

Determinants of online retail brand equity: A Study among college students in Coimbatore city

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ABSTRACT

This study investigates the determinants of online retail brand equity among college students in Coimbatore city. With a sample size of 115 respondents, the research employs a descriptive and cross-sectional research design. Exploratory factor analysis and multiple regression analysis are utilized to explore the underlying dimensions of brand equity and understand the relationship between user experience factors and overall brand equity. The findings shed light on the critical factors influencing online retail brand equity, providing valuable insights for marketers and businesses operating in the e-commerce sector.

Keywords: Online Retail, Brand Equity, Ease of use

1 Introduction

The retail sector in India has been significantly impacted by online retailing, e-commerce, which is changing consumer behaviour, business strategies, and market dynamics. Over the last ten years, India has seen a notable increase in online retail activity due to the fast expansion of internet connectivity, as well as the widespread adoption of smart phones and digital payment systems. A growing middle class that favours value- and convenience-driven shopping experiences, urbanization, and rising disposable incomes have all contributed to this boom. Because of this, the Indian internet retailing industry has grown from its infancy to a thriving and very competitive one, with a wide range of participants, creative business models, and changing consumer preferences. Because there is more rivalry in the digital age due to the growth of online retail platforms, retailers must stand out from the competitors in order to succeed. In this context, brand equity—the value that customers place on a brand in addition to its material characteristics—is one of the most important differentiators. Brand equity is the worth and image that consumers associate with a brand, which shapes their loyalty and purchase behavior (Brunello, 2011). Brand equity, as defined by Gusti et al. (2022), is the value attached to a brand, including its advantages and disadvantages, and how it influences the value and perception of a good or service. Although brand equity is important in many other businesses, because of the peculiarities of the online marketplace, it is especially important for online retailers. In the world of online retail, consumer behaviour is greatly influenced by brand equity. Strong brand equity increases consumer preference and repeat business by fostering trust and credibility (Chandan et al., 2023). In addition, customers tend to view businesses with high equity as less risky options, which eases their decision-making process and makes purchases easier in a world where there are a lot of options and information available (Tezar, Arianto., 2023).

Like their brick-and-mortar counterparts, online merchants devote a significant amount of money to creating and maintaining their brand equity in an effort to create unique identities, gain consumer trust, and encourage brand loyalty. The concept of brand equity comprises multiple aspects, such as perceived quality, brand associations, brand loyalty, and brand recognition. These factors are crucial in determining the longevity

and profitability of internet-based retail endeavors. Since brand equity is the result of cumulative marketing investments in the brand, any marketing activity has the ability to impact it. Additionally, according to research, market circumstances and marketing choices have an impact on brand equity (VijayMallikRajetal.,2017).

Against the backdrop of intensifying competition and evolving consumer references, understanding the nuances of brand equity in the context of online retailing becomes imperative for stakeholders seeking to carve out a distinctive position and foster enduring relationships with customers.

2 Statementofproblem

Despite the growing significance of brand equity in the context of online retailing, there remains a dearth of comprehensive understanding regarding the determinants that shape and influence it. While traditional retail literature has extensively examined the factors contributing to brand equity in physical stores, the unique dynamics of the digital environment necessitate a nuanced exploration tailored to online retailers. The evolving nature of e-commerce platforms, shifting consumer behaviors, and the proliferation of digital touch points present distinct challenges and opportunities for building and maintaining brand equity in the online sphere. Research on the precise factors that influence online retailers' brand equity is therefore desperately needed in order to shed light on important elements like website design, customer experience, digital marketing tactics, product assortment, pricing strategies, and post-purchase services. Researchers may help online merchants, marketers, and policymakers create more successful strategies for building brand equity and long-term competitiveness in the digital market place by filling this gap in the literature and offering insightful advice.

3 ReviewofLiterature

The field of online commerce has grown rapidly in recent years, changing the face of traditional retail and bringing fresh perspectives to the idea of brand equity. The objective of this literature review is to present a thorough summary of the body of research on the brand equity of online merchants by looking at important theories, concepts, and empirical findings that advance our knowledge of this phenomenon. For online retailers, building their brand equity is essential to getting a competitive edge in the online market. This idea includes a number of aspects that affect how customers think and act, which in turn affects how successful the shop is. Based on numerous research studies, this synthesis examines the essential components and factors that influence brand equity for online businesses.

The brand equity of online retailers is a critical factor in shaping consumer behaviour and loyalty within the e-commerce sector. Research indicates that brand equity plays a crucial role in bolstering customer satisfaction, influencing brand loyalty, and enhancing patronage intentions (Reefat & Shourov., 2022 and Pablo et al., 2022). Additionally, improving online convenience and, thus, brand equity requires the use of design components found in online retail websites, such as navigational, interactive, and information design (Bernhard et al.,2021).

Additionally, the use of online retail brand equity dimensions, including emotional connection, trust, and responsive service nature, positively correlates with consumer engagement and time spent on websites, indicating the importance of these factors in building brand equity for online retailers (Anupreet et al., 2021). Overall, a strong brand equity strategy is vital for online retailers to establish a competitive edge, foster customer loyalty, and drive long-term success in the digital market place.

Kim and Stoel's (2004) study examined the factors that influence online retailers' brand equity, highlighting the significance of website quality, service quality, and brand trust in influencing consumers' attitudes and perceptions of these businesses. Based on the Customer-Based Brand Equity model, Kim and Kim (2004) highlighted the importance of experiential variables in creating powerful online brands by identifying product quality, website design, and customer pleasure as important determinants of online merchants' brand equity. Zhang and Prybutok(2005) conducted an empirical study to investigate how brand equity affects consumer perceptions and purchase intentions in the setting of online shopping. The study found that consumers' trust, contentment, and loyalty towards online retailers are positively influenced by high brand equity. Brand trust and brand loyalty are important determinants of repeat purchase intentions and positive word-of-mouth recommendations, according to Liu and Yang's (2009) investigation on the effects of online

merchants' brand equity on consumer attitudes and behaviours. Research by Huang and Sarigöllü(2014)focused on brand building strategies for online retailers, highlighting the importance of brand differentiation, customer engagement,and social media marketing in enhancing brand equity and competitive advantage in the digital market place. According to the Technology Acceptance Model (TAM), consumers' interests to purchase online are significantly influenced by how beneficial and simple they perceive an online platform to be (Badenhop & Frasquet., 2021). Effective web design and web security are essential components that improve user experience and web trust, which in turn builds brand equity (Fan& Su, 2011). According to Christodoulides (2006), online retail/service brand equity is made up of five components: emotional connection, online experience, responsive service nature,trust, and fulfilment. Perceived quality, brand loyalty, and emotional connection all have animpact on online retailers' brand equity. Trust associations and their readiness to pay a premiumalso play a significant role (Zhu &Kuo, 2010). A web site's content, aesthetic appeal, and navigation convenience contribute to online retailer brand equity formation through brand love (Hsuetal.,2012)

Based on the above discussions, this study intend stop propose the following hypotheses

- a) Ease of use significantly influences overall online retail brand equity
- b) Perceived usefulness, significantly influences over all online retail brand equity
- c) Information/content quality significantly influences overall online retail brand equity
- d) Perceived Security significantly influences overall online retail brand equity
- e) Website design significantly influences overall online retail brand equity

4 ResearchMethodology

Because the data will be collected just once, the current study employed a descriptive and cross-sectional research approach. The study's target demographic included college students in the Coimbatore area who had used online retail services for at least a year. Purposive sampling was used in this investigation. A total of 115 responses were received. Data were gathered using a standardized questionnaire. The study's decisive elements are simplicity of use, perceived utility, information/content quality, perceived security, and website design. Pour and Kazemi(2020) were used to determine all of the antecedent variables. Yoo and Donthu's (2001) four-item scale was used to measure overall online retail brand equity. Data were subsequently analyzed using factor analysis and multiple regression analysis techniques. Data were analysed using SPSS software 23 version. The constructs of the study exhibited sufficient reliability.

5 Analysis and Interpretation

5.1 Exploratory Factor Analysis

Data for this study were collected through surveys administered to users of e-commerce websites. The survey included items measuring the aforementioned dimensions of userexperience. A Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was conducted to assess the suitability of the data for factor analysis. Additionally, Bartlett's test of sphericity was employed to determine whether correlations between variables were sufficiently large forfactor analysis. Exploratory Factor Analysis was then conducted using a suitable extraction method, such as Principal Component Analysis (PCA), followed by rotation (Varimax rotation) to aid in the interpretation of factor loadings. The KMO measure of sampling adequacy yielded value of.912, indicating that the data were highly suitable for factor analysis. Bartlett's test of sphericity was found to be significant ($p < .05$), suggesting that correlations betweenvariables were sufficiently large for factor analysis. Factors with eigenvalues equal to or greaterthan one were retained based on the scree plot. The EFA revealed six underlying factors that explained 70.949% of the total variance in user perceptions of e-commerce website experience.

1. Figure1:ScreePlot

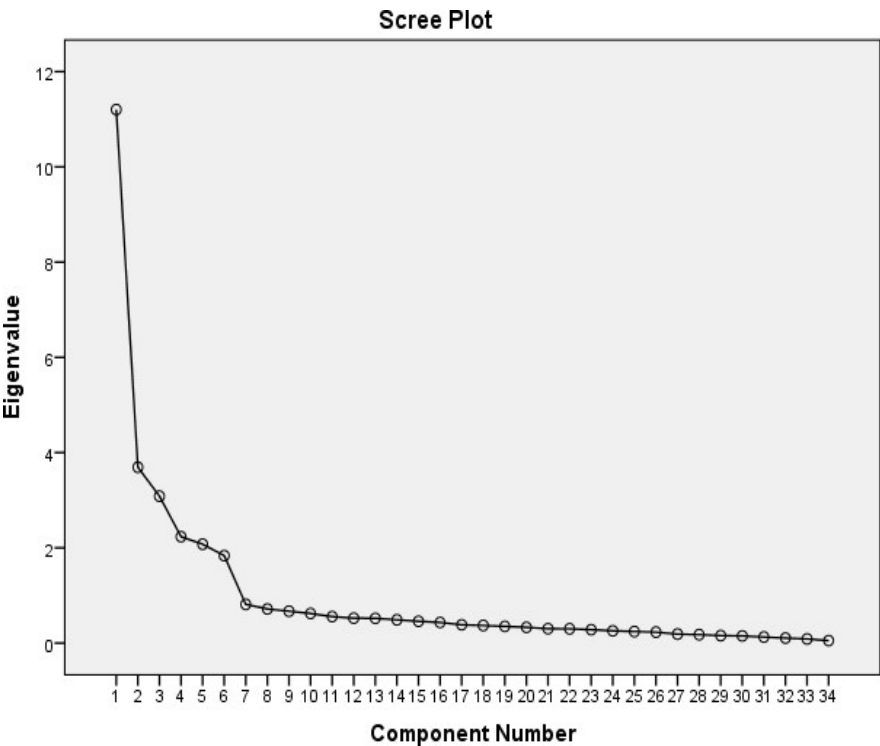


Table1:Rotated Component Matrix^a

	Component					
	1	2	3	4	5	6
EOU1	.882					
EOU2	.862					
EOU3	.681					
EOU4	.805					
EOU5	.841					
EOU6	.750					
EOU7	.686					
ICQ1			.872			
ICQ2			.880			
ICQ3			.840			
ICQ4			.813			
ICQ5			.851			
PU1		.889				
PU2		.865				
PU3		.768				
PU4		.731				
PU5		.752				
PU6		.862				
PS1					.716	
PS2					.677	

PS3					.864	
P4S					.674	
PS5					.693	
WD1						.837
WD2						.727
WD3						.814
WD4						.843
OBE1				.836		
OBE2				.772		
OBE3				.713		
OBE4				.724		
Extraction Method: Principal Component Analysis.						
Rotation Method: Varimax with Kaiser Normalization.						
a. Rotation converged iterations.						

5.2 MultipleRegressionAnalysis:

Multiple regression analysis is a statistical method used to examine the relationship between one dependent variable and two or more independent variables. In the context of e-commerce websites, understanding the impact of user experience factors on overall brand equity is essential for businesses to enhance their online presence and competitiveness. This study employs multiple regression analysis to explore how ease of use, perceived usefulness, information/content quality, perceived security, and website design influence overall brand equity in e-commerce websites. The regression model was statistically significant, indicating that the independent variables collectively explained a significant portion of the variance in overall brand equity. The analysis indicated that ease of use, perceived usefulness, information/content quality, perceived security, and website design were all significant predictors of overall brand equity

2. Table2: ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	55.915	5	11.183	48.374	.000 ^b
	Residual	91.085	394	.231		
	Total	147.000	399			
Dependent Variable: Overall Brand Equity						
Predictors:(Constant),ease of use, perceived usefulness, information / content quality, perceived security, website design						

Table2: Regression Coefficient Table

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		

1	(Constant)	.426	.262		1.626	.105
	Perceived organizational support	.283	.050	.248	5.718	.000
	Rewards and Recognition	.150	.043	.158	3.462	.001
	Resilience	.146	.040	.172	3.628	.000
	Self Efficacy	.162	.051	.150	3.183	.002
	Supervisor support	.193	.052	.166	3.683	.000
Dependent Variable: Overall Brand Equity						

6 Conclusion:

In conclusion, this study shed light on the key factors of online retail brand equity among college students in Coimbatore. A thorough assessment of many factors, such as ease of use, perceived usefulness, information/content quality, perceived security, and website design, reveals that these elements all contribute to the total brand equity of online retail platforms. First, ease of use was identified as a critical element impacting brand equity. Students' priorities intuitive and user-friendly platforms, which improve their overall experience and generate good brand associations. Moreover, perceived usefulness plays a pivotal role, as students are more likely to engage with brands that offer valuable and relevant products or services, thereby reinforcing brand loyalty and trust. Furthermore, the quality of information and content provided on online retail platforms significantly impacts brand equity. Students seek informative and engaging content that aids in their decision-making process, ultimately influencing their perceptions of the brand's credibility and reliability. Additionally, perceived security emerges as a fundamental determinant, with students gravitating towards platforms that prioritize data privacy and security measures, fostering a sense of trust and confidence in the brand. Lastly, website design emerged as a critical factor influencing brand equity. A visually appealing and well-designed website enhances the overall user experience, leaving a lasting impression on students and contributing to the brand's perceived value and differentiation. Overall, this study underscores the importance of understanding and addressing the various determinants of online retail brand equity to effectively engage college students in Coimbatore city. By prioritizing factors such as ease of use, perceived usefulness, information/content quality, perceived security, and website design, online retailers can enhance their brand equity, foster customer loyalty, and gain a competitive edge in the dynamic market place.

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