



The Influence of Brand Equity on Insurance Industry Customer Responses (A Case Study of Fire Insurance the Iran Insurance Company in Tehran)

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ABSTRACT: The main objective of this study is to experimentally test a conceptual model of brand equity. This study attempts to verify the determinants of brand equity of services based on customers' perception of Iran Insurance Company services. Hence, this research attempts to investigate the influence of brand equity on customers' responses. Data was collected by a questionnaire and was analyzed by structural equation modeling using SPSS 18 and LIZREL 8.5. Population was customers of Iran Insurance Company who purchase its fire insurance during the period of research. A sample of 384 tourists was selected by convenience sampling approach. Structural equation modeling indicated that brand awareness has a positive and significant influence on perceived quality and brand associations. Perceived quality and brand associations had also significant influence on brand loyalty and brand equity. Brand equity has also significant influence on brand preference, brand extension, price premium, and purchase intention.

KEYWORDS: Brand equity, Consumer responses, Brand preference, Brand Association

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1. INTRODUCTION

In today's competitive business environment, the concept of brand equity is an important source of strategic intelligence for marketers. High brand equity levels are known to affect consumer preferences and purchase intentions (Cobb-Walgren et al., 1995). One of the reasons for the importance of the concept of brand equity is it creates value for both customers and the company and for our customers, and therefore, marketer can achieve competitive advantage using brand equity (Bharadwaj, Varadarajan and Fahy 1993). Extensive studies which have been conducted on brand equity in different countries (Yoo & Danthu, 2001; Brulis et al, 2010, Buil & Sharnatoni & Martinez, 2010) The strategic and important role of brand equity in managerial decisions and creating competitive advantage for organizations and their customers is of important reasons of this reputation (Atilgan et al, 2007). Brand equity also enables organizations to demand more money for their brand as well as keeping their market share (Lee & Back, 2009). Brand equity is an added value which is created for an organization because of a brand. This concept has been discussed in different ways and for different aims, but so far no common consensus has been achieved on it (Glynn et al, 2007). Through a brand, a platform is established for growth and development of companies (Kayaman & Arsali, 2007). One of industries which have been mainly grown in Iran is insurance industry. Accordingly, main aim of the research is, determining factors influencing on brand equity and also determining behavioral consequences of brand equity in order to provide appropriate solutions for marketing managers on the basis of analyzing data and results from the research. However, not much research has been done to apply brand equity concepts and measures to Iran insurance company brands. Thus, the objective of this research is to develop a valid and reliable model of Iran insurance company brand equity by assessing the dimensions of the brand equity constructs.

2. LITERATURE REVIEW

There have been two general motivations for studying brand equity. One is financially based motivation to estimate the value of a brand more precisely for accounting purposes in terms of asset valuation for the balance sheet or for merger, acquisition or divestiture purposes. A second reason for studying brand equity arises from a strategy-based motivation to improve marketing productivity. Given higher costs, greater competition, and flattening demand in many markets, firms seek to increase the efficiency of their marketing expenses. As a consequence, marketers need a more thorough understanding of consumer behavior as a basis for making better strategic decisions about target market definition and product positioning. Perhaps one of the firm's most valuable assets for improving marketing productivity is the knowledge that has been created about the brand in consumers' minds from the firm's investment in previous marketing programs. Financial valuation issues have little relevance if no underlying value for the brand has been created or if managers do not know how to exploit that value by developing profitable brand strategies. (Keller, 1993) Mahajan et al. (1994) Customer based Brand equity can be evaluated by the level of customer's understanding. Farquhar (1989) Brand equity can be changed via the changes in consumers' thoughts as they are buying a particular product.

Aaker (1991) Brand equity can be evaluated through brand loyalty, brand association, brand awareness and perceived quality. Keller (1993) basically, there are two methods to evaluate customer based brand equity (direct & indirect) by stressing on two elements: brand image and brand awareness.

Buil et al (2013) showed that individual attitude to advertising plays a key role in economic value of a brand. While the cost of advertising for the brands under investigation is to promote the brand awareness, but it is not enough to have a positive influence on Brands Union and perceived quality. Wasquez et al (2002) Brand equity can be defined as "the marketing and financial values linked with a brand's strength in the market, including actual proprietary brand assets, brand name awareness, brand loyalty, perceived brand quality, and brand associations"

(Pride & Ferrell, 2003). Demonstrate brand image affects brand equity. Broils et al (2009) developed a model for brand equity having its prerequisites, dimensions, and results. They consider the prerequisites and dimensions to have two general functional and symbolic dimensions. The functional prerequisites indicate desirability's and internal benefits and they response to functional needs of customer. In fact, the features meet the physiological and security needs in Maslow's pyramid of needs. Empirical (subjective or symbolic) prerequisites indicate the ability of brand equity in satisfying psychic and social needs of users (consumers).

Sarlak (2012-2013) evaluated the factors determining brand equity for financial institutes (case study: Mizan Financial & Credit Institute) and came to this conclusion that "a strong brand can have more brand equity". A strong brand with positive equity has numerous advantages such as higher profit margins, brand extension opportunities, stronger communications effectiveness, and higher purchase preference & intentions of user (consumer).

Beak and King (2009) in a study concluded that intend to purchase through increased brand strong impact on perceived quality, perceived value, cost savings and an increase in perceived risk across the categories of service.

The reality that emerges from the various researches in brand equity through the years is that there is considerable debate regarding the definition of brand equity and its measurements (Yoo and Donthu, 2001).

3. THEORETICAL FRAMEWORK

Brand equity has many definitions and forms, such as favorable impressions, attitudinal dispositions, and behavioral predilections (Rangaswamy et al., 1993) and nurturing long term buying behavior. Understanding the dimensions of brand equity, then investing to grow this intangible asset raises Competitive barriers and drives brand wealth (Yoo, Donthu and Lee 2000). Brand equity as a set of assets and liabilities linked to a brand. These include the name and symbols that add to or subtract from the value provided by product or services to a firm and/or to that firms' customer. When the consumer based brand equity is taken into consideration, definitions are more consumers specific (Aaker, 2001, 165) Brand equity can be measured from both consumer and financial perspectives. When brand equity is measured by using anonymised financial data, it is defined as financial based brand equity. In contrast, when studies are performed at the individual consumer level through consumer surveys, consumer based brand equity is discussed (Pappu et al. 2005; Yoo and Donthu 2001).

According to Aaker (1991), brand equity is a multidimensional concept. It consists of brand loyalty, brand awareness, perceived quality, brand associations, and other proprietary brand assets. Other researcher's identify similar dimensions. Brand loyalty and brand associations (Shocker and Weitz, 1988), and Keller (1993) suggests brand knowledge, comprising brand awareness and brand image. Considering the various suggestions, we recognize perceived quality, brand loyalty, and brand awareness with strong brand associations as common dimensions of brand equity. In summary, high brand equity implies that customers have a lot of positive and strong associations related to the brand, perceive the brand is of high quality, and are loyal to the brand. In our extended model, the dimensions of brand equity increase brand equity because each of them is positively related to brand equity.

(Kotler 2006)In recent years, many companies have come to believe that one of their most valuable assets is their brands, products and services. (Aaker, 1991) defines brand equity as "a set of assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers." He divides these assets and liabilities into the following five categories: brand awareness, perceived quality, brand associations, brand loyalty, and other proprietary brand assets. The first three are considered to be perceptual components of brand equity, and brand loyalty is classified as a

behavioral component Aaker stated brand equity including dimensions of perceived quality, brand loyalty, brand associations and brand properties (such as intellectual rights, distribution channels, etc.) (Aaker, 1992; Keller, 2003) Brand loyalty means that every customer whose previous and next purchase is equal or they recommend the others to buy or they attempt to buy more. Brand awareness is the ability to recognize (recognition) and remember potential buyers about a brand as a member of special class of products.

Brand association which is also as a main factor of brand identity is referred to the factors which are directly or indirectly related to the brand in the minds of audiences (Aaker, 1991). One of the best known marketing concepts, which are extensively used by marketing scholars, is brand equity, with the most important reasons for such importance including strategic role of brand equity in managerial decisions and creation of competitive advantage for organizations and their customers (Atilgan, et al. 2009).. In Keller's opinion (2008), irrelevant features to a product are external aspects of the product or service which are related to buy or consume them and perhaps it can be stated five general categories in this regard: price information, personality and value, users imagery (what kind of people use this brand equity), usage imagery (where and in what situations this brand equity is used), feelings, and experiences (Keller, 2008). Customer has usually had a strong opinion about the relationship between the product value and price. Since, price is not directly related to product performance, it is considered as features unrelated to product category. User's imagery of brand refers to audience's imagery about the kind of people who use the brand (Betti, 2008). One of the important needs of users is need for self-expression. Customers buy a brand which shows a certain social image (Parker, 2005). These imageries might have been obtained through direct usage or marketing communications and other information resources. Self-congruity theory states when people use a brand image to express themselves, they will have more favorable condition and feeling towards it. Most of the time, people prefer a brand which is consistent with self-imagery (Parker, 2005). Brand personality is a set of human features and behaviors which can be attributed to a brand (Aaker, 1997).

4. HYPOTHESES AND CONCEPTUAL MODEL

This study suggests a causal relationship between the four dimensions of brand equity. Existence of a hierarchy between the dimensions of brand equity in literature is obvious. Perceived quality and brand associations are also two key dimensions of brand equity. Perceived quality refers to the perception of general quality or the superiority of a related product or service (Keller, 2003), while brand associations are the concepts which are related and connected to the brand in the mind of customer (Keller & Lehmann, 2006). Brand awareness is defined as critical dimension of brand equity when customers choose brand for the first time. It is defined as “the ability of a potential buyer to recognize or recall that a brand is a member of a certain product of category” (Aaker, 1991). Awareness of brand is first step to create brand equity. This dimension refers to whether customers can remember or recognize a brand and it is related to power of existence of the brand in the mind of customer (Aaker, 1996). Brand awareness includes the connection of the brand to different associations in mind (Keller, 2003). Therefore, first users (consumers) should be aware of a brand so that later they have a set of the brand associations (Aaker, 1991). Brand association is defined “as anything linked to the memory of a brand” a set of (brand) associations, usually in some meaningful way. A set of associations, usually organized in some meaningful way, forms a brand image. Brand associations create value for the firm and its customers by helping to process/retrieve information, differentiate the brand create positive attitudes or feelings, provide a reason to buy, and provide a basis for extensions (Aaker, 1991). Brand awareness affects the formation and power of the brand associations which includes perceived quality too (Pike et al, 2010; Keller & Lehmann, 2003). Thus, this equity is an important background for the brand associations and perceived quality. According to the theoretical foundations and background of the research and in order to achieve the research objectives, based on these the following hypothesis is proposed in this study:

H₁: Brand awareness has a positive influence on perceived quality.

H₂: Brand awareness has a positive influence on brand associations.

Perceived Quality is the consumer's judgment about a product's overall excellence or superiority. It is not real quality of the product but the customer's perception of the overall quality or superiority of the product with respect to its intended purpose, relative to alternatives (Zeithaml, 1988). When consumers acquire a more positive perception of a brand, loyalty results; previous research suggests that high levels of perceived quality and positive associations can enhance brand loyalty (Chaudhuri, 1999; Keller and Lehmann, 2003; Pike et al., 2010). Perceived quality lends value to a brand in several ways; high quality gives consumers a good reason to buy the brand and allows the brand to differentiate itself from its competitors, to charge a premium price and to have a strong basis for the brand extension (Aaker, 1991). Aaker (1991) believes that brand association and brand equity are strongly and positively interrelated to each other, since it is viewed as "a sign of quality and commitment", leading customers to familiarize purchasers with a brand (Aaker, 1991; Tong & Hawley, 2009; Marinova et al., 2011; Yoo et al., 2000). Thus, the following hypotheses are postulated:

H₃: Perceived quality has a positive influence on brand loyalty.

H₄: A brand association has a positive influence on brand loyalty.

Overall brand equity will depend on perceived quality since it is essential to develop a positive evaluation of the brand in consumers' memories (Farquhar, 1989). Perceived quality reflects upon "the customer's perception of the overall quality or superiority of a product or service with respect to its intended purpose relative to alternatives" The consumer's opinion about the product's quality and its attributes with regard to its expected performance forms the measurement scale indicator of the brand quality perceived by individuals (Aaker, 1991).

Perceived quality can lead to greater differentiation and superiority of the brand. Therefore it is proposed that the higher the perceived quality of the brand, the greater the likelihood that there will be higher brand equity (Yoo et al., 2000; Kim and Hyun, 2011). Similarly, through brand associations, firms can differentiate and position their products, as well as building favourable attitudes and beliefs towards their brands (Dean, 2004). This, in turns, can lead to higher brand equity (Yoo et al., 2000; Chen, 2001). Brand loyalty is a core dimension of brand equity. Brand loyalty was found to have a dominant effect on brand equity it leads to a high level of brand equity (Gil et al, 2007). Loyal consumers show more favourable responses to a brand. Finally, brand loyalty has been found to be one of the main drivers of brand equity (e.g. Yoo et al., 2000; Atilgan et al., 2005; Yasinet al., 2007). Thus, brand loyalty will contribute to growing brand equity. Thus the following hypothesis is postulated:

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

H₆: Brand associations have a positive influence on overall brand equity.

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

The willingness to pay a price premium reflects the amount a consumer is willing to pay for a brand in comparison with other brands offering similar benefits. The literature indicates that brand equity has a notable impact on consumers' willingness to pay a price premium (Lassar et al., 1995; Netemeyer et al., 2004). Customer's willing to pay premium prices reflects ability of a brand to maintain a higher price than the competitors. Thus making the customer willing to pay higher prices, despite the status of the price within a category, is important for all brands (Chattopadhyay, Shivani and Krishnan 2009). more willing to pay a higher price since they perceive some unique value in the brand that no Figure 1 Conceptual framework The influence

of brand equity on consumer responses Isabel Buil, Eva Marti'nez and Leslie de Chernatony Journal of Consumer Marketing Volume 30 · Number 1 · 2013 · 62–74 64 other alternative can provide (Chaudhuri, 1995; Seitz et al., 2010). This discussion leads to the following hypotheses:

H₈: Overall brand equity has a positive influence on consumers' willingness to pay price premiums.

Brand extension is a strategy of using an established or well-known brand name to introduce a completely different product class (Guoqun and Jiali, 2007; Bao et al, 2010).The strong support for transfer of knowledge and affect from the parent brand to the extension clearly justifies the key role that brand equity plays in consumers' evaluations of brand extensions (Czellar, 2003). Therefore, brands with higher equity are expected to generate more positive consumer responses towards potential extensions, as the following hypothesis propose:

H₉: Overall brand equity has a positive influence on consumers' attitude towards brand extensions.

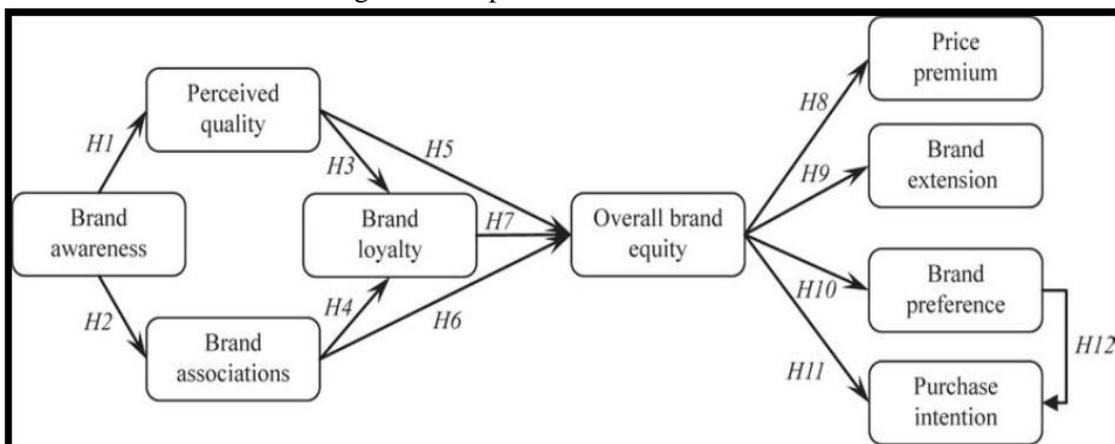
Brand equity also has a positive impact on consumers' brand preferences. The literature suggests that strong brands get preferential evaluations as well as higher overall preference (Hoeffler and Keller, 2003). Other researcher state as brand equity is reflected in brand preference, it could be inferred that brand preference would be reflected in purchase or usage intention (Tong & Hawley, 2009). Similarly, customers who perceive a higher value in a brand are more likely to buy it (Aaker, 1991). We also propose a relationship between these two constructs: brand preference and purchase intention (Hellier et al., 2003). The theory of reasoned action has been used to explain the relationships between attitudes, intentions and behaviour (Fishbein and Ajzen, 1975). According to this theory, a favourable attitude towards a brand leads to purchase intention. Previous studies have suggested that high levels of brand equity drive permanent purchase of the same brand (Cobb-Walgren, Ruble, and Donthu 1995; Yoo and Donthu 2001). The following hypotheses synthesis the previous arguments (Buil and Marti'nez, 2013):

H₁₀: Overall brand equity has a positive influence on consumers' brand preference.

H₁₁: Overall brand equity has a positive influence on consumers' purchase intention.

H₁₂: Brand preference has a positive influence on consumers' purchase intention.

Fig. 1. Conceptual model of the research



5. RESEARCH METHODOLOGY

Given the possibility of applying the results of the present research by managers of the Iran Insurance Company, using the theories available in the field of brand equity and behavioral reaction of customers, and exploiting the customers' opinions to test the hypotheses of the research, it is an applied research. In addition, the type of the research is descriptive-survey according to the nature of data and their gathering method. Statistical universe of the research includes all customers Fire insurance Iran Insurance Company in Tehran city who have bought from the company in the period of the investigation. In order to gather required samples, Convenience Sampling Method was used. Thus, referring to Iran Insurance Company in Tehran city, it was sampled among the customers of the company on a voluntary basis. In the research, in order to determine required sample size, after a preliminary study of, with a 30-person sample of the customers, standard deviation of prototype was determined and then, by using Cochran formula, the main sample size of 384 subjects was determined. To gather the required data a questionnaire was used. In order to determine validity, the prepared questionnaire was given to supervisor, advisor, and customers and they have been consulted about the research questions. After applying their opinions and making necessary corrections, the final form of the questionnaire was Developed and used. To measure research variables, Likert five-point spectrum has been used. In the spectrum, the respondent has been asked to state their agreement or disagreement with each variable based on this spectrum. The questionnaire of the research is dividable into two general parts; the first part is related to the dimensions of brand equity including brand awareness, perceived quality, brand loyalty, brand association, and overall brand equity. Cronbach's alpha related to each of the variables has been presented in the following table. To analyze the data and test the hypotheses of the research, Pearson Correlation Test, Confirmatory Factor Analysis, Structural Equations Sampling with SPSS and LIZREL 8.5 software were used.

6. RESEARCH VARIABLES EVALUATION

6.1. Reliability

To assess the reliability, one primary sample consisting of 30 questionnaires was pre-tested and then using data obtained from questionnaire, the reliability coefficient was calculated by Cronbach's alpha. Cronbach's alpha method was used to determine the reliability of the test and its value for all study variables is higher than 0.8 and indicates strong internal consistency of the questionnaire. These show that the questionnaire has the required reliability. Cronbach's alpha results are shown in table 1:

Table 1: Cronbach's alpha for research variables

Variable	N	Cronbach's alpha
Perceived quality	5	0.769
Brand loyalty	4	0.774
Brand awareness	4	0.817
Brand associations	4	0.803
Brand equity	5	0.792
More money	4	0.739
Brand Extension	4	0.726
Brand preference	4	0.743
Purchase intention	4	0.795
Total	38	0.828

6.2. Validity

As to the content validity, the quantity and quality of questions was studied by experts. For this purpose, questionnaires were provided to a number of university professors and proposed modifications were made. The content validity of the used questionnaire was confirmed by professionals, academics and trade experts.

As regards the construct validity, before examining the relationships between variables, we must ensure the validity of each of variables. In order to analyze the internal construct of questionnaire and discover the constituent elements of each construct or latent variables, confirmatory factor analysis was used. The fit indices of variables factor analysis can be seen in the following figures.

Fig. 2. Correlation model between indexes and independent variables in estimate mode

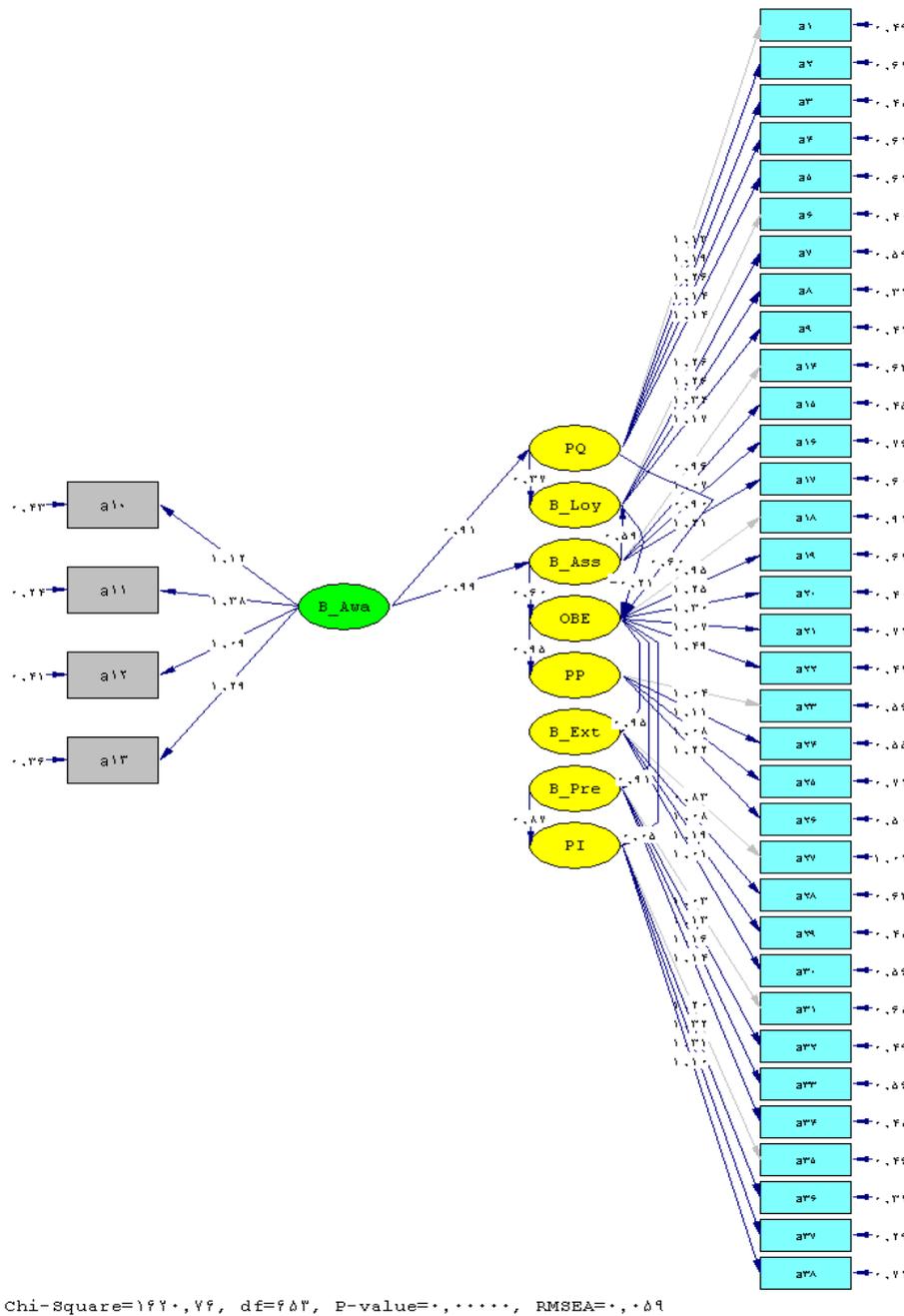


Fig. 3. Correlation model between indexes and independent variables in standard mode

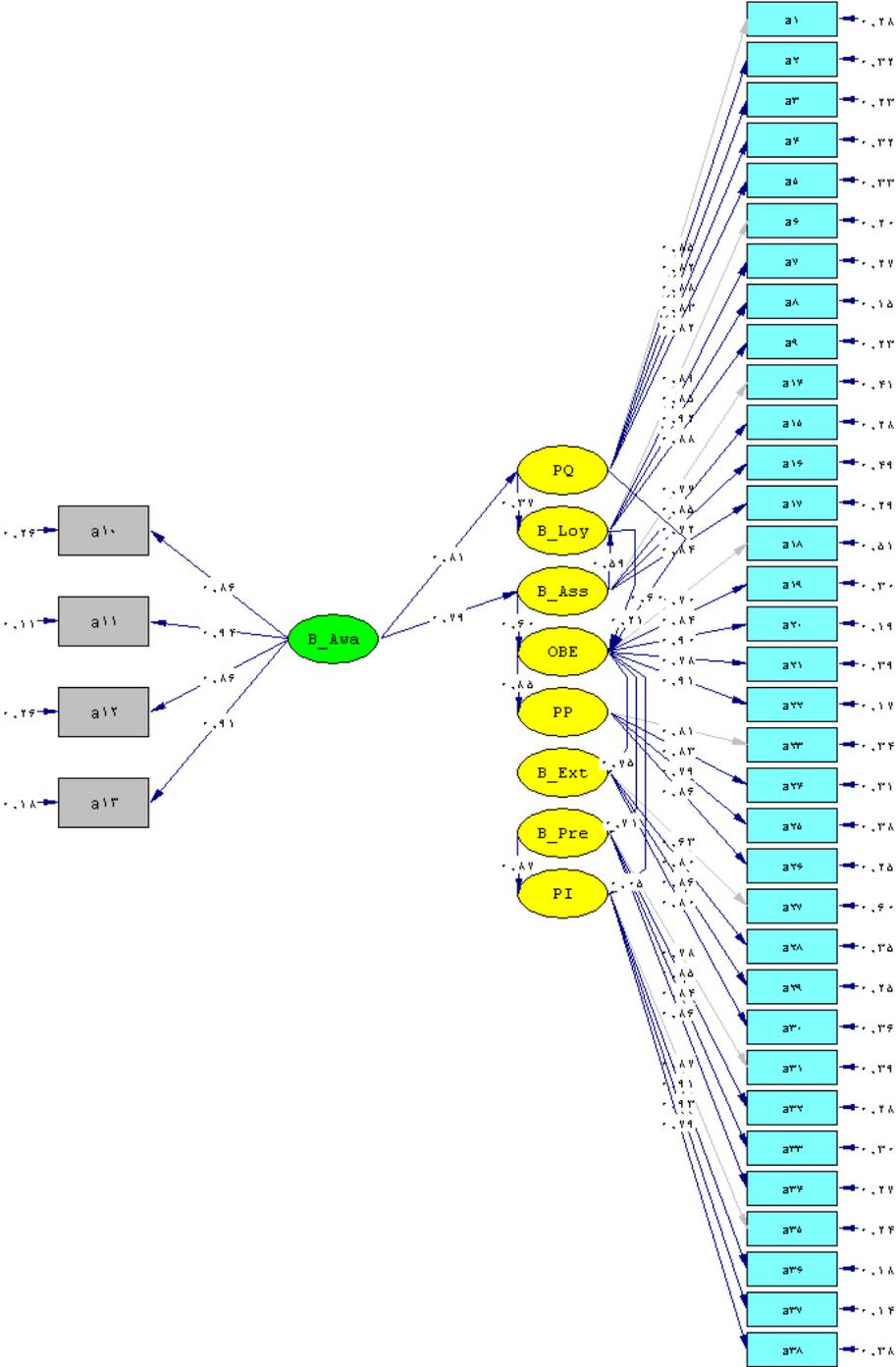


Fig. 4. Correlation model between indexes and the independent variables in significance level

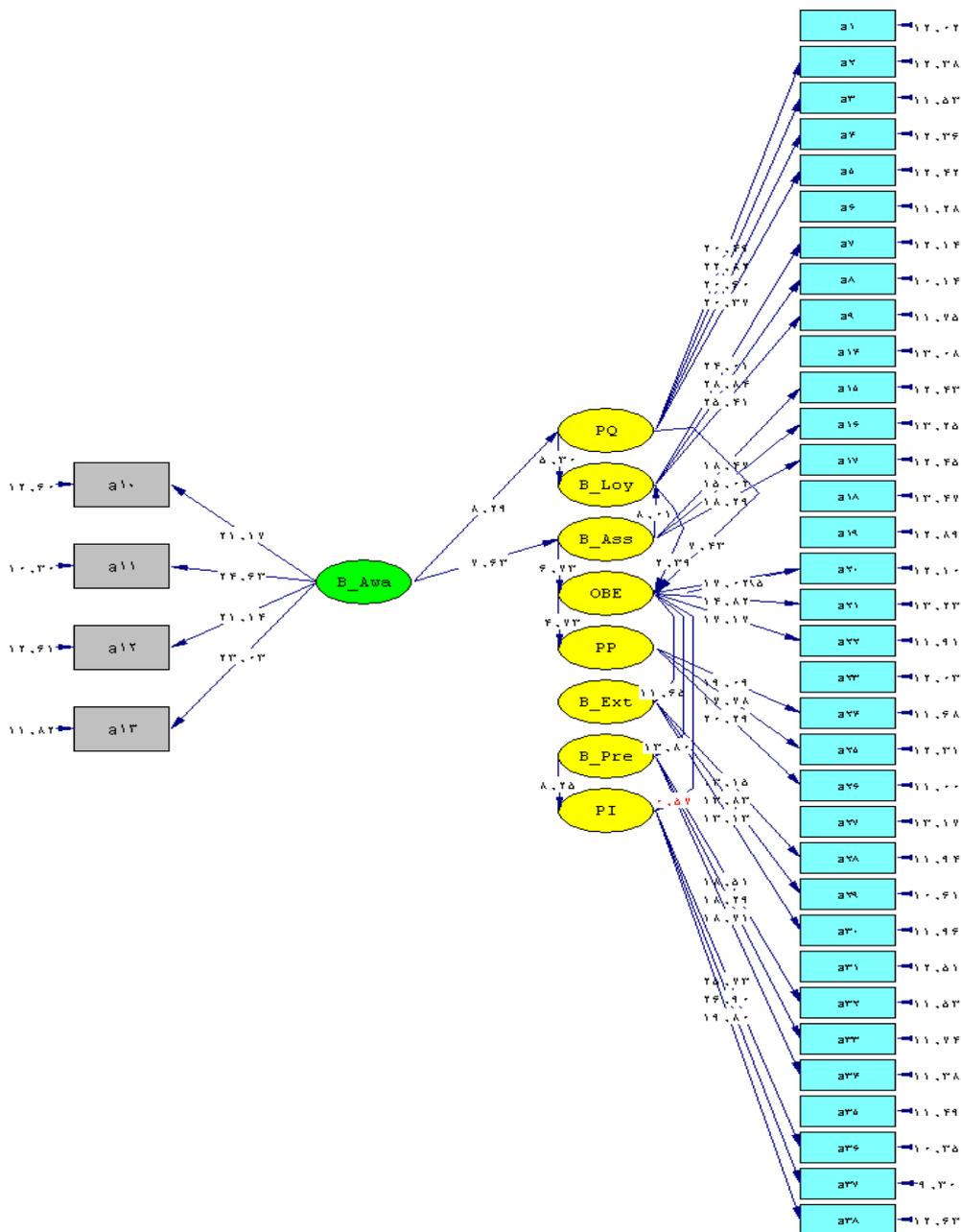


Table2: Indices of model fitting

Indices	IFI	NNFI	NFI	AGFI	GFI	RMSEA	SRMR	CMIN/DF
Acceptance region	>0.9	>0.9	>0.9	>0.9	>0.9	<0.08	<0.05	<3
Value	0.94	0.93	0.92	0.95	0.93	0.059	0.051	2.482

Table 3: Structural results

Hypotheses	t-value	Standardized coefficient	Hypotheses support
H1 Brand awareness→ Perceived quality	8.29	0.81	Yes
H2 Brand awareness → brand association	7.63	0.79	Yes
H3 Perceived quality→ brand loyalty	3.3	0.37	Yes
H4 Brand associations→ brand loyalty	8.01	0.59	Yes
H5 Perceived quality→ overall brand equity	7.43	0.84	Yes
H6 Brand associations → brand equity	6.73	0.6	Yes
H7 Brand loyalty→ overall brand equity	2.39	0.21	Yes
H8 Overall brand equity → more money	9.73	0.85	Yes
H9 Overall brand equity→ brand extensions	6.65	0.75	Yes
H10 Overall brand equity → brand preference	5.8	0.71	Yes
H11 Overall brand equity → purchase intention	0.57	0.05	No
H12 Brand preference→ purchase intention	8.25	0.87	Yes

7. FINDING OF RESEARCH

Total respondents among the customers were 384 people of which 207 subjects, equal to 53.9%, are men, and 175 subjects, equal to 45.6%, are women. The most common are male gender.

The following table shows the results of the confirmatory factor analysis for the variables of the research. Although, the formal validity had showed the validity of the questions, and factor loads were greater than 0.3 and became significant, and fitting indicators were placed within a reasonable range, thus, the results of the confirmatory factor analysis also show the validity of the questions.

Table 4: Sample separation to answer questions based on Perceived quality

question	Most answers	unanswered	Strongly agree		agree		Neutral		disagree		Strongly disagree		mean
			Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	
Q1	disagree	0	22.1	85	21.9	84	20.1	77	25	96	10.9	42	3.19
Q2	Strongly agree	0	26.8	103	22.9	88	14.1	54	20.6	79	15.6	60	3.24
Q3	Strongly agree	0	24.5	94	24	92	13.8	53	21.1	81	16.7	64	3.18
Q4	disagree	0	22.4	86	21.9	84	18.2	70	22.7	87	14.8	57	3.14
Q5	agree	0	22.7	87	24.7	95	20.6	79	15.9	61	16.1	62	3.21
1- The brand provides high quality services.													
2- The brand provides useful services.													
3- The brand provides the customers with constant quality service													
4- The brand provides the customers with unique features services.													
5- The brand provides the customers with stable quality services.													

Table 5: Sample separation to answer questions based on loyalty

question	Most answers	unanswered	Strongly agree		agree		Neutral		disagree		Strongly disagree		mean
			Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	
Q6	Strongly agree	0	29.2	112	20.6	79	18	69	18.8	72	13.5	52	3.33
Q7	Strongly agree	0	29.9	115	23.7	91	14.3	55	14.6	56	17.4	67	3.34
Q8	Strongly agree	0	34.4	132	21.1	81	10.7	41	21.1	81	12.8	49	3.43
Q9	agree	0	18	69	28.1	108	23.2	89	13.8	53	16.9	65	3.16
6- I am loyal to the brand.													
7- The brand is my first choice when buying.													
8- I will not buy other brands available.													
9- I always buy The brand													

Table 6: Sample separation to answer questions based on awareness variable

question	Most answers	unanswered	Strongly agree		agree		neutral		disagree		Strongly disagree		mean
			Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	
Q10	disagree	0	17.2	66	24.2	93	19.5	75	26.8	103	12.2	47	3.07
Q11	Strongly agree	0	18	69	24	92	11.5	44	22.1	85	24.5	94	2.88
Q12	agree	0	12	46	18.2	70	24	92	28.4	109	17.4	67	2.78
Q13	agree	0	18.5	71	17.2	66	19.3	74	22.7	87	22.4	86	2.86
10- I am familiar with the brand and know it completely.													
11- I recognize the brand among the other rival brands.													
12- I am fully aware of the all the services of the brand.													
13- When I think about a product, the brand is embodied in my mind.													

Table 7: Sample separation to answer questions based on brand association variable

question	Most answers	unanswered	Strongly agree		agree		neutral		disagree		Strongly disagree		mean
			Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	
Q14	neutral	0	13	50	22.9	88	29.2	112	19.8	76	15.1	58	2.98
Q15	neutral	0	11.7	45	15.6	60	28.1	108	25.3	97	19	73	2.75
Q16	neutral	0	16.9	65	24.7	95	28.4	109	17.2	66	12	46	3.17
Q17	Strongly agree	4	27.3	105	25.3	97	15.9	61	14.3	55	16.1	62	3.33
14- I trust the brand and its service.													
15- I like the brand.													
16- I know what type of people Purchase of the brand.													
17- The brand is valid.													

Table 8: Sample separation to answer questions based on variable brand equity

question	Most answers	unanswered	Strongly agree		agree		neutral		disagree		Strongly disagree		Mean
			Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	
Q18	Strongly agree	0	26.8	103	25	96	20.6	79	14.8	57	12.8	49	3.38
Q19	Strongly agree	1	35.2	135	18	69	16.4	63	13.5	52	16.7	64	3.41
Q20	Strongly agree	0	31	119	15.9	61	18.2	70	20.6	79	14.3	55	3.28
Q21	neutral	0	19.3	74	21.6	83	22.7	87	18.5	71	18	69	3.05
Q22	Strongly agree	0	39.3	151	15.1	58	5.5	21	17.7	68	22.4	86	3.31
18-I feel to buy the brand instead of the other brands.													
19-Features of the brand are different from the features of the other brands.													
20-If other brands are quite similar to the brand, I still want to buy the brand.													
21-If other brands services are quite similar to the brand; I still want to buy the brand.													
22-the brand is more reliable than other brands.													

Table 9: Sample separation to answer questions based on willingness to pay more money variable

question	Most answers	unanswered	Strongly agree		agree		neutral		disagree		Strongly disagree		Mean
			Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	
Q23	neutral	0	17.7	68	26.6	102	27.6	106	14.1	54	14.1	54	3.19
Q24	neutral	4	20.1	77	21.4	82	26	100	16.1	62	15.4	59	3.14
Q25	agree	0	16.9	65	26.6	102	20.8	80	16.4	63	19.3	74	3.05
Q26	Strongly agree	0	42.4	163	16.7	64	16.1	62	14.3	55	10.4	40	3.66
23-if Iran Insurance Company the price of services increased slightly i'll buy it again.													
24-I am ready to pay more money for the brand in comparison with the other brands.													
25-The brand is worthy of paying the price charged.													
26-I desire to pay much more money for the brand.													

Table 10: Sample separation to answer questions based on Brand extension

question	Most answers	unanswered	Strongly agree		agree		neutral		disagree		Strongly disagree		mean
			Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	
Q27	Strongly agree	0	29.2	112	27.9	107	19.5	75	12.2	47	11.2	43	3.51
Q28	Strongly agree	0	29.4	113	21.1	81	19	73	17.2	66	13.3	51	3.36
Q29	Strongly agree	3	28.9	111	19.5	75	14.6	56	21.6	83	14.6	56	3.26
Q30	Strongly agree	0	29.2	112	27.9	107	23.2	89	10.2	39	9.6	37	3.56
27- the brand has a variety of services.													
28- Probability of using developed products of the brand is high.													
29- Perhaps there effort to diversify services for the brand.													
30- I will buy the brand.													

Table 11: Sample separation to answer questions based on Brand preference

question	Most answers	unanswered	Strongly agree		agree		neutral		disagree		Strongly disagree		mean
			Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	
Q31	neutral	0	19.3	74	22.4	86	26.8	103	16.7	64	14.8	57	3.14
Q32	agree	3	23.4	90	28.9	111	14.3	55	22.1	85	10.4	40	3.33
Q33	agree	0	21.9	84	22.9	88	19.3	74	20.8	80	15.1	58	3.15
Q34	Strongly agree	3	25.8	99	24.5	94	20.6	79	17.2	66	11.2	43	3.36
31- I admire the brand better than the other brands.													
32- I will use the brand more than the other brands.													
33- Between the different services of insurance, I choose the brand.													
34- I choose the brand because it is better than other companies.													

Table 12: Sample separation to answer questions based on Purchase intention

question	Most answers	unanswered	Strongly agree		agree		neutral		disagree		Strongly disagree		mean
			Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	Percent	frequency	
Q35	agree	0	22.1	85	23.7	91	19.3	74	19.5	75	15.4	59	3.17
Q36	Strongly agree	0	28.1	108	21.1	81	13.3	51	22.4	86	15.1	58	3.24
Q37	agree	1	26.6	102	27.9	107	10.4	40	20.8	80	14.1	54	3.32
Q38	Strongly agree	0	31	119	28.4	109	11.7	45	16.9	65	12	46	3.49
35- I will buy the brand.													
36- I seriously consider buying the brand.													
37- Probability of buying the brand is very high.													
38- In case of Again expiry of the current insurance policy, I will buy a fire insurance policy from the brand.													

Table 13: Study variables descriptive statistics

Factor	mean	standard deviation	maximum	minimum	Status
brand equity	3.19	0.766	5	1.4	Medium
Brand loyalty	3.31	0.582	4.58	1	Medium
Brand awareness	2.9	0.779	5	1.51	Medium
Brand associations	3.07	0.891	4.75	1	Medium
Overall brand equity	3.29	0.654	4.19	1.27	Medium
Brand premium	3.27	0.818	5	1.16	Medium
Brand extension	3.37	0.68	5	1	Medium
Brand preference	3.25	0.736	5	1	Medium
Purchase intention	3.31	0.771	5	1	Medium

8. DISCUSSION AND CONCLUSION

The main aim of the research has been, examining the influence of brand equity on customer's responses which was conducted through a case study on Iran Insurance Company in Iran. The results showed that the influence of brand awareness on perceived quality has been positive.

The findings of the research are similar to the findings of Buil et al (2013), Broils et al (2009), and Consistent with the research of Yoo et al. (2000) and Yoo & Donthu (2001), based on the influence of brand awareness on perceived quality. The influence of brand awareness on brand association was also positive.

The findings of the hypothesis are similar to the findings of Buil et al (2013), Wung et al (2008), Broils et al (2009), Yoo et al. (2000) and Yoo & Donthu (2001), based on the influence of brand awareness on brand association. According to the results, the influence of perceived quality on brand loyalty was positive. The findings of the hypothesis are in line with the findings of Buil et al (2013), Broils et al (2009), and Yoo et al. (2000) and Yoo & Donthu (2001), based on the influence of perceived quality on brand loyalty. In addition, the influence of brand association on brand loyalty was positive. The findings of the hypothesis are consistent with the findings of Buil et al (2013) based on the influence of brand association on brand loyalty. Also, the influence of perceived quality on overall brand equity was positive. The findings of the hypothesis are consistent with the findings of Buil et al (2013), Broils et al (2009), Yoo et al. (2000) and Yoo & Donthu (2001), based on the influence of perceived quality on overall brand equity. It was specified that the influence of brand associations on overall brand equity is positive. The findings of the hypothesis are in line with the findings of Buil et al (2013), and Wung et al (2008) based on the influence of brand associations on overall brand equity.

The influence of brand loyalty on overall brand equity was also positive. The findings of the hypothesis are in line with the findings of Buil et al (2013), and Consistent with the research of Yoo et al. (2000) and Yoo & Donthu (2001), based on the influence of brand loyalty on overall brand equity. Overall brand equity was a positive influence on the tendency of the customers to pay higher price. The findings of the hypothesis are in line with the findings of Buil et al (2013), Wung et al (2008), and vasquez et al (2002) based on the influence of overall brand equity on tendency to pay more money. Overall brand equity had a positive influence on the attitude of the users (consumers) to brand extension. The findings of the hypothesis are in line with the findings of Buil et al (2013), Wung et al (2008), Morgan (2000) based on the influence of overall brand equity on attitude to brand extension. In addition, overall brand equity had a positive influence on the preference of a customer for the brand. The findings of the hypothesis are in line with the findings of Buil et al (2013), and Sarlak (2012-2013) based on the influence of overall brand equity on brand preference.

Ultimately, contrary to predictions, overall brand equity has a negative influence on purchase intention of a customer for the brand. This finding is consistent with previous studies (Bravo et al., 2007). Findings also corroborate the positive impact of brand equity on consumers' responses. Most papers automatically assume that brand equity positively influences consumer responses.

9. PRACTICAL SUGGESTIONS

This research has given valuable feedbacks which can be used for designing different strategies to attract customers with emphasizing on brand equity of the products and services. It is recommended that the company's should remember that there are some factors influence consumer's perception towards brand equity. These results have important research and managerial implications. On the basis of the results, some recommendations can be presented to Iran Insurance company's executives:

First, the results showed that brand awareness has a positive and significant influence on the customers' perceptions of quality and brand association. Accordingly, it is recommended that Iran Insurance Company takes special efforts in the field of effective advertising and marketing strategies. According to the nature of the services supplied (Policy), the strategies can be as

advertising on billboards and presenting catalogs in order to introduce the company's services and brand among the main and potential customers of the services.

Second, perceived quality was effective on loyalty of the customers and brand equity. It means that focus on the services quality of Iran Insurance Company brand can be one of the key factors for success and growth of sales and profitability of the company.

Third, brand association was also effective on brand loyalty and brand equity. Therefore, it is recommended that the company's executives cause positive mouth to mouth advertising to appear among their customers by presenting appropriate services through trained and skilled staff so that they not only remember Iran Insurance Company brand in their mind when buying the policy, but transfer this image to other customers.

Fourth, it was finally specified that brand equity has a positive influence on brand preference, tendency to pay more money, and attitude to brand extension. Thus, it is recommended that the Iran Insurance Company executives consider branding as their first priority by using skilled and efficient marketing specialists and experts. Because, emphasis on branding strategies and reinforcement of brand power among competitors available in market cause the customers are ready to pay for higher prices than the competitors as well as Iran Insurance Company brand is a preferred brand for them while buying the policy.

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