

A COMPREHENSIVE APPROACH TO BRAND EQUITY: INTEGRATING PRODUCT AND CORPORATE BRAND EQUITY INTO TOTAL BRAND EQUITY MEASUREMENT

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ABSTRACT

Previous studies on brand equity measurement can be classified into the following main streams: (1) Customer-based Brand Equity, where the value of the brand is determined by customers' associations with a product brand and (2) Corporate Brand Equity, where the value of the brand is determined by stakeholders' associations toward a corporate brand. This paper proposes a holistic approach to Total Brand Equity valuation which integrates Customer-based Brand Equity and Corporate Brand Equity into Total Brand Equity valuation. This approach offers a more comprehensive perspective for brand equity valuation which addresses a company's relationships with its customers and stakeholders at large. Further, this paper offers a series of propositions that address the relationship between total brand equity and corporate performance.

Research on brand measurement proposed various methods for assessing the value of a brand. While each method has its unique perspective, yet most methods advance a measure for product brand equity that is mainly derived by the customer, what Keller (1993) refers to as "Customer-Based Brand Equity." Other scholars believe that brand equity is a financially-based measure and should be assessed according to its impact on financial performance indicators such as sales, profits and operating margin (e.g. Simon and Sullivan 1993). Assessing the value of a brand from a pure customer's perspective is necessary, yet not sufficient to evaluate the equity of an entire brand. Accordingly, this paper aims to fill a gap in the literature by proposing a holistic approach to total brand equity which integrates Product Brand Equity (PBE) and Corporate Brand Equity (CBE) into Total Brand Equity (TBE) valuation.

This paper argues that by integrating both the product-based brand equity and corporate-based brand equity into total brand equity, a more holistic approach for valuating TBE is developed which offers perspective about customers and non-customer stakeholders. This perspective supports Greenley and Foxall's (1996) proposition to incorporate both consumer and non-consumer stakeholder orientation in the increasingly complex and integrated business environment. A series of propositions are presented that assess the relationship between PBE and CBE and the relationship between TBE and Corporate Performance.

This paper offers a new conceptualization for total brand equity which includes the customer and non-customers' perspectives into total brand equity valuation. By integrating PBE and CBE, a holistic approach is developed that assesses customers' perceptions and stakeholders perceptions about a brand. PBE is important because favorable customer associations toward a product brand results in positive market performance, reflected in market share and leadership. CBE is also important because favorable stakeholders associations toward a corporate brand results in positive social performance and financial performance. The model also integrates customers' perceptions about a corporate brand and stakeholders' perceptions of the product brand in TBE valuation. Further, it is proposed that there is a strong positive relationship between PBE and CBE.

References Available on Request.