

## An exploration study to find important factors influencing on authenticity of brand

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### ABSTRACT

Building an appropriate brand always makes it possible to reach better market share in competitive market. This paper presents a study to find important factors influencing the authenticity of brand. The proposed study designs a questionnaire in Likert scale consists of 21 questions, distributes it among 400 people who purchase regularly from chain stores in city of Tehran, Iran and collects 388 filled ones. Cronbach alpha is calculated as 0.712. In addition, Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Approx. Chi-Square are 0.748 and 1718.212, respectively. Based on the results of our survey, we have derived five factors including brand identification, brand registration, brand position, perception image from the brand and trust to brand.

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## 1. Introduction

Brand plays an essential role for the success of all organizations and there are various studies on helping business owners build a good brand (MacCannell, 1973; Grant, 1999; Goulding, 2001; Brown et al., 2003). Abimbola and Vallaster (2007) gave a brief historical examination of brand, organization identity and reputation in small and medium-sized enterprises (SMEs). Ballantyne et al. (2006) traced some key developments in the evolution of consumer brand choice. They stated that today's consumer could be characterized as suffering from “over choice” and choice fatigue. Therefore, consumers have developed phased decision-making strategies in order to detect precise decision making. An integral component of these phased decision-making strategies was the formation of a downsized subset of brands, the consideration set, from which brand choice was made. They stated that brands must develop an emotional and symbolic attachment with consumers to succeed in today's highly competitive marketplace. Brand managers must understand that it is only through the manipulation and molding of brand image that truly meaningful differentiation and brand meaning could be accessed. They explained that brand image could be viewed as a multi-dimensional construct. Gupta

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et al. (2010) studied a one-to-one relationship for branding in business-to-business markets using some qualitative methods. They tried to clarify the links between branding, relationship marketing and purchase intention of resellers and explained the contribution of brand personified as brand representatives to the brand knowledge of resellers. They explained that the brand personified with its metaphorical properties enabled the resellers not only to clearly recognize brand-related information but also to make positive evaluations about the brand.

During the past few years, there are many studies associated on authenticity of brand on the market (Miranda, & Klement, 2009). Beverland (2005) provided an overview of the challenges that the widespread desire for authenticity presents for brand managers. The study indicated that authenticity requires brand managers to downplay their overt marketing prowess and instead locate their brands within communities and sub-cultures. According to Leigh et al. (2006), authenticity in the consumption context plays essential role on the marketing literature. Beverland et al. (2008) investigated authenticity through advertising by studying consumer judgments of advertisers' claims. Beverland and Farrelly (2009) looked at the quest for authenticity in consumption by looking into consumers' purposive choice of authentic cues to shape experienced outcomes. Rose and Wood (2005) looked into the paradox and the consumption of authenticity through reality television. Grayson and Martinec (2004) investigated consumer perceptions of iconicity and indexicality and their influence on assessments of authentic market offerings. Chhabra (2005) determined authenticity and its determinants toward an authenticity flow model. Goulding (2000) studied the commodification of the past, postmodern pastiche, and the search for authentic experiences at contemporary heritage attractions.

According to Azad et al. (2013a) building a famous brand often makes it possible to have sustainable growth in competitive market. An appropriate brand name plays an important role on increasing word of mouth advertisement, the number of loyal customers and repurchase habits. Nevertheless, in order to construct a good brand, we need to build sustainable brand identification and to do this we need to determine influential factors. Azad et al. (2013a) presented an empirical investigation to detect important factors affecting brand identification. They derived five factors including sense of brand, brand community, trust to brand, value of brand and personality of brand. Azad et al. (2013b), in other study, detected important factors impacting on food market using factor analysis. They reported six major factors including brand loyalty, physical characteristics, pricing effects, performance characteristics, brand relationship and brand position influence food industry, significantly. Danaei et al. (2013) studied the effect of advertisements on customers' willingness to accept banking services based on modulatory role of brand. They analyzed the gathered data using structural equation modeling and the preliminary results indicated that there was a positive and meaningful relationship between brand advertisement and associate name and brand identification. However, there was no meaningful relationship between brand advertisement and customer loyalty towards to brand. In addition, the results of survey indicated there was a meaningful relationship between brand equity components including perception quality on brand name, customer awareness from brand, loyalty to brand and customers' willingness to accept banking services on modulatory role of brand.

## **2. The proposed study**

This paper presents an empirical investigation to find important factors influencing authenticity of brand. The proposed study designs a questionnaire in Likert scale consists of 21 questions, distributes it among 400 people who purchase regularly from some chain stores in city of Tehran, Iran and collects 381 filled ones. Cronbach alpha is calculated as 0.712.

In addition, Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Approx. Chi-Square are 0.748 and 1718.212, respectively. Since we plan to factor analysis and this method is sensitive to skewness of the data we first look at some of the basic statistics including the skewness of the data, which are summarized in Table 1. As we can observe from the results of Table 1, all skewness data are within an acceptable limit and we do not need to remove any question from the survey.

**Table 1**  
The summary of basic descriptive statistics

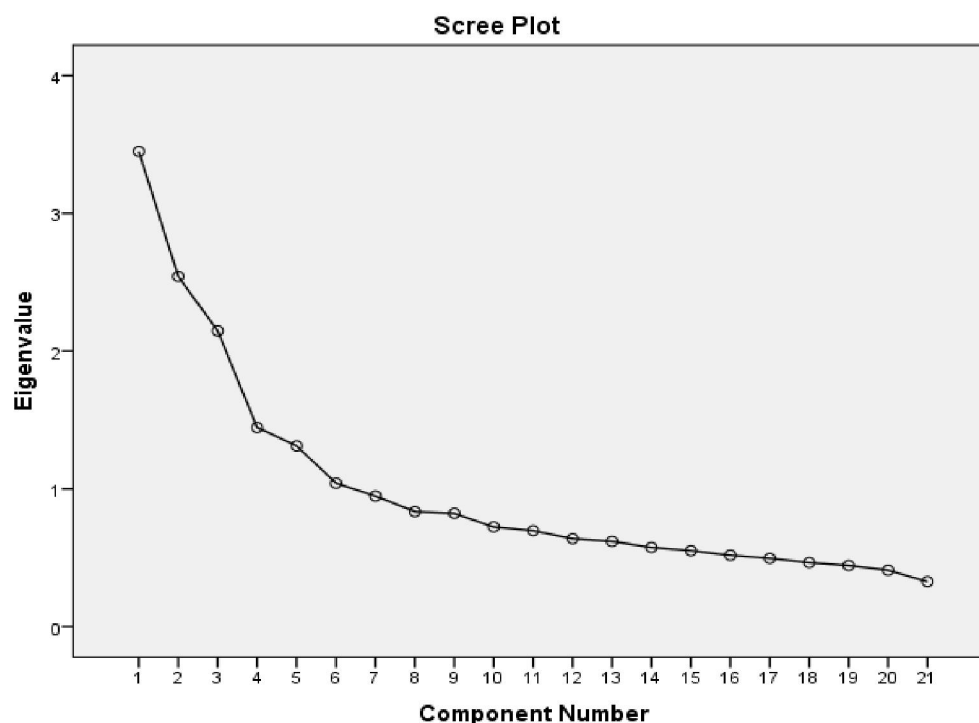
	N	Range	Minimum	Maximum	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Q1	388	4	1	5	.946	-.527	.124	.098	.247
Q2	388	4	1	5	.937	-.427	.124	-.181	.247
Q3	388	4	1	5	1.069	-.658	.124	-.185	.247
Q4	388	4	1	5	.980	-.683	.124	.076	.247
Q5	388	4	1	5	.967	-.793	.124	.263	.247
Q6	388	4	1	5	1.151	-.380	.124	-.710	.247
Q7	388	4	1	5	.940	-.743	.124	-.095	.247
Q8	388	4	1	5	1.036	-.362	.124	-.530	.247
Q9	388	4	1	5	1.122	-.344	.124	-.595	.247
Q10	388	4	1	5	1.158	-.208	.124	-.823	.247
Q11	388	4	1	5	1.080	-.353	.124	-.572	.247
Q12	388	4	1	5	1.160	-.422	.124	-.721	.247
Q13	388	4	1	5	1.177	-.319	.124	-.867	.247
Q14	388	4	1	5	1.075	-.239	.124	-.652	.247
Q15	388	4	1	5	.997	-.447	.124	-.384	.247
Q16	388	4	1	5	.979	-.577	.124	-.081	.247
Q17	388	4	1	5	.985	-.241	.124	-.351	.247
Q18	388	4	1	5	.881	-.381	.124	-.391	.247
Q19	388	4	1	5	.922	-.418	.124	-.026	.247
Q20	388	4	1	5	.936	-.575	.124	.202	.247
Q21	388	4	1	5	1.150	-.341	.124	-.679	.247
Valid N (listwise)	388								

Table 2 demonstrates the results of factor analysis on these factors.

**Table 2**  
The summary of principal component analysis after rotation

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.449	16.425	16.425	3.449	16.425	16.425	2.327	11.080	11.080
2	2.541	12.102	28.527	2.541	12.102	28.527	2.286	10.886	21.966
3	2.147	10.221	38.748	2.147	10.221	38.748	2.196	10.459	32.425
4	1.445	6.882	45.630	1.445	6.882	45.630	1.930	9.192	41.617
5	1.312	6.247	51.877	1.312	6.247	51.877	1.615	7.691	49.308
6	1.041	4.957	56.834	1.041	4.957	56.834	1.580	7.526	56.834
7	.948	4.512	61.346						
8	.835	3.976	65.323						
9	.822	3.915	69.238						
10	.724	3.446	72.684						
11	.696	3.315	75.999						
12	.638	3.038	79.037						
13	.618	2.945	81.982						
14	.575	2.736	84.718						
15	.551	2.624	87.342						
16	.518	2.467	89.809						
17	.496	2.361	92.170						
18	.465	2.213	94.384						
19	.443	2.112	96.496						
20	.409	1.949	98.445						
21	.327	1.555	100.000						

In addition to the results of Table 2, we have looked at Scree plot to determine important factors and the results of figure and Table indicate that there were six factors.



**Fig. 1.** The results of Scree plot

Based on the results of our survey, we have derived five factors including brand identification, brand registration, brand position, perception image from the brand and trust to brand summarized in Table 3 as follows,

**Table 3**

The summary of factor analysis

Factor	Measurable variable	Weight	Eigenvalue	Variance	Accumulated
Brand identification	Theory of social identification	0.813	2.327	11.08	11.08
	Organizational studies	0.743			
	Credibility of trade mark	0.725			
	Present values and normality	0.531			
Brand registration	Geographical relationships	0.747	2.286	10.886	21.966
	Production method	0.647			
	Registration of brand literally	0.622			
	Organizational image	0.586			
	Rational outlook	0.433			
Brand position	Origin	0.337	2.196	10.459	32.325
	Fluctuation in domestic and foreign market	0.741			
	Customer position detection	0.699			
Perception image from the brand	Qualitative commitments	0.571	1.93	9.192	42.517
	Brand familiarity	0.741			
	Awareness from the quality of products	0.699			
	Relationship	0.571			
Trust to brand	Religious believes	0.337	1.615	7.691	50.178
	Being trustable	0.789			
	Brand loyalty	0.604			

### 3. Discussion and conclusion

This paper presented a study to find important factors influencing the authenticity of brand. The results of the survey have disclosed five influencing items including brand identification, brand registration, brand position, perception image from the brand and trust to brand. In terms of brand identification, Theory of social identification is believed to be the most important item followed by organizational studies, credibility of trademark and present values and normality. Brand registration is the second item in our survey, which includes six sub-components including Geographical relationships, production method, registration of brand literally, organizational image, rational outlook and origin. Brand position is the third item in our survey, which includes three sub-components including fluctuation in domestic and foreign market, customer position detection and qualitative commitments. Perception image from the brand is the next influential factor, which includes four items including brand familiarity, awareness from the quality of products, relationship and religious believes. Trust to brand is the last influencing factor, which includes two items of being trustable and brand loyalty

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