price	$12	1.48
	$13	0.74
	$16	0.00
Brand name	T.G.I. Friday's	0.89
	Bennigan's	1.10
	Outback Steakhouse	0.28
	Snoopy Place	0.00
Menu	Fine taste	0.40
	Large quantity	-0.39
	Various menu	0.00
Service	Friendly service	0.68
	Prompt service	0.05
	Accurate service	0.00

Others fare worse

The two remaining hypothetical restaurants fared far worse in measuring customer desirability, i.e., total utility. Outback Steakhouse had the lowest total utility at 1.37. This can probably be attributed to the establishment's much higher price of $16 and to having its location attribute rated as "uneasy access." It should be noted, however, that the Outback Steakhouse chain is relatively new in the demographic area compared to the other three restaurants. Though Outback had the lowest total utility, it was not that much lower than that of the Snoopy Place restaurant chain, which is more of a local or at best a regional restaurant chain. Still, Snoopy Place had a total utility of only 1.83.

The fact that Snoopy Place is a relatively new restaurant in this area probably placed it on an even plane with Outback Steakhouse and did not affect the total utility outcome as much as the fact that its price structure was $3 lower than Outback's at $13 overall. Snoopy Place's total utility score also suffered because its location attribute also had an "uneasy access" rating. The main reason why both Outback Steakhouse and Snoopy Place had such lower total utility scores in comparison to T.G.I. Friday's and Bennigan's was most likely the result of the higher price attribute and the poor level rating of "uneasy access" for the location attribute.

Overall, respondents indicated that the most optimal combination

Table 4
Total utility of the hypothetical restaurants

Brand name	Location	Price	Menu	Service	Total utility
T.G.I. Friday's	Easy access	$12	Fine taste	Friendly service	4.78
Bennigan's	Easy access	$13	Fine taste	Friendly service	4.55
Outback Steakhouse	Uneasy access	$16	Fine taste	Friendly service	1.37
Snoopy Place	Uneasy access	$13	Fine taste	Friendly service	1.83

is with the restaurant that has the attribute level reflecting the lowest price of $12, the location with easy access, friendly service, and a menu that produces food of fine taste. See Table 4

Value is determined

The last stage in the use of conjoint analysis to determine brand equity value is a two-step process. First, it is necessary to use the total utility calculated in Table 4 and divide that figure into the brand utility (part-worths) in Table 3, for each of the corresponding brand names. This division step will determine the brand equity percentage as shown in Table 5.

Table 5 shows that the brand utility percentage of 18.54 percent represents T.G.I. Friday's brand equity control of its total utility, while Bennigan's accounted for 24.11 percent, Outback Steakhouse 20.38 percent, and Snoopy Place 0 percent of total utility, respectively. Once the brand equity percentage is calculated, then it is necessary to multiply the annual sales of the restaurant chain by its corresponding percentage, which is the second step in the process. By taking T.G.I. Friday's 18.54 percent control of total brand utility and multiplying it by the total sales of $32.8 million, it is possible to determine that the brand equity value of T.G.I. Friday's name is equivalent to $6.08 million. By following this same process, the brand equity value of Bennigan's name was calculated to be $5.84 million, while $3.32 million was given to the Outback Steakhouse name. Unfortunately, due to the zero

Table 5
Results of brand equity in four restaurant chains

Brand name	Total utility	Brand utility	Percentage	Total sale (millions, 2001)	Brand equity value (millions)
T.G.I. Friday's	4.78	0.89	18.54%	$32.8	$6.08
Bennigan's	4.55	1.10	24.11%	$24.2	$5.84
Outback Steakhouse	1.37	0.28	20.38%	$16.3	$3.32
Snoopy Place	1.83	0.00	0%	$3.5	$0

brand utility (part-worths) contribution of the Snoopy Place restaurant brand name to total restaurant utility as stated in Table 3, it was not possible to impart a brand equity value to the Snoopy Place restaurant brand name. However, from each of the other three restaurant chains, the researchers were able to retrieve a dollar amount attributable to the brand name by taking a total utility percentage of the sum of total sales, which resulted in an extracted brand equity value.

Brand equity value compared

Over the many years of its existence T.G.I. Friday's has exposed itself to the press and created an image whereby many consumers give it a high awareness level. Friday's showed a higher level of awareness and the highest brand equity value of $6.08 million, based on the overall higher annual sales of $8.6 million and higher total utility, as compared to that of Bennigan's at $5.84 million, (see Table 5). However, Bennigan's brand equity value was not much different from that of Friday's. The reason for this is that Friday's brand shows a lower part-worths score at .89, which is approximately four-fifths of the brand utility rating of Bennigan's at 1.10. This leads to the obvious conclusion that high brand awareness, i.e., top of the mind, does not automatically mean high brand utility or high brand equity value. Brand equity does not rely on awareness alone. It needs a combination of affirmative recognition and recall, as well as brand awareness, to impress consumers in order to raise the brand equity value.

As reflected in these tables, conjoint analysis allows for market segmentation. It helps explain what consumers consider most important and leads to the adoption of a more efficient marketing strategy through consumer segmentation. Though not reflected in any of the tables, the study did show that on average, males consider price the most important attribute, whereas females thought that location was the most prominent attribute. Additionally, where to eat and the convenience of the location did seem to be a priority for the buying consumer, as reflected in Tables 2, 3, and 4.

Several factors are relevant

This study attempted to measure the brand equity of the restaurant chains using conjoint analysis. Several attributes combined together will determine the degree of customer satisfaction at the conclusion of their dining experience. Since the attributes representing customer satisfaction interact with each other, determining that one attribute is more important than another does not give the researcher an understanding of the purchase habits or reasoning for repeat patronage. What might be considered an important attribute might depend on the presence or absence of other attributes that, by themselves, are less important.

Conjoint analysis makes it possible to measure relative values of things considered jointly which might be unmeasurable taken one at a time. In the study, respondents were each given a profile of a restaurant, where each profile consisted of a set of attributes that differed by degree as it pertained to the establishment's food and service criteria. The exact attributes were drawn from a specific design and were included in the set of profiles that each respondent received for evaluation as to the worth of the profile to them personally. In other words, the researchers are using conjoint analysis in order to identify the value of the brand based on the individual respondent's attitudes toward the attributes that were presented as brand name, service, menu, price and location. The researchers were also looking to predict the respondents' loyalty and explain the variation in that loyalty based on each person's perceived attitude. These findings will be able to help managers as well as marketing decision makers manage their brand's equity to maximize the value of their asset.

Friday's ranks highest

The findings indicate that T.G.I. Friday's leads Bennigan's in total brand equity. The reason for this outcome is that Friday's showed the highest utility score (4.78) and higher annual sales dollars in comparison to Bennigan's. Although Friday's showed a higher level of awareness, their brand utility percentage (18.54 percent) was lower than that of Bennigan's (24.11 percent). Had Bennigan's brand utility (recognition and value) been a little higher than 1.10, it would have scored a higher brand utility percentage, which could have resulted in a higher total brand equity value overall than Friday's which would have still had a higher level of awareness. This leads to the obvious conclusion that high awareness does not automatically mean high brand equity. During its early years, Friday's exposed itself to the press and along with added publicity has given itself a high awareness level. On the other hand, Bennigan's took a more friendly approach that has led to the higher brand equity.

One of the advantages of conjoint analysis is its analytical power. As tested in the above, a conjoint analysis allows market segmentation. This study showed that brand equity does not rely on awareness alone. It needs a combination of affirmative recognition and brand awareness to impress consumers in order to raise brand equity. In the context of the application of conjoint analysis in predicting a buyer's choice among the multi-attributes used as a measuring tool, a manger can now use such information in terms of determining what is best for customer satisfaction and continued growth.

Research has limitations

A conjoint analysis makes it possible to calculate the brand utility from responses to the questionnaire. Nevertheless, the limited number of attributes and comparable brand do confine the research. When measuring brand equity, consideration must be given to factors such as price cuts that can raise the numbers but hurt the brand's image. Such elements should be given close attention in future studies. A month of administration of convenient surveys was conducted to collect the data.

Since Seoul is the largest city of South Korea, as well as its capital, the small sample size may not be a true representation of customer preference in restaurant chains throughout the whole city. Therefore, it may be an unreliable attempt to apply non-representative results on the overall total sales to estimate dollar value of brand equity.

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***Woo Gon Kim** is an assistant professor and **Peter DiMicelli, Jr.** is a doctoral candidate in the School of Hotel and Restaurant Administration at Oklahoma State University. **Jin Kang** is an assistant manager in the marketing department at CJ Foodville Corporation in Seoul, Korea.*