The Role of Brand Origin and Brand Image in Luxury Brands Consumers Behavior

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ABSTRACT: In present century, commercial competitive market transforms to a competitive market between the brands. The brands spare no effort to outshine other brands. Nowadays the brands to raise a claim must look for a distinguished place for themselves in market. The luxury brand is an emerging phenomenon that provides a distinguished place for brands and most of the brands try to reach a luxury brand place that specially distinguishes themselves from the other brands. Brand origin or the place they related to, may attract consumers' sensitivity until they can trust and purchase the product relying on the place of production. And the image of every consumer from the intended brands products can be one of the factors that distinguish the brands from the other brands. In present research it is tried to according to the implemented researches, about every dimension of this research provide a comprehensive framework about the relation of brand origin and image to the intention of purchasing luxury brands. An empirical test of the model is implemented using presence questionnaire. Due to the infinite population, the sample which is selected for this research using Cochran's sample size is 384 people of clothing luxury brands consumers of Kish Island.

Key words: Kish Island, consumer behavior, luxury brand, brand origin, brand image, intention of purchasing

INTRODUCTION

The luxury usage provides a large idea and interesting between researches. The importance of social effects on the intention of customers purchasing is considered in the many models related to the customer behavior (Bearden, Netemeyer and Teel, 1989; MouraliLarche and Pons, 2005; Ratner and Kohn, 2002). Furthermore social effects have important effects on the concept of luxury consumption (Tsai, 2005; Wiedmannetal, 2009). When consumers are influenced via interpersonal communications, a lovely social image create in their minds that its result is finished by purchasing (Hume, 2010; Leigh and gabel, 1992; Shukla2010). According what was mentioned it can be said that consumer purchase behavior and his consumption is very impressed than interpersonal communication. Personal consumptions of the individuals are the decisions that are effected systematically by the culture of social values and norms (Hofstede and Hofstede, 2004). It seems logical that is said different cultural groups have different level of effectiveness use their brand origin power to update their sale and functional level (Money and Colton, 2000). This subject is very common about luxury brands, brands such as Gucci, Louis Vuitton that especially acts as luxury brands in market, emphasize on their brand origin to update their place in the market (Shukla2011). According to the discussed factors, it can be said that in the markets that are recognized as luxury markets, a special origin country can create a prestige concept in the foreign image of a product. Chevalier and Mazzalovo (2008) argue that the luxury brands inappropriately expend much money to create the phantasm of brand. Keller (2009) claimed that brands related signs act as a very important element of competitive advantage for luxury brands. Moreover, researchers widely measured the effects of brand origin and brand image on the intention of customers purchasing (Balabanis and Diamantopoulos, 2008; Batra, RamasWamy, Alden, Steenkamp and Ramachander, 2009; Thakor and Kohli 1996). Shukla (2011) believe that because of high social nature of luxury use, consumers try following their interesting group use patterns, impart than their social advantage. Focusing on various aspects that are independent than the person, Kamper and Simon (2001) showed that consumers show their behavior propriety through using the brands that are conform on phantasm of their interested groups. Moreover, researchers believe that brands are along with the signs that may be a key to best understanding of luxury use (Dubois and Duquesne, 1993; Vigneron Johnson, 2004). Therefore, assuming that consumers use than signs created in the brand as a tool for their dependency to their interesting groups, studying about phantasm how brand related signs will be influenced through interpersonal communications the intention of purchasing, is seems logical (Shukla2011). Consumers severely find solutions for their decisions. Rather, they try to simple their decision making by collecting different information and making sense to that brand (Grewal, Krishman, Baker and Borin, 1998, Harcar and Spillan 2006). Therefore we
can say which this research gives us insight to that how and how much interpersonal communications are effective on the intention of luxury brand purchasing, and also phantasm of consumers from brands productions and their brand origin provide special condition for business units that they can use in the best way from this phantasm and use it for their revenue and development of the company, and they try to create a suitable phantasm from products or their service in the mind of consumer.

Consumer behavior: Decisions making to buy by consumers study all of the selection procedures, using, products and services withdrawal, experiences and ideas by individuals, group and organizations for needs satisfaction and also surveying the effects of these procedures on customer and society (Havkinz and others, 2006,7) in other words, consumer behaviors for purchasing includes a set of physical and mental procedures that start before buying and also it continues after consumption( Olson and Pierre 1999,110). McDaniel believes that consumer behavior analyzes the consumers purchasing decision making and how to use purchased goods or services (McDaniel, 2006, 12). When a product is purchasing, usually consumer follows a decision making process: detection information searching, options evaluating, buying decision, behavior after buying. These five stages illustrate a general process that consumer pass it from identifying a required product or service to evaluating and buying it. Therefore marketer must pay attention to the overall process of consumer purchasing behavior instead of only attention to the factors that cause purchase decision making (Masrour and Shahriyari 2007, 93).

Luxury brand: If we want to count all of the characteristics of luxury brand, we will achieve a relatively summing up which maybe is not similar and is different for all of the consumers. But the researchers in this area achieved a common summing up between general characteristics of a luxury brand. Many researches have been implemented about luxury brand which in the most of these researches it is resulted that there is a relationship between luxury brand and high price and the behavior of the consumer of the prestige transformed him by purchasing that brand( Vigneron and Johnson, 1999; Yeoman and McMahon- Beattie,2006). In the recession year 2008 luxury brand consumption remarkably reduced in developed countries, though luxury brands still continued to their growth in some of the developing economies such as China and Russia. For example Chinese considered three percent growth in the luxury brand consumption after universal recession and this changed them as third great consumer of luxury brands in the world (China daily 2008). Nueno and Quelch (1998) defined the luxury brand as a brand which its capability is higher than expected and it can shows the dignity and personality of the person. If we comprise essential products with luxury products, often luxury products emphasis on an image higher than what is observed. The reasons that are stated for these products to be luxury are as followings: Indicate individual’s social position, interpret as a reward for own and Cause to self-confidence (KMPG 2006).

Mentioned reasons indicate that luxury brands in comparison to the common brands or no luxury brands transfer better image to the persons and its transferred advantages to him is more than common type. (Aiello et al., 2009, 16; Hine 2010, 17). So , what a person interpret as a luxury, maybe assign common for the other one .To reduce our confusion in this area , if we pay attention to the studies of Vigneron and Johnson(1999) they take into account five unique value for luxury brands, they believe that luxury brands have following five characteristics:

1-Product seeming value
2-Unique value
3-Social value
4-Hedonic value
5-Qualitative value

Most of luxury brands provide all of these five characteristics in the brands of their products (Berry 1994). Academies and professionals simply and by their reasons can identify what is the meaning of luxury and luxury brand in economic language. For example Nueno and Quelch (1998, 61) explained about luxury brand “that between brand price and its efficiency there is low ratio, also they concluded there is high ratio between no evidence and positional characteristics of the brand and its price.”

Brand origin: The second factor of this study that is stated effective in related to luxury brands is brand origin. Many of companies follow the ideas of the consumers. One of the ways to achieve this goal is making distinguish. Ease of skullduggery and hard to reach a stable competitive advantage make distinguishing as one of the key preferences of the companies today. Generally the companies can distinguish their products than other competitors by focusing on physical characteristics (such as price, brand and origin country) (Zeugner, Roth et al 2008). Commercial naming is one of the strong tools for making distinguish (Pappu et al 2005).Keller (2003) stated that in addition to the producer company of the product, the country or geography that the product come from there, is related to the brand and it's calling (Baldauf et al.,2009). Phantasm of the origin country is an important external sign in related to the products that have brands. Implemented studies prove this point that the consumers rely on the "made in..." label during
product evaluation (Papadopolop and Heslop, 1993). In developing countries consumers’ buy import goods not just for the reasons such as low price or appropriate proportion of quality to purchasing price. Consumers show that the origin country is more important for them rather than price or packaging (Schnettler et al., 2008). Ideas of the consumers about quality, before and after buy, are formed by evaluating intrinsic and extrinsic cues of product. An intrinsic cue is natural role of each product that is related to it, such as the materials that are used in drapery. In contrast, extrinsic cues can exchange without changing in the product nature that include price, origin country of production, and or retailer distributors. Studies show that always consumers cannot evaluate these cues in order to purchase and rely inappropriately on misunderstanding on product quality after buy in terms of view (Kardes, Kim & Lim, 2001, 401). According to the implemented researches by Ahmed and Astous (2004, 192) and Ahmed et al (2004, 284) the origin country is important when the consumer evaluate the goods with high involvement or he involves with the cases with higher proficiency or higher position such as best designed dress or a car that has higher class and he has less important when he involves with the goods with low involvement or less price, such as toothpaste or T-shirt. Moreover Piron (2000, 312) started that origin country has stronger impact on understanding of royalty products class such as sport machines than the needful cases such as toothpaste. This case suggests this subject that product origin country plays a role to improve the qualification of the product than show it lovable. However this study showed weak the product origin country but also it showed that the consumers rely more on the external cues than the internal cues. Not with standing various kinds of used studies and many of products and countries are experimented, different studies show that there are orientations (either positive or negative) about product origin country and this often effect on the understanding of the consumer from the quality of goods. However many studies have been implemented in this field (Lawrence, Marr & Prendergast 1992) (Piron 2000, 312) but this studies is continued. It is first reason is that the world become as a universal market and the less business is immune than entering other goods in its scope. Second, the trades in all over the words are seeking for a new opportunity for their products and services and finally development of the countries cause to find new consumers and markets for new products.

**Brand image:** The latest factor of present study that is titled as a related factor to the intention of purchasing luxury brands is brand image. To identify and recognize the brand products image concept, first, attitude and believe of the consumer should be investigated. Individual attitude and believe is resulted from learning process. Individuals have special attitude about everything such as religion, politics, clothing, music and food. Human has a pattern for his attitude and changing such patterns needs some adjustments that are hard to do them (Kutler & Armstrong, 2002, 230-231). At the first time Gardner and Levy (1955) discussed product image concept in their paper. They believed that the products have various nature among them are physiologic and social natures. From its formal introduction unit now, the concept of product image is used in the researches related to the buyer (consumer) behavior. Product image can be a vital concept for the marketing managers. David Ogilvy in his book "Ogilv on Advertising” claim that he introduce the brand image concept to the in public though in 1953. Also he states that this concept first discussed by Claude Hopkins in 1933. Researches show that there are differences in the authors’ ideas about product image aspects. These are: 1) the names that use for this phenomenon. 2) A formal proposed definition. 3) The elements of product image. 4) Its measuring tool. 5) Dimension, origin, creation and its skillful application. Levy (1978) believes that the product image is made of the combination of product physical nature and personal believe and the sense about it. In the case of luxury brand products, brand name and image provide an exterior sign in related to it, that affects the decision of the consumers for its purchasing (Chevalier and Mazzalove,2008; Kapferer and Bastien, 2009;Okonkwo, 2007). Our mind is formed from million nerves the entire are connected together, some directly and some zonally through other neural tissues, when we hear a word; it is possible to active a place in our mental network and cause to remember the meaning of that letter. Hearing a word like “car” or seeing its image active its meaning. Activation is like electricity that distributes from a place toward out and active everything around the word “Car” (Sutherland ,2004, 270).Furthermore the brands knowing this subject should follow the characteristics that they can state their brand image in that pattern until when the consumers hear that characteristic associate, the name of that brand in their minds. With glance to some brands we can understand that the luxury brands and their received images often identify as a key competitive advantage (the images that may transfer specialty, prestige or social class and or special beauty) that cause to provide a large value and also a great wealth for the organization (Ait-Shahalia, Parker & Yogo, 2004).

**Research Frameworks:** This research introduce a framework that includes a few effective variables on the intention of purchasing luxury brands to provide a deeper understanding toward attitudes and the
intention of purchasing luxury brands. Anyway this study is focused on limited section of effective factors on the intention of purchasing luxury brands, i.e. interpersonal communications, brand origin and brand image.

Shukla (2011) studied the effect of interpersonal communication brand origin and brand image on the intention of purchasing luxury goods emphasizing on inter-functional interactions between a sample of Indian and British customers. Obtained results of this research showed that in both countries interpersonal norms have been effective on the intention of buying luxury goods, but the role of interpersonal information confirmed only between Indian customers. Also obtained results from this study showed that British customers more emphasize on signs and symbols of the brand and finally brand image adjusts the relationship between interpersonal norms and the intention of buying luxury goods in both countries (Shukla 2011). The model that Shukla presented in his study was in the form that he considered effective the interpersonal communications, brand origin and brand image on that model in the intention of purchasing luxury goods. The model of this study also extracts from the model that Shukla used for his research in 2011. By the different that this study investigates the relation of three mentioned factors (interpersonal communications, brand origin, brand image) with the intention of purchasing luxury brands. Conceptual model that is taking into account is:

![Conceptual model of research](image)

**Research Hypotheses**

H₁: Brand origin has direct significant relationship to the intention of purchasing luxury brands.

H₂: Brand image has direct significant relationship to the intention of purchasing luxury brands.

**MATERIALS AND METHODS**

To test discussed hypotheses, a questionnaire was designed that is focused on the brand origin and brand image with the intention of purchasing luxury brands. Measures in related to the brand origin and brand image is extracted from Batra et al. and also the measuring scale of the intention of purchasing luxury brands is extracted from Choo et al. (2012). This study in terms of use and in terms of methodology and nature is among correlation researches and field branch. Population in this study is all of the luxury brands consumers in Kish Island. As was mentioned in the literature section, the big companies that could propound their name as a brand in the market are trying to use all their power in order to improve their sales and strength their brand. According to this study investigate the effect of two factors brand origin and brand image, therefore the population of the study are all of the luxury brands consumers, in one side because of the problems such as time limitations, only the luxury brands consumers of Kish Island have been selected as population of this study. In terms of the timing of this study this research is implemented during December, 2012 to August 2013. To select sampling method, available sampling method is used due to unlimited population, in the case that by referring to the consumers of luxury brands, the questionnaire presently were distributed and collected. Because information gathering than all of the members of the population was practically impossible (even if it is possible it is not possible neither timely nor cost and other required tools) a sample of population selected. According to the unlimited population to determine mentioned sample, it was used than statistical formula related to the unlimited population of Cochran (Azar and Momeni; 2002).

\[
 n = \frac{Z^2 \cdot \frac{P(1-P)}{\varepsilon^2}}{n}
\]

In this formula \(\varepsilon\) and \(Z_{\alpha/2}\) are estimation accuracy and critical number of normal distribution respectively in a level, P and 1- P are success and failure respectively and \(n\) is minimize value of sample. In this study confidence level is 95% and estimation accuracy 5%. So we have:

\[
 n = \frac{(1.96)^2(0.05)(0.05)}{(0.05)^2} = 384
\]

Sample number in this study according to the extension of population is using 384 people that for more confidence 400 questionnaires was distributed and gathered, that 384 usable questionnaires were analyzed. In this study data collected in field method.

In field method, questionnaire is one of the most common methods of gathering information. In order to gather information and achieve to the goals of this research nameless questionnaire including 15 question was used that completed by the consumers of luxury
As it is seen from following fit indices, CFI index according to its obtained value (0.951) illustrates our model’s proper fit. Also RMSEA index according to its obtained value (0.055) illustrates our model’s very good fit and fitness.

**Testing hypotheses**

**Hypothesis 1:** There is a meaningful relationship between brand origin and the intention of purchasing luxury brands. In order to investigate the relationships between brand origin and the intention of purchasing actions implemented and the reliability of the questionnaire was determined. So, the questionnaire experimentally distributed between 30 people of sample population people. In this study Cronbach’s alpha coefficient was used to measure the reliability of the questionnaire. Using computer and SPSS software Cronbach’s alpha coefficient was computed that the obtained value of Cronbach’s alpha is 0.74 that indicates this questionnaire has high reliability. In this study to investigate the relationships between the model elements, structural equations’ modeling was used. Additionally the researcher uses from structural equation modeling for confirmatory factor analysis. This method that actually is development of factor analysis, analytic is one of the important aspects of SEM, in which given hypotheses about the structure of factor leading and corresponding correlation between variables is tested.

<table>
<thead>
<tr>
<th>Row</th>
<th>The variable in question</th>
<th>Number of Questions</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Brand origin</td>
<td>5</td>
<td>0.656</td>
</tr>
<tr>
<td>2</td>
<td>Brand image</td>
<td>5</td>
<td>0.567</td>
</tr>
<tr>
<td>3</td>
<td>Purchase intention of luxury brands</td>
<td>5</td>
<td>0.568</td>
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</tbody>
</table>

**RESULTS**

**Hypotheses Test:** Before testing the hypothesis of the research at first general property of model should be tested. General property indicators show suitable condition. Chi square values of the model shows that we cannot statistically interpret meaningful the different between considered and reproduced co variation matrix. Relative indices show values close to 0.9 that show the ability of the model in space than an independence model and close to saturated model in the basis of defined standard. Among propriety indices general type RMSEA is considered as a desirable index and CFI is considered as the best index.

From obtained Cronbach’s alpha value for each variable it can be found that existed questions in present research have good reliability and have good reliability and the results derived from them can be relied.

As it is seen from following fit indices, CFI index according to its obtained value (0.951) illustrates our model’s proper fit. Also RMSEA index according to its obtained value (0.055) illustrates our model’s very good fit and fitness.

**Hypothesis 2:** There is a significant relationship between brand image and the intention of purchasing luxury brands. In order to investigate the relationship between brand image and the intention of purchasing between respondents the Pearson correlation coefficient was used between respondents. According to the obtained results, there is a medium correlation (R: 0.404) between brand origin and the intention of purchasing. The positive sign also shows that by increasing the brand origin of the respondents their intention of purchasing increase. About significance of the above relationship according to the value Sig: 0.000 of the above relationship with 99 percent confidence is meaningful, therefore above hypothesis is confirmed.

**Hypothesis 3:** There is a significant relationship between brand image and the intention of purchasing luxury brands. In order to investigate the relationship between brand image and the intention of purchasing between respondents the Pearson correlation coefficient is used. According to the obtained results, there is a medium correlation(R: 0.367) between brand image and the intention of purchasing. Positive sign also shows that by increasing the brand image of the respondents their intention of purchasing increase. About significance of the above relationship according to the value of Sig: 0.000 the above relationship with 99 percent confidence is meaningful, thus above hypothesis is confirmed.

Also the hypotheses of the present research were tested using structural equations modeling method and obtained results are compatible to the obtained results of SPSS software and correlation analysis.
Table 2. The overall fit indices for structural equation modeling analysis

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value</th>
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<tbody>
<tr>
<td>CMIN</td>
<td>152.92</td>
</tr>
<tr>
<td>CMIN/DF</td>
<td>2.154</td>
</tr>
<tr>
<td>GFI</td>
<td>0.951</td>
</tr>
<tr>
<td>RMR</td>
<td>0.054</td>
</tr>
<tr>
<td>CFI</td>
<td>0.940</td>
</tr>
<tr>
<td>RMSEA</td>
<td>0.055</td>
</tr>
</tbody>
</table>

Table 3. The correlation testing of the brand origin and the intention of purchasing variable

<table>
<thead>
<tr>
<th>Variables’ names</th>
<th>Correlation</th>
<th>Significant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand origin</td>
<td>0.404</td>
<td>0.001</td>
</tr>
<tr>
<td>The intention of purchasing</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4. Correlation testing of brand image and the intention of purchasing variable

<table>
<thead>
<tr>
<th>Variables’ names</th>
<th>Correlation</th>
<th>Significant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand image</td>
<td>0.367</td>
<td>0.000</td>
</tr>
<tr>
<td>The intention of purchasing</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5. The regression coefficients of brand image and origin variables

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Regression coefficient</th>
<th>Critical value</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand origin</td>
<td>The intention of purchasing</td>
<td>0.32</td>
<td>2.82</td>
<td>0.005</td>
</tr>
<tr>
<td>Brand image</td>
<td>The intention of purchasing</td>
<td>0.31</td>
<td>2.68</td>
<td>0.007</td>
</tr>
</tbody>
</table>

DISCUSSION

As obtained results of the research showed both of the mentioned hypotheses in the present research were confirmed.

First hypothesis: In this hypothesis the relationship between brand origin and the intention of purchasing luxury brands was confirmed. That is, if the brands generate a positive mindset from their products brand origin between the people of the society it will lead to increase the intention of purchasing of the consumers. In the other hand the brands which their origin is reminder of the accepted features of the existed people in their goal market can effect on the intention of purchasing of the consumers rather than the products of the other brands and lead to more buying of them.

Second hypothesis: This hypothesis was confirmed according to the achieved data too. That is the brand image has direct significant relationship to the intention of purchasing luxury brands. In the other hand by confirming this hypothesis we can found that providing a positive image of brand products can lead to increase the intention of purchasing luxury brands customers.

According to the conformity of the mentioned hypotheses in the present study, Therefore this study will also offer suggestions for further applications.

Figure 2. Structural equations pattern
The conformity of the first hypothesis generate this point of view for the people who are the charge of luxury brands that acquaintance of brand origin will have tremendous impact on the consumers selection. They can bring this confidence for their consumers relying on their product's brand origin and creating positive image from their products' origin that they can reach to the products with distinguished features relying on introduced place. Marketers can try to create this image in the minds of the consumers about the relation of the products producer country's link with distinguished features, repeat the characteristics of the products' brand origin with the name of the brand, in the case that the characteristics of that brand origin associate in consumers' minds by seeing the brand products.

Confirming the second hypothesis and confirm this subject that between provided products brand image by brand with the intention of purchasing luxury brands creates this view of point that create and strength the provided image of their products. Achieving this advantage is depends on recognition of the characteristics that are appropriate with their brands and focusing on the characteristics that they intend to identify their products with them by brands themselves. After that the brands achieve to an image between existed individuals in the market they should track the point of view of the society people until they can improve provided image and revise its defects.

REFERENCES