EXPLORING SECONDARY BRAND ASSOCIATIONS IN BUILDING BRAND EQUITY BEYOND COUNTRY OF ORIGIN: A CASE STUDY OF HISENSE

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ABSTRACT

This study investigates the role of secondary brand associations in building brand equity for international brands, focusing on the case of Hisense Ghana. Traditional brand association strategies, particularly the country of origin (COO), have faced scrutiny due to potential limitations. As such, the study explores alternative avenues for brand equity development. A conceptual framework is proposed, focusing on three key elements: celebrity endorsement, channel of distribution, and event sponsorship. Hypotheses are formulated to test the influence of these associations on customer-based brand equity for Hisense Ghana. Using a quantitative approach, the study targets Hisense Ghana's customers through mall surveys in two shopping malls across Ghana. Results indicate significant positive relationships between celebrity endorsements and channel of distribution with customer-based brand equity for Hisense Ghana. However, event sponsorship did not show a significant impact on brand equity. The study contributes to understanding the importance of secondary brand associations in building brand equity for international brands. Marketers and brand managers can leverage these findings to optimise brand equity through strategic celebrity endorsements and distribution channel management.

Keywords: *brand associations, brand equity, celebrity endorsement, channel of distribution. and event sponsorship*

1. INTRODUCTION

In contemporary business landscapes, brands have emerged as pivotal company assets, underscoring the importance of efficient brand management for success (Vomberg et al., 2015). Efficient brand management is crucial for companies striving for success and seeking to maintain a competitive edge in a multitude of markets, both domestic and international (Cleave et al., 2016). At the heart of effective brand management lies continuously developing and enhancing brand strength, a pursuit essential for sustained market relevance (Cleave et al., 2016). Brand equity, the impact of brand knowledge on consumer response to marketing efforts, holds particular importance, especially when consumers form favourable, strong, and unique associations with a brand (Godey et al., 2016). Building customer-based brand equity is a strategic process that requires careful planning and execution (Keller, 1993). However, this process is complex for international brands due to the need to establish themselves in foreign markets, often competing with brands that already enjoy customer-based solid brand equity (Aaker, 1991).

While much attention has been given to the concept of country of origin (COO) as a critical secondary association strategy in the literature (Mohd Yasin et al., 2007; Ko et al., 2009; Panda and Misra, 2014; Azadi et al., 2015; Passagem, 2020), recent studies have shed light on potential drawbacks of COO as a brand association (Lew & Sulaiman, 2014; Huang et al., 2016; Yunus & Rashid, 2016; Kalicharan, 2014; Cheah et al., 2018). The COO serves as an extrinsic cue, akin to price or brand name, representing an intangible attribute distinct from a product's functional features. The Product Country Image (PCI), often conveyed through the "made in" label (Peterson and Jolibert, 1995), encapsulates a consumer's overall perception of the quality of goods from a specific nation and the characteristics associated with people from that country (Knight and Calantone, 2000; Han, 1989). A negative perception of the Country of Origin (COO) can significantly influence consumer attitudes toward a product.