

CARROSERIE COMPANY “X” BRAND EQUITY EVALUATION

Henry Djaja Ge¹, David Sukardi Kodrat²

Universitas of Ciputra, Surabaya
INDONESIA

Emails: ¹henrydjage91@gmail.com, ²david.kodrat@ciputra.ac.id

ABSTRACT

This study aims to evaluate the brand equity of "X" carroserie for truck company. The examination of brand equity in this research is based on two perspectives; corporate perspective and customer perspective. Meanwhile, this study also examines some elements of brand equity, namely brand element, brand positioning, secondary association, brand identity, brand meaning, brand response, and brand relationship. This research is a qualitative research which employs a case study of "X" car accessories shop. The respondents in this study consist of corporate representatives, sales intermediary, design consultant, and customers. Customer respondents include decider and user customers. A total of ten respondents take part in this research.

Based on the result of the evaluation, it can be concluded that the main weakness of "X" car accessories shop is brand meaning with special emphasis on pricing strategy and product or service quality consistency. Additionally, the company also needs to improve their brand positioning and brand relationship with customers. These conclusions suggest that the brand equity of "X" car accessories shop is not strong enough. Improvements can be made on the factors previously discussed.

Keywords: Brand equity, B2B market, Car accessories, Brand.

INTRODUCTION

Changing focus in tactical ways, e.g. short term selling, into using brand equity strategies and other indicator of long term financial performance is a monumental change (Aaker, 2014:8). Some benefit which will be acquired by companies whose brand equity is strong, e.g. increasing perception on product performance, higher customer loyalty, advantage against competitor, or higher profit margin (Keller, 2013:69). These benefits are hard to acquired in a crowded market with high competition. Therefore, benefits like these will help companies to survive or even growing in the competition. This research use case study of a workshop and truck's body manufacturer company which has more than 10 competitors in their city. This company also sell their product to other city, but can only sell their service like truck repair in their workshop location.

This research will evaluate this company “X” brand equity based on the adjusted concept form Keller for business to business (B2B) market (Kuhn,2008). This concept is summarized in a pyramid that consists of brand equity properties.

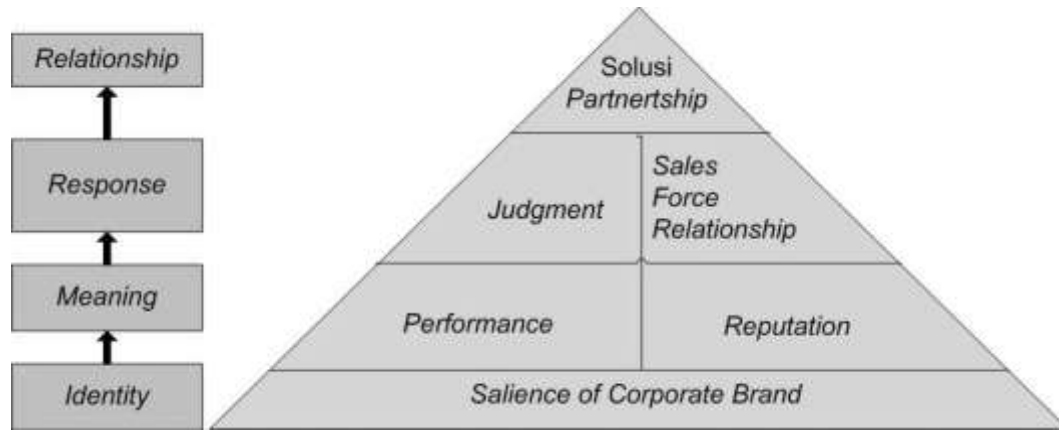


Figure 1. Kuhn's Brand Equity Building Block

The main steps for building great brand equity for a company begins with building (1) brand identity, (2) brand meaning, (3) brand response, (4) brand relationship. This research evaluation process will be done in this step and every step has their own focus. Brand identity focus on the salience of corporate or company brand that will form the meaning of company brand based on their performance and reputation. Brand meaning of a company will get response from customer that consists of two things, which are judgment and relationship between customer and company's sales force or representative. These three earlier steps will create a relationship between the brand and customer which focus on partnership solution.

LITERATURE REVIEW

The original brand equity model is designed for business to consumer (B2C) market, that consist of the same main steps (Keller, 2013). These model is adjusted to B2B market (Kuhn et al., 2008). This adjustment modifies the component or focus of the brand equity model or brand building block components. The brand identity is more focused in corporate brand, brand meaning is focused in brand reputation more, instead of brand imagery. Brand response is focusing on how the relationship between customer and corporate salesman of representative instead of customer's feeling for the brand. However, some cases show that even in B2B market, some customers have more feelings toward the brand. These brand equity model is viewed as customer based brand equity.

Beside the customer perspective of brand equity, a company has its own perspective of brand equity. These corporate's perspective is based on what a company can do to brand equity. There are four main things that a company can do that affect brand equity, which are brand positioning, defining brand element, and using secondary association. Those three are the tools to build brand equity (Keller, 2013: 550). The other one is brand meaning which is the same hence connecting these two perspective, customer and company perspective. Brand meaning can be used as connecting point between two perspective because company is directly responsible to create it by defining the performance and reputation of the brand. Customer, on the other hand, sees brand meaning as one of the recognition of a brand.

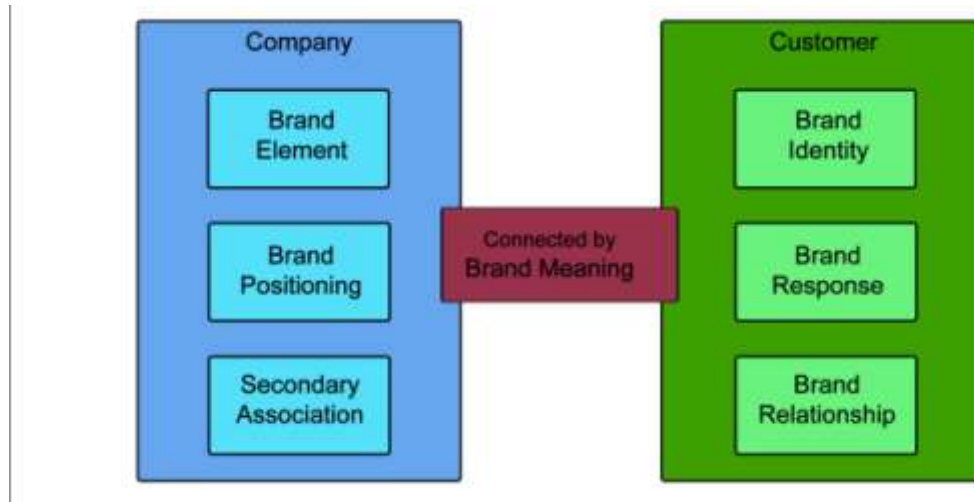


Figure 2. Analytical Model

On corporate perspective, there are brand positioning and other marketing programs's done by the company, chosen brand element, and secondary association linked to the company. On the customer perspective, there are brand identity, brand response, and brand relationship. Brand identity, brand response, and brand relationship are guidance to build a strong brand equity. And there is brand meaning that is connecting both perspectives because it has forms that connected customers and companies like products and services. Generally, these four things is represented by brand awareness and brand image that is not showed on the figure above. Brand awareness has role in forming brand identity that represent how brand is recognized by customers. Brand image on the other hand, tends to show brand identity, brand meaning, and brand response that customer give to the brand.

Brand meaning consists of brand performance and brand reputation that connects both perspectives. Brand response is customer action about brand and consists of brand judgment and sales force or company representative relationship. Brand relationship is how relationship between customer and the brand itself. This evaluation result of the brand equity will give complete picture of the brand equity position of the company. This part is also a part that build brand equity in one steps of brand equity building so this evaluation result will be the foundation of brand equity building by Perusahaan Jasa Karoseri "X".

RESEARCH METHODS

This research is a descriptive qualitative case study of "Perusahaan Jasa Karoseri "X". Data for this study is collected through purposive sampling technique. Five kinds of sample for this research are existing customers, middleman, employee of the company, company owner, and design consultant. Two kind of data source are primary and secondary data. Example of this primary data are level of brand awareness and brand identity, brand strength and weaknesses, assessment of the brand, customer and middleman relationship with company, brand logo and name meaning, and other data. Secondary data that are collected in this research are theory and research about brand, market condition, competitor's product specification.

Those data are collected through interviews, observation, and documentations. Analytical description of the data is done in this steps. First the data is collected, than this data will be

processed and reduced into more significant data. After data is reduced, this data is analyzed and showed in a sequence based on the analytical model.

FINDINGS

Generally, discussion of the brand equity evaluation by the components show good result in product and service quality, sales force relationship, brand reputation, brand identity, and brand relationship. Brand element is the face of the brand identity that is well known by the customer. It is even appreciated by the customer, more than another brand equity component of company “X” because the appealing shape of the logo, easy to remember, and has good meaning.

Table 1. Brand Awareness Test of Carroserie Brand in Surabaya

Carroserie Name	Amount	Percentage
“X”	31	62%
Simojoyo	26	52%
Remaja	36	72%
BJS	18	36%
Anugerah	19	38%
Kanaka	0	0
Antika Raya	19	38%
Diamond	8	16%
Master	15	30%

Brand “X” weakness are price offering, based on the opinion from customers. Even from customers that give positive assessment for the brand also use price as an important factor, although it is not as important as another factor like quality of the product and service. Another weakness is product and service consistency which are not always perfect and disappoints customers. This brand don’t have slogan or brand mantra that firms company’s brand positioning and become guidance for brand “X” in the business. Brand equity evaluation showed that there is a linear process from service quality, satisfaction, and loyalty that have positive effect to brand loyalty and brand equity.

DISCUSSION AND CONCLUSION

This research conclude that company “X” doesn’t have good brand positioning but already have a clear positioning mapping which set the brand as a high quality and flexible product and service provider for transportation. In the figure 3, X axis show product quality on the right side and lower price on the left side. And Y axis show flexibility on the upper side against mass production on the lower side. This company also have brand element that represent exact things wanted by the company and approved by design consutant and appreciated by customers. Secondary association in the form of existing customer of the well known company and good reputation brand of main ingredient is also attract positive response from customers.

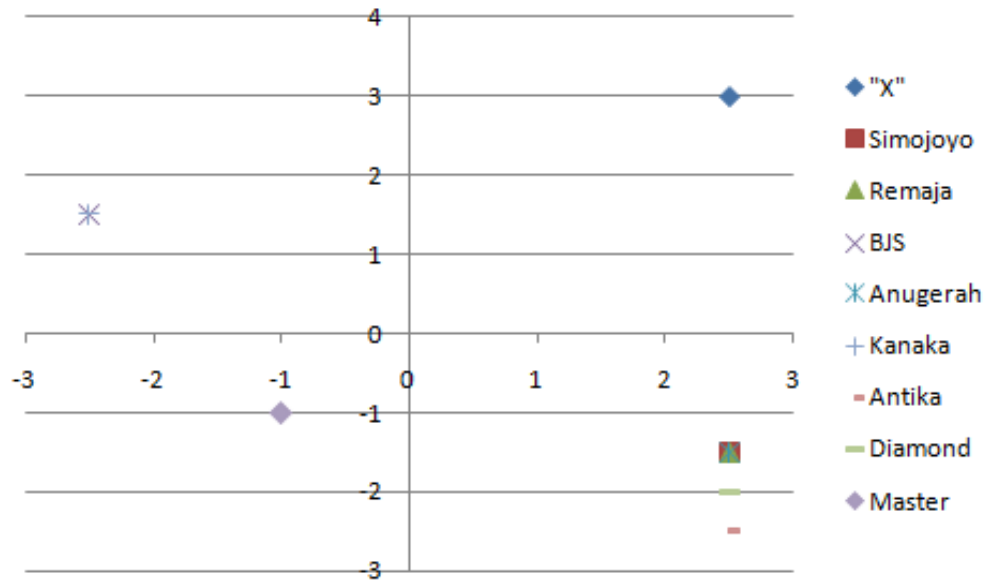


Figure 3. Positioning Mapping of Carroserie in Surabaya

Good brand identity marked by depth and breadth of brand awareness, brand meaning correctly communicated and delivered to the customers, good brand response even though product or service deliverance inconsistency, and good brand relationship concludes this research that this company brand equity is strong, yet can be stronger especially in some weak spots like in the consistency and price offering. This company can also do some more marketing communication to enhance and deliver the strength of owned brand equity.

This research also conclude that there are another method to evaluate brand equity of a company that is simpler. A simple evaluation about how strong a brand equity of a company and what are the things to fix to get that strong brand equity that can be used by a small enterprises and in the business to business market. For a deep measurement of a brand equity, there are several methods but they are hard to do and company must hire a marketing or brand consultant. By using the basic concept of brand equiy theory, small enterprises already able to evaluate their own brand equity strength.

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