



Brand Equity in Colombia's Emerging Market: Understanding Consumer Preferences  
for Local vs. Global Brands

Tesis por medio de Doble Titulación

Nicolás Rojas Mayorga

Bogotá, Colombia

2024



Brand Equity in Colombia's Emerging Market: Understanding Consumer Preferences

for Local vs. Global Brands

Tesis por medio de Doble Titulación

Nicolás Rojas Mayorga

Tutor: Dr. RAHMAN Mahabubur

Administración de Negocios Internacionales

Bogotá, Colombia

2024

### **Declaración de originalidad y autonomía**

Declaro bajo la gravedad del juramento, que he escrito el documento de título “Brand Equity in Colombia's Emerging Market: Understanding Consumer Preferences for Local vs. Global Brands”, en la opción de grado de Doble Titulación y que, por lo tanto, su contenido es original. Declaro que he indicado clara y precisamente todas las fuentes directas e indirectas de información y que este trabajo no ha sido entregado a ninguna otra institución con fines de calificación o publicación.

Nicolás Rojas Mayorga

### **Declaración de exoneración de responsabilidad**

Declaro que la responsabilidad intelectual del presente trabajo es exclusivamente de su autor. La Universidad del Rosario no se hace responsable de contenidos, opiniones o ideologías expresadas total o parcialmente en él.

Nicolás Rojas Mayorga

## Table Of Contents

<b>Glossary .....</b>	<b>9</b>
<b>Abstract .....</b>	<b>11</b>
<b>Key words.....</b>	<b>12</b>
<b>Resumen .....</b>	<b>13</b>
<b>Palabras Clave.....</b>	<b>14</b>
<b>1. Introduction .....</b>	<b>15</b>
<b>2. Review of the Relevant Literature reviewed to date .....</b>	<b>17</b>
<b>2.1 Global Brands.....</b>	<b>17</b>
<b>2.2 Consumer preference for Global Brands.....</b>	<b>18</b>
<b>2.3 Brand Equity .....</b>	<b>19</b>
2.3.1 Brand Loyalty.....	21
2.3.2 Brand Awareness.....	23
2.3.3 Brand Perceived Quality.....	24
2.3.4 Brand Association.....	26
<b>3. Conceptual Framework .....</b>	<b>27</b>
<b>3.1 Brand Loyalty.....</b>	<b>27</b>
<b>3.2 Brand Awareness.....</b>	<b>29</b>
<b>3.3 Perceived Quality.....</b>	<b>30</b>
<b>3.4 Brand Association.....</b>	<b>32</b>
<b>3.5 Theory Framework Table.....</b>	<b>34</b>
<b>4. Model Proposed .....</b>	<b>36</b>
<b>5. Methodology.....</b>	<b>38</b>
<b>5.1 Methodology Proposed .....</b>	<b>38</b>
<b>5.2 Research Philosophy .....</b>	<b>39</b>
<b>5.3 Research Approach.....</b>	<b>40</b>
<b>5.4 Research Strategy .....</b>	<b>41</b>
<b>5.5 Research Choice.....</b>	<b>42</b>
<b>5.6 Time Horizon .....</b>	<b>43</b>
<b>5.7 Techniques and Procedures.....</b>	<b>44</b>
5.7.1 Sampling Techniques.....	44
5.7.2 Data Collection .....	46

	6
5.7.3 Questionnaire Design .....	47
5.7.4 Data Analysis .....	48
<b>6. Results Analysis .....</b>	<b>50</b>
<b>6.1 Brand Loyalty .....</b>	<b>61</b>
<b>6.2 Brand Awareness .....</b>	<b>65</b>
<b>6.3. Perceived Quality .....</b>	<b>68</b>
<b>6.4. Brand Association .....</b>	<b>71</b>
<b>7. Conclusions and Practical Recommendations .....</b>	<b>81</b>
<b>8. Limitations and Future Directions .....</b>	<b>83</b>
<b>9. Research Implications.....</b>	<b>84</b>
<b>10. Recommendations for Future Research.....</b>	<b>84</b>
<b>11. References .....</b>	<b>85</b>

**Índice de Tablas**

<b>Table 1 Theory Framework for Brand Equity</b> .....	34
<b>Table 2 Data coding for Independent Variables</b> .....	53
<b>Table 3 All Independent Variables</b> .....	58
<b>Table 4 Descriptive Statistics - Total Mean of each dimension (Global vs Local)</b> .....	60
<b>Table 5 Factors affecting Brand Loyalty</b> .....	62
<b>Table 6 Brand Loyalty Final Scores</b> .....	63
<b>Table 7 Factors affecting Brand Awareness</b> .....	66
<b>Table 8 Brand Awareness Final Scores</b> .....	67
<b>Table 9 Factors affecting Perceived Quality</b> .....	69
<b>Table 10 Perceived Quality Final Scores</b> .....	70
<b>Table 11 Factors affecting Brand Association</b> .....	71
<b>Table 12 Brand Association Final Score</b> .....	74
<b>Table 13 Colombian Local brand's Final Scores for each dimension</b> .....	75
<b>Table 14 Global brand's Final Scores for each dimension</b> .....	76
<b>Table 15 Brand Equity Final score for Local and Global brands</b> .....	77

## Índice de Figuras

<b>Figure 1 Brand Equity Conceptual Model .....</b>	<b>37</b>
<b>Figure 2 Research Onion Model.....</b>	<b>39</b>
<b>Figure 3 Proportion of respondent's gender .....</b>	<b>50</b>
<b>Figure 4 Proportion of respondent's educational level.....</b>	<b>51</b>
<b>Figure 5 Proportion of respondent's Employment Status.....</b>	<b>52</b>
<b>Figure 6 Brand Association for Local brands - Bar Chart .....</b>	<b>72</b>
<b>Figure 7 Brand Association for Global brands - Bar Chart .....</b>	<b>73</b>
<b>Figure 8 Two Step Cluster - Gender against Brand Equity .....</b>	<b>78</b>
<b>Figure 9 Brand Equity scores given by Gender .....</b>	<b>80</b>

## Glossary

**Brand Equity:** According to Aaker, brand equity is “a set of brand assets and liabilities linked to a brand name and symbol, which add to or subtract from the value provided by a product or service.” (Aaker., 1991). To Aaker, brand equity is the result of a variety of factors, including brand awareness, perceived quality, brand loyalty, brand associations and proprietary assets (intangible assets). (Aaker., 1991)

**Brand Loyalty:** Brand loyalty is one of the dimensions proposed by Aaker’s model. Brand loyalty is defined as “a deeply held commitment to re-buy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same-brand set purchasing despite situational influences and marketing efforts having the potential to cause switching behavior” (Oliver, 1997).

**Brand Awareness:** According to Aaker (1991), brand awareness refers to the degree and ease with which customers can recognize or recall a particular brand within a product category. It is a way of measuring to what extent is the brand imprinted in the minds of consumers by measuring three main characteristics of brand awareness: brand recall, brand recognition, and Top of mind (also known as Brand Dominance) (Bangun et al., 2021).

**Brand Perceived quality:** A positive perceived quality will play a significant role in influencing consumer's preferences towards a specific brand as a higher perceived quality than the alternatives will lead to a higher brand equity (Aaker, 1991).

**Brand Association:** Brand associations refer to anything linked in memory to a brand. (Aaker, 1991). This link can come in the form of a concept, feeling, emotion, image, experience, person, interest, etc. (Kunkel, et al., 2014). Many studies have been done regarding the drivers or types of brand associations, but for the purpose of this investigation, the three types suggested by Daniels et al., (2018), which include brand attributes, brand benefits, and brand attitudes, will be used throughout the investigation.

## Abstract

**Purpose:** The purpose of this Graduating Project is to bring insights about the factors that impact a consumer's preference when choosing between global and local brands, in order to propose how businesses can leverage this understanding to effectively expand and compete in a globalized marketplace.

**Context:** The concept of brand equity has been extensively studied in business research and other fields of study, since Aaker's model was developed in 1991 and to this day it's still practical and applicable. The growing presence of global brands into emerging markets have created an even more competitive market, so understanding what factors may influence a consumer's preference for local or global brands will give key insights for business to develop appropriate strategies.

**Methodology/approach:** This research adopts a deductive approach, with a positivist philosophy, and a quantitative method through a self-questionnaire (survey) collecting data from 95 respondents, from a target population of Colombian young adults aged between 18 to 26 years old. A descriptive statistical approach was used to analyze the data gathered through SPSS software.

**Findings:** Results indicate that Colombian young adults have a preference for Global Brands since the Brand Equity calculated at the end of the study was higher for Global brands than for Local brands. Brand Awareness was the biggest factor that contributed to that success since Global brands scored 4.5, out of 5, which indicated the highest score for any of the four dimensions measured.

**Research implications/limitations:** The research used various sources and an extensive literature report to apply the appropriate model (Aaker's Brand Equity model) and the appropriate ways of measuring dimensions according to the context presented in this investigation. This led to a research gap regarding brand preference in the clothing industry in emerging markets like Colombia. However, the sample size and age range present some weakness as it may difficult further generalizations.

**Practical implications:** Global and local Colombian brands should now be able to identify their main weaknesses and strengths when compared to each other, which should motivate them to improve and seek to increase their brand equity following the recommendations done.

### **Key words**

Consumer preference, Brand Equity, Clothing industry, Global vs Local brands

## Resumen

**Propósito:** El propósito de este Proyecto de Graduación es aportar conocimientos sobre los factores que influyen en la preferencia de un consumidor a la hora de elegir entre marcas globales y locales, con el fin de proponer cómo las empresas pueden aprovechar esta comprensión para expandirse y competir eficazmente en un mercado globalizado.

**Contexto:** El concepto de valor de marca se ha estudiado ampliamente en la investigación empresarial y otros campos de estudio, desde que se desarrolló el modelo de Aaker en 1991, y a día de hoy sigue siendo práctico y aplicable. La creciente presencia de marcas globales en los mercados emergentes ha creado un mercado aún más competitivo, por lo que entender qué factores pueden influir en la preferencia de un consumidor por marcas locales o globales aportará información clave para que las empresas desarrollen estrategias adecuadas.

**Metodología y enfoque:** Esta investigación adopta un enfoque deductivo, con una filosofía positivista, y un método cuantitativo a través de un autocuestionario (encuesta) que recoge datos de 95 encuestados, de una población objetivo de adultos jóvenes colombianos con edades comprendidas entre los 18 y los 26 años. Para el análisis de los datos recolectados se utilizó un enfoque estadístico descriptivo a través del software SPSS.

**Resultados:** Los resultados indican que los jóvenes adultos colombianos tienen preferencia por las Marcas Globales ya que la Equidad de Marca calculada al final del estudio fue mayor para las marcas Globales que para las marcas Locales. La Conciencia de Marca fue el factor que más contribuyó a ese éxito ya que las marcas Globales obtuvieron una puntuación de 4,5, sobre 5, lo

que indicó la puntuación más alta para cualquiera de las cuatro dimensiones medidas.

**Implicaciones/limitaciones de la investigación:** La investigación utilizó diversas fuentes y un extenso informe bibliográfico para aplicar el modelo apropiado (modelo Brand Equity de Aaker) y las formas adecuadas de medir las dimensiones según el contexto presentado en esta investigación. De esta manera, se encontró un vacío en la investigación con respecto a la preferencia de marca en la industria de la confección en mercados emergentes como Colombia. Sin embargo, el tamaño de la muestra y el rango de edad presentan algunas debilidades ya que puede dificultar futuras generalizaciones.

**Implicaciones prácticas:** Las marcas colombianas globales y locales ahora deben ser capaces de identificar sus principales debilidades y fortalezas al compararse entre sí, lo cual debe motivarlas a mejorar y buscar aumentar su valor de marca siguiendo las recomendaciones realizadas.

### **Palabras Clave**

Preferencia del consumidor, valor de marca, industria de la confección, marcas globales frente a marcas locales

## 1. Introduction

Globalization has led to the integration of the world into one single big market. It has impacted society by facilitating the exchange of goods, services, information, and even knowledge by reducing international barriers and exposing individuals to different environments and to cultural differences. As a result, globalization has paved the way for the expansion of organizations that seek to explore new markets to meet the increasing needs of consumers and take advantage of how easy is to connect now to different parts of the world.

Hence, the market competition has intensified worldwide, promoting greater marketing efforts among brands from diverse nations to be able to expand into new markets and compete against local brands. Therefore, consumers are presented with an unlimited number of choices of products, and even more now with the opportunity to choose not only between similar products but between global brands and local brands.

The increasing number of alternatives presented to consumers leads to a problem that has been analyzed from various perspectives, including the social, psychological, and even the economic perspective, which is the identification of the factors that influence consumer preference and purchasing decision between one brand and another. However, understanding the consumer's reasoning and response to global and local brands is more complex than a simple generalized assumption worldwide (Van Ittersum & Wong, 2010). Consumers are heavily influenced by factors such as national cultural values that lead to unique outcomes that can't be grouped into one

category. This understanding is critical in determining the focus on branding and marketing strategies for companies operating in different markets worldwide.

From a consumer perspective, there is also a debate regarding their view towards global brands and their impact on them. While some consumers may value and prefer global brands due to their status and association with high quality (J.-B. E. B. M. Steenkamp et al., 2002), others take a completely opposite approach and criticize them for undermining and often eliminating local brands that fight to stay true to their cultural values, which would lead them to not buying global brands if given a choice. (Holt & Quelch, 2004). Therefore, it's important to analyze how consumers make this choice. However, there is a lack of studies and research regarding the factors that influence a consumer's preference when choosing between a local and a global foreign brand in Colombia.

For this reason, this research focuses on the Colombian clothing market, to identify the drivers of consumer preference, to expose relevant differences that may provide a useful framework for companies to take advantage of. A deeper understanding of these factors can help businesses develop effective marketing strategies that adapt to their target audience's specific needs and preferences and provide both local and global companies the opportunity to develop the necessary tools to compete in the clothing industry. To carry out this analysis, the following research question was developed: "What are the key factors that influence consumer preferences for local versus global clothing brands in Colombia, and how can businesses leverage this understanding to effectively expand and compete in a globalized marketplace?"

To answer the research question, the literature review will address the relevant theories developed and that have proven to be applicable under other contexts, in order to apply them under this specific context and gain valuable insights. This research will be a quantitative approach to apply the Aaker Brand Equity dimension model for clothing brands in Colombia. This Graduating Project will contribute to our understanding of consumer preferences for clothing brands when deciding between local and global brands. This study will interest businesses (both global and local) that are trying to understand how to effectively compete in such a competitive and globalized marketplace and industry.

## **2. Review of the Relevant Literature reviewed to date**

### **2.1 Global Brands**

A Global Brand is characterized by being widely available across international markets and enjoying high levels of recognition across the world (Dimofte et al., 2008). However, a consumer's perspective about a global brand may differ, as there are other findings that suggest that consumers across the world associate global brands with "high quality, a certain global myth, and social responsibility" (Holt & Quelch, 2004) that it must be considered as global in multiple countries (Alden et al., 2013), or that it must have a standardized marketing strategy (Steenkamp et al., 2002). Therefore, it portrays the complexity within the meaning of a Global Brand because it

doesn't refer to its availability worldwide only but also to several characteristics that are necessary for the public perception to adopt and view a brand as global. For the purpose of this study, based on the studies mentioned and their main factors, a global brand will be defined fundamentally by its availability across international markets and its recognition.

## **2.2 Consumer preference for Global Brands**

It has been widely investigated and accepted that global brands create brand superiority. For instance, a study conducted by (Steenkamp & Jong, 2010) found that global brands are preferred by consumers due to their perceived higher quality and superior reputation. The study explored consumer attitudes towards global and local products across 28 countries, with a total of 13,000 respondents to the survey, and found that global brands were consistently rated higher than local brands in terms of perceived quality and trustworthiness. The difference in more favorable attitudes towards global products was particularly higher in less developed countries, hence providing an important insight for this investigation as it will be centered in Colombia, which fits into the category of less developed countries.

Similarly, in an investigation carried out by Okonkwo, (2007) in Nigeria, the findings indicate that consumers tend to associate global brands with higher social status, which in return indicates greater prestige. On that account, consumers were willing to pay a premium price for global brands and lean towards these brands, instead of their own local brands. Another example

is the study by Hsieh et al., (2004), where they found that consumers preferred global brands over local due to their perception of superior quality, performance, and reputation. However, the study highlights that it may vary across countries, so it emphasizes the need to consider cultural and societal differences across countries to determine if they prefer global brands as stated by the study.

In contrast, Papadopoulos and Heslop (2002) found that consumer preferences for global brands depended on the product category. It stated that consumers preferred local brands for products that were culturally specific, but for products that are less culturally specific, such as clothing, consumers preferred global brands (Papadopoulos & Heslop, 2002). They also concluded that there are many challenges including cultural sensitivity, which opens up the discussion for different countries, including Colombia as it was not part of the study.

Overall, these studies suggest that consumers prefer global brands over local brands, but that there are cultural factors and product categories that may influence consumer preferences.

### **2.3 Brand Equity**

According to Aaker, brand equity is “a set of brand assets and liabilities linked to a brand name and symbol, which add to or subtract from the value provided by a product or service.” (Aaker., 1991). To Aaker, brand equity is the result of a variety of factors, including brand awareness, perceived quality, brand loyalty, brand associations and proprietary assets (intangible

assets). (Aaker., 1991). On the other hand, Keller takes a more customer-based approach, and he defines brand equity as the “effect that brand knowledge has on consumer response to the marketing of a brand, with the effect occurring when the brand is known and when the consumer possesses favorable, strong, and unique brand associations (Keller, 1993). Keller developed the “Customer-Based Brand Equity (CBBE) Model”, where he states that to build a strong global brand, a company must follow a four-step model that consists of brand identity, brand meaning, brand response, and brand resonance. This model adopted some of the characteristics mentioned by Aaker into its four steps, for example, brand identity refers to brand awareness in the Aaker model. Therefore, both models are useful to include in the investigation, so that their dimensions can be taken into consideration as well.

Finally, another relevant brand equity model that will be important to the investigation is the Brand Asset Valuator (BAV) model. It was developed by the global marketing research firm Young & Rubicam (Y&R) in the 1990s. The model states that a brand’s value can be measured through a combination of four main dimensions: differentiation, relevance, esteem and knowledge. It gives insights regarding consumer perceptions of each dimension by assessing them through a series of survey questions. It’s relevant to the investigation because it also adopted some characteristics mentioned by Aaker into its model so considering this model when doing the analysis of the results will complement the investigation by allowing a further discussion.

### ***2.3.1 Brand Loyalty***

Brand loyalty is one of the dimensions proposed by Aaker's model. Brand loyalty is defined as "a deeply held commitment to re-buy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same-brand set purchasing despite situational influences and marketing efforts having the potential to cause switching behavior" (Oliver, 1997). It's one of the most important dimensions in the brand equity model, and it's quite different from the other major dimensions because it is more strongly related to the use experience, as explained by Aaker (1991): "Brand loyalty cannot exist without prior purchase and use experience. In contrast, awareness, associations, and perceived quality are characteristics on many brands that a person has never used." Therefore, four main drivers of brand loyalty were taken into consideration in this study to measure brand loyalty for local and global brands.

The first key driver of brand loyalty is brand trust. Ballester et al., (2003, p. 37) defined brand trust as "confident expectations of the brand's reliability and intentions." Brand trust is how consumers perceive a brand to be reliable, credible, and ultimately aligned with their wishes, desires, and expectations. However, trust is not the only driver of brand loyalty. Hence, despite the fact that a consumer may trust a brand to be transparent, or reliable, there are other factors that may influence their loyalty as well, such as repeat purchases or customer satisfaction. Therefore, although brand trust may lead to brand loyalty, it's just the first driver of the three that will be measured in the study to calculate the customer's loyalty towards global or local brands.

Another key aspect of brand loyalty is repeat purchases. It complements other drivers such as trust because rather than simply stating that a customer trusts a brand, this can be measured as well by their direct purchasing decisions as a repeat purchase will demonstrate in a tangible manner their loyalty to the brand, especially if it's over a long period of time. Many companies can and will encourage loyalty through loyalty programs that incentivize repeat purchases (Delgado-Ballester & Luis Munuera-Alemán, 2005) as they understand the importance of these purchases to build trust, commitment, and eventually brand loyalty.

Linked to repeat purchases, is customer satisfaction. "Customer satisfaction is the degree to which a customer perceives that an individual, firm or organization has effectively provided a product or service that meets the customer's needs." (Cengiz, 2010). Customers can be satisfied with the attention offered when purchasing, with the quality of the product, with the appearance, or a combination of many factors. In other words, customer satisfaction results from all the activities and interactions carried out during the purchase and consumption process. When customers are satisfied with a product or service from a company, they are more likely to continue purchasing from them in the future. According to Hoyer & MacInnis (2001), customer satisfaction leads to repeat purchases, brand loyalty, and positive word of mouth, which showcases its importance in building brand equity.

Finally, another component of brand loyalty is commitment. Brand commitment can be defined as "an enduring desire to maintain a valued relationship" (Berry & Parasuraman, 1991, p. 316). Rather than just measuring repeat purchases in order to determine brand loyalty, commitment reflects the degree to which a customer is willing to stick with a brand despite any challenge or

difficulty that may arise in order to maintain that valued relationship. Commitment demonstrates long-term loyalty that nourishes the relationship rather than just exploring short-term satisfaction with different brands. Therefore, understanding how long a customer has been part of a brand's growth, shows commitment, hence it's a key determinant of brand loyalty.

### ***2.3.2 Brand Awareness***

According to Aaker (1991), brand awareness refers to the degree and ease with which customers can recognize or recall a particular brand within a product category. It is a way of measuring to what extent is the brand imprinted in the minds of consumers by measuring three main characteristics of brand awareness: brand recall, brand recognition, and Top of mind (also known as Brand Dominance) (Bangun et al., 2021).

Firstly, according to Aaker (2004), brand recognition is the ability of potential customers to identify a brand or product in a specific category and instantly recall that brand knowledge that was stored in their minds. Sometimes, consumers are unable to recall the name of the product or brand precisely, but they may distinguish it from other competitor brands based on taglines, colors, packaging, logos, or advertisements. This set of factors creates a certain familiarity which will have a direct effect on the brand's recognition as every characteristic that may differentiate itself from a competitor in the consumer's mind will contribute to the overall brand's equity.

Brand recall refers to the ability of consumers to remember or recognize a specific brand among a set of competing brands. (Aaker). Brand recall is an important measure of brand awareness as it will reflect the brand's strength in the consumer's memory. There are two primary types of Brand recall: The first is named unaided brand recall (and it will be the one used for this study). It asks consumers to recall brands from specific product categories, without any cues or prompts. On the other hand, there is also aided brand recall. In this case, consumers will be provided with a list of brands and asked to identify the brands they are familiar with. This creates cues that aid the consumer's memory, hence creating an aided brand recall, but it may create false positives and indicate a lower memory link. (Laurent et al., 1995).

Top-of-mind awareness, also called brand dominance, occurs when a brand is not only recognized but it's also seen as the primary or most preferred choice within its product category. It's called Top of Mind because as its name states, it's the brand that comes to mind first and it's often perceived as the leader in the industry. The brand dominance showcases how strong a brand is relative to its competitors and within its industry, therefore, it may take into consideration the market shares as well when doing such analysis.

### ***2.3.3 Brand Perceived Quality***

Perceived quality can be defined as “the customer's perception of the overall quality or superiority of a product or service with respect to its intended purpose relative to alternatives.”

(Aaker, 1991). The perceived quality a consumer has for a brand, or a specific product or service, can be both positive and negative. A positive perception means that the customer thinks the product has a higher quality relative to its alternatives, or it can be negative, which occurs when the customer thinks the alternatives are superior to a specific brand.

Steenkamp's model of the quality perception process identifies three key factors that influence quality: Intrinsic attributes, Extrinsic Attributes, and the Experience of Use. (Steenkamp, 1990). However, for the purpose of this study, I will focus on measuring Intrinsic attributes, particularly focusing on three main aspects: durability, appearance, and quality of the products. The durability component refers to the "ability of a physical product to remain functional, without requiring excessive maintenance or repair when faced with the challenges of normal operation over its design lifetime." (Cooper, 1994). Therefore, it addresses the customer's belief in the product's life expectancy, where the perceived quality would be influenced by how durable a customer thinks it can be. Another important aspect regarding the perceived quality, it's the physical appearance or the aesthetic component of the product. Especially considering the clothing industry, following the trends, and creating aesthetically pleasing products that will capture the attention of the consumer and meet their demands and desires, are key when trying to build a positive brand-perceived quality.

### ***2.3.4 Brand Association***

Brand associations refer to anything linked in memory to a brand. (Aaker, 1991). This link can come in the form of a concept, feeling, emotion, image, experience, person, interest, etc. (Kunkel, et al., 2014). Many studies have been done regarding the drivers or types of brand associations, but for the purpose of this investigation, the three types suggested by Daniels et al., (2018), which include brand attributes, brand benefits, and brand attitudes, will be used throughout the investigation.

Brand Attributes represent characteristics inherent to a specific sector, but are often factors that help consumers decide what product or service to buy. For example, consumers develop positive attitudes towards a brand when they perceive the brand as providing desirable attributes that address their needs and desires (Funk & James, 2004). According to Dubois et al., (2005) there are two main attributes that customers value which are, prestige and hedonism. Prestige relates to exclusivity, status, and product superiority compared to other brands. On the other hand, Hedonic attributes refer to benefits that consumers may gain when buying, using, or owning a product from a brand (such as feelings like enjoyment and pleasure). (Dubois, et al., 2005).

Brand benefits are the personal value consumers attach to the attributes of the product or service (Keller, 1993). And according to Aaker (1991), these benefits can be categorized into two types: Rational benefits, and Emotional benefits. Rational benefits refer to practical and logical benefits, such as affordability, durability, practicality, or ease of use. Meanwhile, emotional

benefits refer to how the customer feels when purchasing, using, or owning a product (happiness, confidence, pride, etc.). (Aaker, 1991).

Finally, brand attitudes refer to the “overall evaluation of the branded product and this evaluation can be either favorable or unfavorable(Mitchell & Olson, 2000). In other words, it includes a positive or negative reaction towards the whole process of purchasing and consuming a product from a specific brand.

Previous research has shown that brand associations are a key element in building brand equity (French & Smith, 2010; Koll & Von Wallpach, 2014). Therefore, it’s important to address the factors that will influence brand associations, which means that they will eventually have an impact on building brand equity as well.

### **3. Conceptual Framework**

#### **3.1 Brand Loyalty**

The four dimensions of the brand equity model developed by Aaker 1991 were explained in the previous chapter, so now it's important to adapt the elements chosen above to the clothing industry context, and most importantly, be able to differentiate between global and local companies. Therefore, brand loyalty is the consumer’s commitment to repeatedly buy clothes from

a particular brand over longer periods of time, even when there are many alternative options that compete against the specific brand.

To determine the customer's loyalty, brand trust is one of the first steps as it exposes customers' confidence in whether a specific brand is being honest, sincere, and reliable in addressing their concerns and needs (Hawass, 2013). According to Bilgihan (2016), brand trust is the strongest predictor of brand loyalty. Thus, a brand that is able to consistently stick to its core values, deliver on its promises, and build an overall trustworthy image, will most likely develop brand loyalty.

Furthermore, a brand that has managed to generate high levels of trust among its customers will lead them to have a higher volume of repeated purchases, and increased profitability (Mckinney & Benson, 2013). Repeated purchases are another element that is key to the study in order to determine the extent of the customer's loyalty toward global or local brands, as it will prove their loyalty and trust in tangible measurements, so we can immediately see the influence of both factors upon building brand loyalty in the apparel industry.

“Brand commitment is the degree of attachment to a brand” (Chen, 2017). For the purpose of this study, brand commitment is measured as the customer's commitment over long periods of time to global or local brands, despite the competition between them. According to Byun & Dass (2015), brand commitment is essential for the success of clothing brands as it will aid in retaining quality customers who will invest efforts in protecting their relationship with the brand over long periods of time despite negative information about their brand of choice. Therefore, it will

influence and demonstrate their overall loyalty to a brand. Consequently, the combination of these 3 elements will lead to building brand loyalty towards a global or a local brand, which will influence the overall brand's equity at the end of the study.

Based on these factors that will be analyzed to calculate the brand loyalty, the first hypothesis of the research developed:

H1: Colombian local brands will score higher in the Brand loyalty dimension, when compared to Global brands.

### **3.2 Brand Awareness**

The clothing industry in Colombia is a very competitive one, due to the number of competitors available, from global brands to local brands there are many alternatives for customers to choose from. Brand awareness creates a great association in memory about a particular brand (Stokes 1985). As stated by Keller, (1993) some of the consumers can make a rule to purchase from only those brands which are famous in the market. Therefore, it's clear that it will greatly impact the consumer's purchase decision.

However, understanding how to measure a brand's awareness will be key to identifying the differences between Global and Colombian brands. Thus, for the purpose of this study and its

relationship with the clothing industry, it will be evaluated at various stages, including recognition, recall, and top-of-mind/brand dominance (Aaker, 1996).

Additionally, Brand awareness is generated by repeated contact to increase familiarity with the brand, so when consumers see, hear, or think about an specific industry, the brand concept will take root in their memory (Radder & Huang, 2008), which enables consumers to clearly distinguish between brands they have seen or heard before (Keller, 1993). It's clear that for the clothing industry, where there are many competitors, being able to attach a brand's image to the mind of the consumer will be a crucial component of the overall brand equity. In this sense, I believe Global brands will have an advantage over local Colombian brands due to their popularity and presence all over the world. Therefore, the second hypothesis is:

H2: Global brands will score higher in the Brand Awareness dimension, when compared to Colombian clothing brands.

### **3.3 Perceived Quality**

A positive perceived quality will play a significant role in influencing consumer's preferences towards a specific brand as a higher perceived quality than the alternatives will lead to a higher brand equity (Aaker, 1991). Therefore, understanding which clothing brands (Colombian local brands or global brands) have an edge in this factor will provide valuable insights

into how consumers in Colombia evaluate and prioritize perceived quality. To measure it, three elements were taken into consideration: Overall quality, durability, and appearance.

Durability is a key dimension of perceived quality as it relates to the lifespan of a product. In Colombia, consumers may be looking for products that provide long-term value and may think this is the most important element when making a purchasing decision as they may expect their clothes to last long over other factors, or they may sacrifice durability for factors such as appearance. Therefore, assessing how consumers perceive the durability of products by local and global brands will reveal a higher understanding of their preferences for brands.

The perceived appearance was another factor taken into consideration when exploring a brand's perceived quality because it's very relevant when it comes to the clothing industry. Appearance refers to the aesthetic attributes of a product, such as its design, aesthetics, and visual appeal. Aesthetically pleasing products often appeal more to consumers, therefore analyzing which brands portray more aesthetically pleasing clothing will be significantly important to understand how much of a role this factor plays in the consumer's overall perceived quality of the different brands.

Finally, the overall perceived brand quality will play a role in shaping customer brand preference, as they tend to prefer brands that are perceived to be of high quality (Tingchi Liu et al., 2014). And as stated by Aaker's model, a brand's perceived quality will affect the brand's equity, so measuring and comparing the results for both local and global brands will provide useful insights regarding the importance and significance of this factor when choosing between the brands. Based on these three factors, the third hypothesis was developed:

H3: Colombian local brands will score higher in the Perceived Quality dimension, when compared to Global brands.

### **3.4 Brand Association**

Brand associations are crucial in the context of clothing brands, as they will shape consumer preferences and influence the way consumers perceive and interact with brands. There are many types and ways to measure it, for the purpose of this study, we will keep the three types mentioned in the literature review: Brand attributes, brand benefits, and brand attitudes. (Daniels, et al., 2018).

When considering brand attributes, two main elements were chosen due to the context of this study: Prestige and hedonism. Brand associations related to prestige are important because they reflect how consumers view a brand's image in terms of status and social recognition. In the clothing industry, consumers have various options to choose from, including local and global brands. Assessing the association of a brand with prestige helps understand whether consumers in Colombia value status and prestige, and if these are elements that will notoriously influence a brand's equity, and the consumer's preference for local or global brands. Additionally, hedonistic associations relate to the pleasure and sensory experiences associated with a brand. It's important to understand if brands associated with hedonistic attributes can provide insights into whether consumers prioritize enjoyment and sensory satisfaction in their buying decisions.

Brand benefits are the second element that will be used in this study to measure brand associations. In order to measure these benefits, first they will be categorized into two types: rational benefits, and emotional benefits. (Aaker, 1991). Rational benefits are the functional attributes that a clothing brand can offer, for example: affordability, ease of use, and practicality. Rational benefits can reveal whether local or global brands excel in meeting these functional needs, and if it's a relevant point of differentiation between them. Emotional benefits, on the other hand, are associations to feelings, experiences, and psychological connections of consumers with a brand. Emotions often drive this type of buying decision, so identifying if cultural and personal values associations play a greater role when choosing between local and global brands can provide insights into the emotional triggers for brand equity.

Finally, Aaker (1991) included brand attitudes as a way to measure a brand's association as it will reflect the overall reaction towards the process of purchasing and consuming a product. Identifying whether consumers have positive or negative attitudes towards local and global brands is critical in assessing brand associations. Positive brand attitudes will lead to greater brand equity, on the other hand, negative attitudes can significantly impact a brand's success. Therefore, evaluating brand attitudes will allow this investigation to gain a comprehensive understanding of how consumers perceive and prefer local vs global brands. This information will be instrumental in developing strategies for building brand equity in this market.

H4: Colombian local brands will score higher in the Brand Association dimension, when compared to global brands.

### 3.5 Theory Framework Table

**Table 1 Theory Framework for Brand Equity**

<b>Theory</b>	<b>Dimension</b>	<b>Factor</b>	<b>Reference</b>
<b>Brand Equity</b>	<u>Brand Loyalty</u>	Brand trust	Hawass, 2013. Bilgihan, 2016. Aaker, 1991
		Repeat Purchase	Mckinney & Benson, 2013. Aaker, 1991
		Commitment	Chen, 2017. Byun and Dass, 2015. Aaker, 1991
	<u>Brand Awareness</u>	Brand recall	Aaker, 1996 Radder & Huang, 2008 Keller, 1993 Stokes, 1985
		Brand recognition	Aaker, 1996 Radder & Huang, 2008 Keller, 1993 Stokes, 1985

		Brand dominance	Aaker, 1996 Radder & Huang, 2008 Keller, 1993 Stokes, 1985
	<u>Brand Association</u>	Prestige	Dubois, Czellar and Laurent, 2005. Daniels, Kunkel and Karg, 2018 Funk & James, 2004
		Hedonism	Dubois, Czellar and Laurent, 2005. Daniels, Kunkel and Karg, 2018 Funk & James, 2004
		Rational Benefits	Keller, 1993 Aaker, 1991
		Emotional Benefits	Keller, 1993 Aaker, 1991
		Attitudes	Mitchell and Olson, 2000.

	<u>Perceived</u> <u>Quality</u>	Quality	Aaker 1991 Steenkamp, 1990 Cooper, 1994 Liu, et al., 2014
		Durability	Aaker 1991 Steenkamp, 1990 Cooper, 1994 Liu, et al., 2014
		Appearance	Aaker 1991 Steenkamp, 1990 Cooper, 1994 Liu, et al., 2014

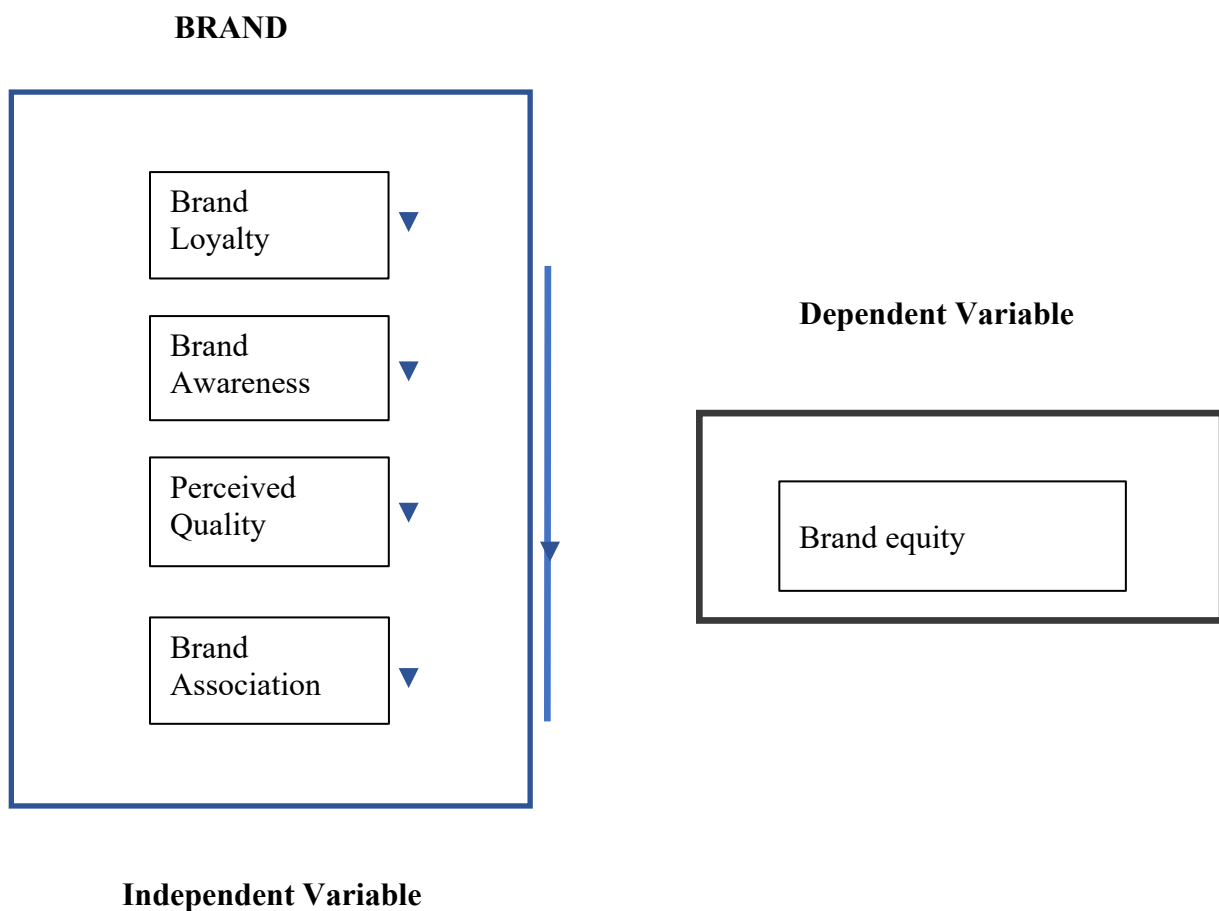
Source: Table created independently

#### 4. Model Proposed

After careful consideration, this paper will analyze four dimensions; The four dimensions of the Aaker (1991) model, brand awareness, brand loyalty, perceived quality, and brand association. It will also include a set of germane variables that will be key to controlling some limitations and digging further into the target population. It will include a target population of young adults (aged between 18-26) who are University Students and who are all Colombians. This

way the study will be able to control some external variables and limitations regarding age differences, culture, and social lifestyle (as they are University students it will to an extent reduce some biases regarding this aspect). The germane control variables include: Demographics, Age, Gender, Educational Level, and Employment Status. The model that will be used can be seen in Figure 1 below:

**Figure 1 Brand Equity Conceptual Model**



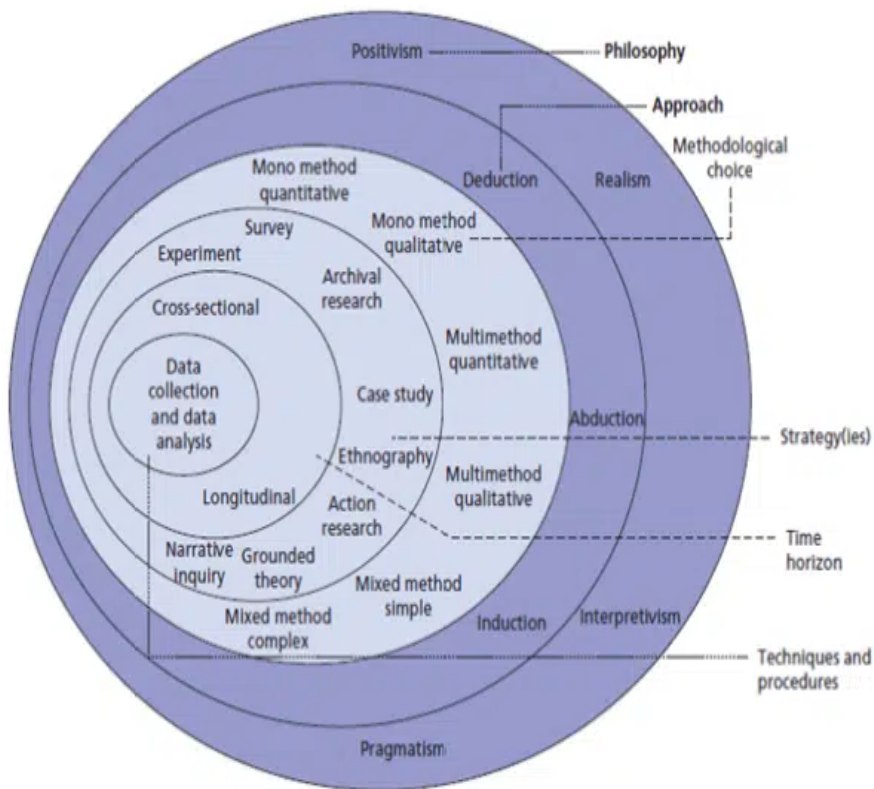
Source: Created independently but adapted from Aaker's Brand Equity Model (1991)

## 5. Methodology

### 5.1 Methodology Proposed

The choice of an appropriate research methodology is a critical decision that will shape the entire research process. In pursuit of adopting an excellent and detailed methodology that will adapt to the subject of my thesis, I have opted to employ the Research Onion methodology developed by Saunders et al., (2007). The Research Onion is a multi-layered framework that provides a complete and systematic approach to designing and conducting research. I chose this method because I am to ensure that the research process is well-structured, and aligned with my research objectives and it will allow me to work from the outside of the “onion” inward, meaning that I will get a deeper understanding as I get further into the model. Therefore, I will go through the six development steps: Research philosophy, research approach, research strategy, choices, time horizon, techniques & procedures. (Saunders, et al., 2007).

**Figure 2 Research Onion Model**



Source: Saunders et al., 2007

## 5.2 Research Philosophy

The research philosophy is the first layer of the “onion method”, and it addresses the fundamental beliefs about the nature of knowledge and how it will be acquired for the present

investigation. There are three main research philosophies, which include: Positivism, interpretivism, and pragmatism. (Saunders, et al., 2007).

This research adopted the philosophy of positivism. Brand equity research involves assessing the four dimensions of Aaker's model (brand loyalty, brand association, brand perceived quality, and brand awareness). Positivism focuses on an objective reality; thus, empirical evidence aligns accordingly to evaluate brand equity in a structured and unbiased manner. Additionally, it's the best approach for quantitative research because it emphasizes the use of systematic measurement and statistical analysis. (Saunders, et al. 2007). As this research aims to understand consumer preferences for local vs global brands, it's needed to collect structured and quantifiable data that can be analyzed statistically. By adopting a positivist philosophy, I can ensure that the research will be data-driven, and it will allow this research to conduct comparisons between the consumer preferences for local vs global brands. This approach provides a more precise estimate of the degree of relationship between concepts (Bell, et al., 2022) Also, data collected will not be influenced by personal thoughts, beliefs, or interpretations, reducing the potential for researcher bias in the assessment of the four dimensions proposed by Aaker to measure the brand's equity.

### **5.3 Research Approach**

The research approach is the next layer of the model, and it proposes two broader methods: inductive, and deductive (Saunders et al., 2007). Due to the choice of carrying out a quantitative

study, and a positivist philosophy, the most relevant and aligned approach would be the deductive. The deductive approach understands that the research starts with an existing theory, which in this case is Aaker's model of brand equity, then there are some hypotheses and data collection needed to reject or accept the hypothesis proposed. The deductive approach develops the hypotheses upon a pre-existing theory and then formulates the research approach to test it (Silverman, 2005). The research starts with observation and data collection, which then moves to description and analysis to form conclusions. (Saunders, et al., 2007) In other words, the deductive approach is applied to test existing theory and adapt it to a given context. This graduating project aims to measure the causal relationship between a brand's equity (including the four dimensions of Aaker's model), and the consumer's preference between a local and a global brand. Therefore, it proves that it's the most appropriate approach for this study.

#### **5.4 Research Strategy**

The research strategy layer describes how the researcher intends to carry out the study/investigation. It can include several different approaches, including, experimental research, action, case studies, interviews, surveys, and archival research (literature review). (Saunders et al., 2007). However, the survey or questionnaire-based strategy it's the most appropriate as it's often linked with the choices made in this study for the other layers, including the deductive approach and the positivist philosophy.

A self-completion questionnaire is a method in which respondents answer questions by completing the questionnaire by themselves. (Bell et al., 2022). Questionnaires are commonly used in quantitative research projects, as they involve sampling a representative proportion of the population (Chinoso, O., 2019). There are many different forms on how to distribute it, but the most common nowadays is through email or online, due to its direct and easy distribution. For the Graduating Project, an online survey was conducted, and it was sent to University Students from Colombia. Additionally, questionnaires will encourage respondents to be candid and honest as it will provide them with anonymity. This is particularly crucial as I will be addressing preferences that may be influenced by both social and cultural factors. Hence, participants may feel more at ease expressing their views and preferences regarding brands without external pressure from others that may influence their response. Finally, this method was chosen because it involves less time and resource consumption while gathering standardized data as all the respondents had to answer the same questions.

## **5.5 Research Choice**

Choice is the fourth layer of the research onion model, and it basically states that a decision on how many data types will be needed. Data types include both qualitative and quantitative methods, so in this layer, it's necessary to determine which one will be used. Saunders (2007) proposed three options: mono, mixed, and multi-method. Mixed as its name states it, includes both quantitative and qualitative approaches. Multi-method would make use of a wide range of

approaches, rather than just one quantitative and one qualitative. Finally, the mono method will make use of only one data type, either qualitative or quantitative.

For this Graduating Project, the most appropriate method will be the mono-method with a quantitative approach as stated above. It aligns consistently with the choices made for the other layers including a positivist philosophy, and a deductive approach. Additionally, the objective of the study is to be able to generalize the findings from the sample taken into a larger population, and a quantitative method will make it possible. Quantitative findings are likely to be generalized to a whole population or a subpopulation because they involve a larger sample (Carr, 1994). Hence, this was the most appropriate and relevant choice.

## **5.6 Time Horizon**

The time horizon layer “is the timeframe relevant to the research and is the period in which the researcher is interested in studying the population (Alamgeer, 2023). According to Saunders’ model, there are two types of time horizons: the cross-sectional and the longitudinal (Saunders et al., 2007). Cross-sectional research occurs when a researcher wants to study samples at a certain time, while longitudinal research involves studying samples over a period (either short or long-term). (Alamgeer, 2023).

Therefore, for this research, the most appropriate and chosen time horizon is the cross-sectional type. This paper aims to collect data samples only once, there will not be a repetition of gathering data samples, to study the characteristics of the chosen target population regarding their preferences for local vs global brands in Colombia at a particular time (the present).

## **5.7 Techniques and Procedures**

The last layer of the model aims to make choices regarding specific techniques and procedures that will be used to obtain the desired data and how to analyze it. It also explains the source of the data, the research design, the sample and target population, the sample size, limitations, and the research reliability and validity. (Saunders et al., 2007).

### ***5.7.1 Sampling Techniques***

The clothing product category was chosen because previous research by Papadopoulos and Heslop (2002) indicated that consumers preferred local brands for products that were culturally specific, such as food and beverages, but for products that may not be culturally specific like clothing, consumers preferred global brands. Hence, choosing clothing as the product category may get rid of a potential bias, and instead, explore whether the hypothesis established by Papadopoulos (2022) that consumers will prefer global brands remains true in Colombia. The

target population is Colombian young adults aged 18 to 26 years old. It is necessary to have a broad sample size to ensure that the results can be applied largely to the target population (Saunders et al., 2007). Thus, the objective proposed for this study was to reach a minimum of 90 respondents. It was achieved since 102 participants took part in the survey sent through Google survey online. However, 7 responses did not fit the criteria and had to be discarded. Still, 95 valid respondents were taken into account, therefore it was achieved. 49 males and 46 females responded to the questionnaire, which leads to a 51% and 49% between the two, hence, being able to obtain a similar amount of data for both genders.

To conduct this study a non-probability sampling was selected, hence a convenience technique was appropriate because it was easy for me, as a University Colombian student and young adult, to have access to other Colombian university students and groups that fit with the target population. Therefore, volunteer sampling was used, which is a “type of convenience sampling, where the decision to participate strongly relies on respondents due to the non-individualized nature of invitations” (Wolf, et al., 2016).

The online self-questionnaire was posted in WhatsApp groups of Colombian University students, of which I was part. Also, it was posted in an International University WhatsApp group, but with the disclaimer that only Colombian students were going to be taken into consideration, in order to reach more Colombian students and also eliminate other people from answering the survey. Those who are from different nationalities and still answered the survey, their answers will be discarded and not taken into consideration.

Another volunteer sampling technique used was network sampling, which is a “convenience sample where some units form the starting “seeds”, which then sequentially lead to additional units selected from their network”. (Wolf, et al., 2016). The questionnaire was sent to relatives, and friends who identified as members of the target population, and after completing it, they were asked to send it to other people who also fit the criteria established (Colombian young adults (18-26)). Even though using these techniques generates some representativeness issues, it enables to obtain the expected number of responses fast. Also, those who don't fit the criteria would not be taken into consideration when carrying out the analysis of their responses.

### ***5.7.2 Data Collection***

The primary data collection was made through the online self-questionnaire. This chosen method of an online Google survey, allowed me to tailor the questionnaire to meet the specific demands of the research, as I was able to measure the four dimensions of Aaker's model by adapting questions to each dimension based on the context of this study. It was the most appropriate choice due to the large sample size required, and the time allocated to data collection. Also, the choice for primary data was to retain control over the collected data to ensure that it fits with the specific requirements and goals of this study.

### *5.7.3 Questionnaire Design*

The questionnaire was created in Google Forms to facilitate the data extraction into an Excel sheet and to easily manipulate the questions into an accessible and quick site for the respondents to feel comfortable answering the questionnaire. The questionnaire consists of an introduction, germane controlled variables (demographics, age, gender, education level), and questions for each of the four dimensions proposed by Aaker. All questions are closed-ended with a single-choice possibility, except for one, which aims to recall from memory the greatest number of local brands, and of global brands that each participant can come up with. The questionnaire was adapted to use the Likert-style scale for the questions that do not include the germane variables, which means that each question or statement provided to the respondent, has been adapted to a five-point scale. The response options are anchored with labels that reflect the level of agreement, disagreement, or frequency. Each response option is assigned a numerical value from one to five (1-5) where one might be “Strongly Disagree”, and five might be “Strongly Agree.” Participants select the response option based on their opinion or attitude towards each statement, according to the scale. The questionnaire consisted of 33 questions, and it required approximately 5 minutes to ensure that all participants would not quit answering due to the length of the survey. Also, answering every question was mandatory to finish and send the response to ensure that all questions were addressed by each participant.

#### 5.7.4 Data Analysis

The objective of this research is to test the hypothesis proposed above according to the different dimensions of Aaker's Brand Equity model based on the Questionnaire carried out. In order to carry out the analysis, the data was collected from an online survey done through Google Survey. It was a good choice because it allowed me to see how many people were responding to the survey, and what their responses were using bar charts and pie charts. Once I got an enough sample, before analyzing the data, it had to be prepared so that it fit the requirements. Hence, once I translated the Google Survey to Excel, I checked for potential missing data (fortunately all answers were mandatory to complete the survey, hence there was no missing data). Then, I had to remove outliers, which are the values outside the requirements that I proposed for this research. Once, the data was clean from potential missing data and outliers, it could then be proceeded to be translated from the Excel file to the SPSS statistics software.

Once the data is translated to the SPSS statistics software, the next step is to adjust the titles, and labels of the data as each statement is long and it may confuse or at least complicate the data analysis due to lack of clarity in the titles. Therefore, some Data Coding was deemed to be necessary. The independent variables: Brand Loyalty, Brand Awareness, Brand Association, and Perceived Quality, were all coded as "BL", "BAW", "BAS", "PQ" respectively. Furthermore, to differentiate from Colombian brands and Global brands, to each dimension, it would be added at the end. For example, for brand loyalty for local brands it would appear as: "BL\_Local", or for

Brand Awareness for Global brands it would appear as: “BAW\_Global”, and so on. This first coding would facilitate the data reading.

Once the data was adjusted, the names and labels simplified, the next step would be to carry out the descriptive statistics. “Descriptive statistics are the numerical and graphical techniques used to organize, present and analyze data” (Fisher & Marshall, 2009). This will allow the data to be represented in tables, graphs, and other techniques, such as histograms, in order to analyze and have a better visual representation of the data. Also, SPSS will facilitate the data extraction process by calculating means, standard deviation, minimum and maximum values, mode, median, and other necessary calculations. It will allow a better observation of the data by comparing and contrasting every dimension for local, and for global brands, while finding the necessary values to calculate the brand equity, and reach further conclusions.

Once the results for brand loyalty, brand awareness, perceived quality, and brand association are found using descriptive statistics, the next step will be to calculate the brand equity. The brand Equity is equal to the sum of the four dimensions, and then divide it by 4 in order to get a score between 1 and 5.

$$\text{Brand Equity} = \text{BL} + \text{BAW} + \text{PQ} + \text{BAS} + \text{error}$$

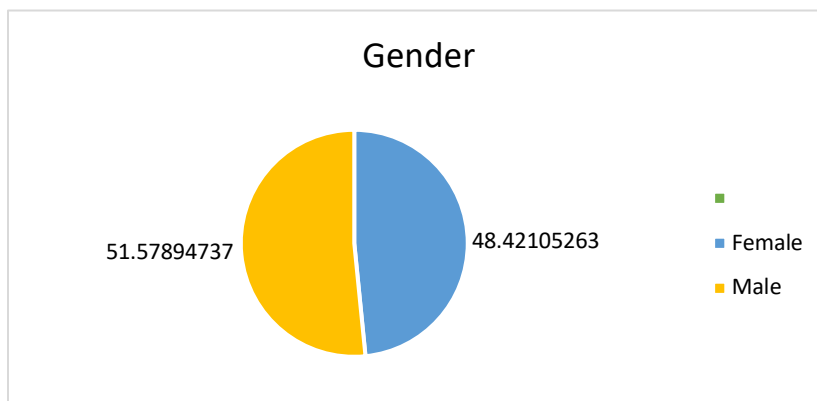
Finally, the brand equity will be measured for local brands and global brands separately, in order to obtain the final result for each and be able to compare which one obtained the highest brand equity, which would enable the research to be able to answer the research question. To conclude and open further research questions, a two-step cluster will be done by including gender and the two results of brand equity (Brand equity for local Colombian brands, and brand equity

for global brands). This way it can be analyzed if gender had a significant impact on the results, and if so, a possible call to action that may open new areas of research.

## 6. Results Analysis

There were a total of 102 respondents, however, since the requirements include an age range of 18-26, and the nationality being Colombian, some responses from participants that didn't fit the target population were not taken into consideration when running the excel file through the SPSS statistics program. Of the total 102, 6 respondents did not fit the age range, and 1 did not fit the nationality characteristic. For this reason, they were discarded, and the new total number of participants changed from 102, to 95 valid responses. The aim was to have at least 40 males, and 40 females that fit the criteria, and this was achieved. There were a total of 49 males, which corresponded to 51.6% of the total number, and 46 females, with a 48.4%.

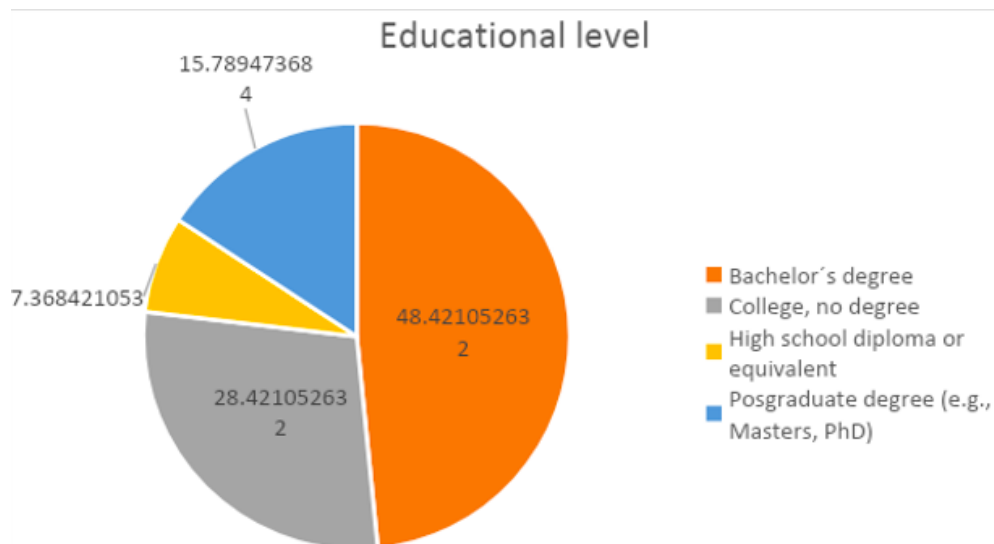
**Figure 3 Proportion of respondent's gender**



Source: Self-made

Figure 3 represents the proportions of respondent's educational level. The majority, at 48.4%, have a bachelor's degree. The rest either have a high school degree and are currently in a college or have a postgraduate degree. Therefore, we can consider that the sample is educated.

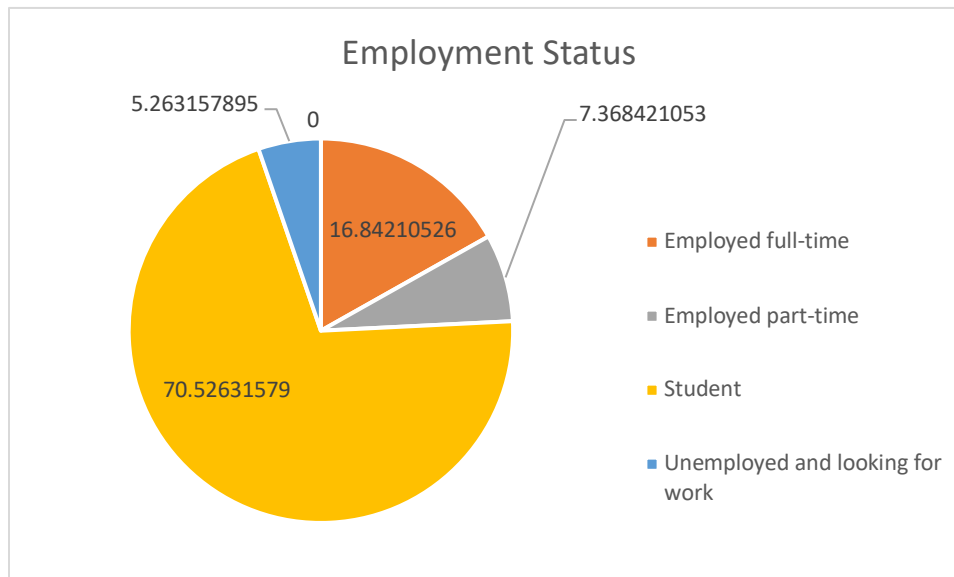
**Figure 4 Proportion of respondent's educational level**



Source: Self-made

Finally, regarding the sample profile analysis, figure 4 represents the respondent's employment status. The great majority with a 70.5% are still students, followed by a 16.9%, which are now employed-full time. Only 5.2% are currently unemployed and looking for work.

**Figure 5 Proportion of respondent's Employment Status**



Source: Self-made

We can conclude that there is a similar number of male and female respondents (52% and 48% respectively), with a 100% age range between 18 and 26 years old, educated (at least a high school degree), and are still studying or working either full-time or part-time. This result is not surprising because the survey was conducted to meet these requirements as they are all characteristics of the target population to be analyzed. Therefore, the data analyzed will indeed be useful for the purpose of the study and it will generate conclusions that can be applied to the target population.

As stated above, the results of the questionnaire collected in Google Survey were translated to an excel spreadsheet, and then to the SPSS statistics program to analyze and illustrate the results achieved. To facilitate the reading and analysis of the variables, the questions regarding the four

dimensions (The independent variables) were coded as following: For the first dimension, the independent variable “Brand Loyalty” was coded as “BL”, “Brand Awareness” was coded as “BAW”, “Perceived Quality” as “PQ”, and “Brand Association” as “BAS.”

Furthermore, each dimension was measured by at least 3 statements/questions directly related to each. Therefore, each statement that represents each independent variable was given a number, for instance, the first statement regarding Brand Loyalty was “I trust Colombian clothing brands”, this was named: “BL1”. Each statement was repeated, one indicating the statement with reference to Colombian local brands, and the other referencing global brands. (“I trust Global Brands”). To differentiate each, for local brands, it would be clearly stated as: “BL1\_Local”, and for Global brands, it would be stated as: “BL1\_Global”. This applies for all statements/questions from every independent variable. In Table 2 It can be clearly seen.

**Table 2 Data coding for Independent Variables**

VARIABLE	STATEMENT/QUESTION
BL1_Local	I trust <b>Colombian</b> clothing brands
BL1_Global	I trust <b>Global</b> clothing brands
BL2_Local	How often do you buy clothing products from a <b>COLOMBIAN</b> brand?

BL2_Global	How often do you buy clothing products from a <b>GLOBAL</b> brand?
BL3_Local	I have been buying from <b>COLOMBIAN</b> clothing brands over a long period of time
BL3_Global	I have been buying from <b>GLOBAL</b> clothing brands over a long period of time
BAW1_Local	How familiar are you with <b>LOCAL</b> clothing brands based in Colombia?
BAW1_Global	How familiar are you with <b>GLOBAL</b> clothing brands based in Colombia?
BAW2_Local	How confident are you in recalling <b>COLOMBIAN</b> clothing brands?
BAW2_Global	How confident are you in recalling <b>GLOBAL</b> clothing brands?
BAW3_Local	When thinking about clothing brands, how likely are you to think of a <b>COLOMBIAN</b> clothing brand?

BAW3_Global	When thinking about clothing brands, how likely are you to think of <b>GLOBAL</b> clothing brands first?
PQ1_Local	How do you perceive the quality of clothing products offered by <b>COLOMBIAN</b> clothing brands?
PQ1_Global	How do you perceive the quality of clothing products offered by <b>GLOBAL</b> clothing brands?
PQ2_Local	How would you rate the perceived durability of clothing products from <b>COLOMBIAN</b> brands, considering the longevity and resilience of the products:
PQ2_Global	How would you rate the perceived durability of clothing products from <b>GLOBAL</b> brands, considering the longevity and resilience of the products:
PQ3_Local	Considering style, design, and overall visual appeal, please rate the appearance of clothing products from <b>COLOMBIAN</b> brands

PQ2_Global	Considering style, design, and overall visual appeal, please rate the appearance of <b>GLOBAL</b> clothing brands
BAS1_Local	<b>COLOMBIAN</b> clothing brands are superior to <b>GLOBAL</b> brands
BAS1_Global	<b>GLOBAL</b> Clothing brands are superior to <b>COLOMBIAN</b> clothing brands
BAS2_Local	How much do you associate <b>COLOMBIAN</b> clothing brands with practical and logical benefits, such as affordability, durability, practicality, or ease of use, when considering purchasing clothing products?
BAS2_Global	How much do you associate <b>GLOBAL</b> clothing brands with practical and logical benefits, such as affordability, durability, practicality, or ease of use, when considering purchasing clothing products?

BAS3_Local	How much do you associate <b>COLOMBIAN</b> clothing brands with emotional benefits, such as feelings of happiness, confidence, or pride?
BAS3_Global	How much do you associate <b>GLOBAL</b> clothing brands with emotional benefits, such as feelings of happiness, confidence, or pride?
BAS4_Local	Please indicate your overall attitude towards the <b>COLOMBIAN</b> clothing brands when considering purchasing clothing products:
BAS4_Global	Please indicate your overall attitude towards <b>GLOBAL</b> clothing brands when considering purchasing clothing products:

Source: Self-made

In table ... “Descriptive Statistics 1” below, we can see the full picture regarding all the independent variables, with the sample size (N), which is equal to 95 respondents (valid responses). The minimum value and maximum values were also added, ranging between 1-5, in some cases the minimum value was 2 instead of 1 (Observe variable PQ1\_Local). 1 indicates the negative response or different opinion to the statement given (for example: strongly disagree, very

low quality, not familiar at all, etc), meanwhile 5 indicates the maximum level of agreement (Strongly agree, very high quality, very familiar). Also, the mean and standard deviation error will be shown in the table, along with the standard deviation, to observe how dispersed the data was according to the different variables, and between global and local brands.

The highest mean was for the “BAW3\_Global” variable with a mean of 4.52 out of 5, indicating its importance and high score, which shows great strength regarding Brand Awareness for Global brands (Top of mind/brand dominance specifically). Meanwhile, the lowest mean was 2.84, which belongs to the “BL2\_Local” variable, indicating that the respondents do not buy from Colombian clothing brands often, hence affecting their brand loyalty.

**Table 3 All Independent Variables**

	N	Minimu m	Maximu m	Mean		Std. Deviation
				Statistic	Std. Error	
BL1_Local	95	2	5	3.99	.092	.893
BL1_Global	95	1	5	3.52	.113	1.100
BL2_Local	95	1	5	2.84	.110	1.075
BL2_Global	95	1	5	4.16	.093	.903
BL3_Local	95	1	5	2.93	.122	1.187

BL3_Global	95	2	5	4.34	.080	.780
BAW1_Local	95	1	5	3.13	.113	1.104
BAW1_Global	95	1	5	4.20	.100	.974
BAW2_Local	95	1	5	3.15	.118	1.148
BAW2_Global	95	1	5	4.17	.094	.919
BAW3_Local	95	1	5	2.98	.116	1.130
BAW3_Global	95	1	5	4.52	.082	.797
PQ1_Local	95	2	5	4.29	.082	.797
PQ1_Global	95	1	5	3.34	.098	.952
PQ2_Local	95	2	5	4.12	.076	.742
PQ2_Global	95	1	5	3.20	.105	1.027
PQ3_Local	95	1	5	3.97	.092	.893
PQ3_Global	95	2	5	4.27	.077	.750
BAS1_Local	95	1	5	2.92	.102	.996
BAS1_Global	95	2	5	3.47	.082	.797
BAS2_Local	95	1	5	3.60	.097	.950
BAS2_Global	95	1	5	3.37	.109	1.062
BAS3_Local	95	1	5	3.96	.110	1.071
BAS3_Global	95	1	5	3.06	.120	1.165
BAS4_Local	95	2	5	4.22	.079	.774
BAS4_Global	95	2	5	3.62	.085	.827

Valid N (listwise)	95					
-----------------------	----	--	--	--	--	--

Source: Self-made

As stated before, each dimension from Aaker, (1991) the Brand Equity model was measured by taking into consideration different factors for each element. The four dimensions will be analyzed independently, so that a comparison of the results between local and global can be carried out to determine the importance of each. In Table 4, it can be seen the total mean for each dimension (Local vs Global). This was done by calculating each dimension independently according to their three factors (four for brand association) that were used to measure each. Taking into consideration the values obtained in Table 3 above, the new means were calculated to find a total value for each dimension. However, further analysis will be done consecutively regarding each independent variable.

**Table 4 Descriptive Statistics - Total Mean of each dimension (Global vs Local)**

	N	Minimu m	Maximu m	Mean	Std. Deviation
BrandLoyalty_Local	95	1.33	5.00	3.2526	.87074
BrandLoyalty_Global	95	2.00	5.00	4.0035	.61212
BrandAwareness_Local	95	1.33	4.67	3.0842	.88722

BrandAwareness_Globa l	95	1.67	5.00	4.2947	.66465
PerceivedQuality_Local	95	2.33	5.00	4.1263	.62678
PerceivedQuality_Globa l	95	2.00	5.00	3.6035	.66185
BrandAssociation_Loca l	95	2.25	5.00	3.6737	.61028
BrandAssociation_Glob al	95	1.75	4.75	3.3816	.59569

Source: Self-made

## 6.1 Brand Loyalty

Starting with the first dimension of the model, brand loyalty will be the first independent variable to be analyzed. Below in Table 5, we can see the 3 elements taken into consideration to measure brand loyalty: Brand Trust (BL1), repeat purchase (BL2), and commitment (BL3). Regarding brand trust (BL1), local brands scored a higher mean of 3.99, compared to the global brand's 3.52, hence indicating that the respondents feel a higher trust for local brands. However, regarding the repeat purchase (BL2), local brands had a mean of 2.84 (indicating that they do not buy clothing products from a Colombian brand often), meanwhile global brands had a mean of 4.16, indicating that the respondents buy clothing products from global brands often. The

difference was 1.32 points in favor of Global brands. This is quite surprising because although brand trust is higher for Colombian clothing brands, this is not reflected in the respondent's consumer choices, as their actions indicate that despite not trusting Global brands as much, they buy much more often from them.

Finally, BL3 is the commitment over time from the respondents to the respective local or global brands. They indicated that they have been buying clothes from Global brands over a long period of time as the mean was 4.34, while the mean for local brands was 2.93. We can see a difference of 1.41 in favor of the global brands for their commitment over time. Therefore, we can observe again how participants despite not trusting global brands as much as Colombian brands, their commitment and repeat purchase behavior is nowhere near to Colombian brands as much as to Global brands.

**Table 5 Factors affecting Brand Loyalty**

	N	Minimu m	Maximu m	Mean	Std. Deviation
BL1_Local	95	2	5	3.99	.893
BL1_Global	95	1	5	3.52	1.100
BL2_Local	95	1	5	2.84	1.075
BL2_Global	95	1	5	4.16	.903

BL3_Local	95	1	5	2.93	1.187
BL3_Global	95	2	5	4.34	.780
Valid N (listwise)	95				

Source: Self-made

Therefore, to calculate and measure the brand loyalty of the respondents for local vs global brands, the three elements mentioned above were taken into consideration and added together in order to get an average mean and final overall score of brand loyalty. Below in Table 6, we can see the total score for both local and global brands in this dimension.

**Table 6 Brand Loyalty Final Scores**

	N	Minimum	Maximum	Mean		Std. Deviation
				Statistic	Std. Error	
BrandLoyalty_Local	95	1.33	5.00	3.2526	.08934	.87074
BrandLoyalty_Global	95	2.00	5.00	4.0035	.06280	.61212
Valid N (listwise)	95					

Source: Self-made

It's clear then that global brands scored higher in the first dimension of the model, with a brand loyalty mean of 4.0, compared to a mean of 3.25 achieved by Local brands. This means that the respondents are more loyal to global brands as they buy from them more often, and they have been buying from them for a longer period of time, despite the fact that they trust less global brands compared to local brands (0.47 points in favor of local Colombian clothing brands). Also, the standard deviation for global brands is 0.61, which indicates that the data is more clustered around the mean compared to 0.87 for local brands, which indicates that the data for Colombian clothing brands is further spread out from the mean, this may be explained as well since the minimum statistic for local brands is of 1.33, while for global brands is of 2.0, and they both have a maximum of 5.

The first hypothesis is the following as stated in chapter 3: H1: Colombian local brands will score higher in the Brand loyalty dimension, when compared to Global brands. Therefore, the first hypothesis is rejected, since the descriptive statistics have clearly shown that Global brands scored higher in the Brand loyalty dimension with a significant difference of 0.75. It's very interesting and the results are surprising because according to Bilgihan (2016) brand trust is the strongest predictor of brand loyalty, however, based on this analysis, we can assume that it's not the case for this context as it was not reflected in the respondent's behavior, or at least, the difference between their trust for local and global brands is not as significant to impact their behavior, or the overall brand loyalty score.

## 6.2 Brand Awareness

The second dimension of the model is brand awareness, and it was measured by analyzing three factors: brand recognition, (BAW1), brand recall (BAW2), and brand dominance (BAW3). In table 7, the three factors were analyzed in order to find the mean from each for both, local and global brands. In this case, we have that the minimum and maximum were the same for both local and global brands, which was a minimum of 1 and a maximum of 5 (both extreme ends of the scale used). Regarding brand recognition (BAW1), the highest mean score was 4.20 and it belonged to global brands, compared to the 3.13 mean for local brands, indicating that they are more familiar with global brands. 4.20 is a positive score as it's over 4 on the scale used, while 3.13 tends to be a more neutral mean.

Regarding brand recall (BAW2), respondents felt more comfortable recalling global brands as the mean was 4.17, while the mean for local brands was 3.15. Once again, the difference was over 1 (1.02 specifically), indicating a significant difference in favor of global brands for the first two elements measured for brand awareness.

Finally, regarding Top of mind/brand dominance, the score was in favor of global brands with a mean of 4.52 (very high on the scale), compared to the mean of 2.98 for local brands (below or almost at the middle of the scale), hence a difference of 1.54. It's a very significant difference considering that the scale is only up to 5. Also, it means that the respondents have a very dominant image in their heads when it comes to clothing, as they associate it immediately with specific

global brands. (Stokes, 1985). This means that they do not only recognize global brands, but they see them as their primary choice within its product category. It was a total dominant performance for global brands in this dimension as all the scores were at least 1 point higher compared to local brands.

**Table 7 Factors affecting Brand Awareness**

		Minimu m	Maximu m	Mean	Std. Deviation
BAW1_Local	95	1	5	3.13	1.104
BAW1_Global	95	1	5	4.20	.974
BAW2_Local	95	1	5	3.15	1.148
BAW2_Global	95	1	5	4.17	.919
BAW3_Local	95	1	5	2.98	1.130
BAW3_Global	95	1	5	4.52	.797
Valid N (listwise)	95				

Source: Self-made

In order to calculate the exact score for the brand awareness dimension, the three elements measured above were added in order to find the average, hence, to calculate the overall score for local and for global brands as well. The results can be seen below in table 8 The final mean for brand awareness for local brands was 3.1, compared to 4.3 for global brands. Radder & Huang

(2008) had stated that brand awareness is generated by repeated contact to increase familiarity, so that when consumers see, hear, or think about a specific industry, in this case the clothing industry, the brand concept will take root in their memory. This can be clearly seen for global brands, who have more exposure to more people due to their global presence and power to appear in most channels and with a major frequency than local clothing brands that do not have the budget to aim for such exposure. These factors justify the total dominance in this dimension in favor of global brands.

**Table 8 Brand Awareness Final Scores**

	N	Minimu m	Maximu m	Mean	Std. Deviation
BrandAwareness_Local	95	1.33	4.67	3.0842	.88722
BrandAwareness_Globa l	95	1.67	5.00	4.2947	.66465
Valid N (listwise)	95				

Source: Self-made

The second hypothesis that stated that “Global brands will score higher in the Brand Awareness dimension, when compared to Colombian clothing brands” is accepted as the descriptive statistics have clearly shown that the score is significantly higher (1.2 in favor) for global brands. Global clothing brands have been able to solidify in the minds of the people when it comes to the clothing industry due to their presence and strategic efforts.

### 6.3. Perceived Quality

The third dimension of Aaker's model is Perceived Quality, and it was measured by analyzing three factors: The quality (PQ1), the durability (PQ2), and the appearance (PQ3). These factors were chosen due to the context of the investigation (explained in the literature review). In the table 9 below, the three factors were analyzed, and the results can be seen. PQ1 was surprisingly much higher for local brands, with a mean value of 4.29 compared to 3.34. Therefore, despite a higher brand loyalty, and brand awareness (as stated in the first two dimensions where Global brands were far superior) for global brands, the respondents still believe that the quality of the clothing products from local brands is superior to the quality offered by Global brands.

PQ2 was also higher for local brands, with a mean value of 4.12, compared to 3.20 for global brands. This means that it was 0.92 higher for local brands, which indicates a significant positive difference, as the respondents consider that the clothing from Colombian brands is also more durable. Which is an important characteristic in the clothing industry to associate it with quality as it relates to the lifespan of the products.

On the other hand, regarding the last factor, which is appearance (PQ3), global brands had a higher score with a mean value of 4.27, compared to 3.97 for local brands. This means that respondents consider the clothing from global brands to be more physically appealing and perhaps trendy when compared to Colombian clothing products. However, the difference was not as

notorious, as it was with the two first factors, since global brands were just able to obtain a score higher by 0.3.

**Table 9 Factors affecting Perceived Quality**

	N	Minimu m	Maximu m	Mean	Std. Deviation
PQ1_Local	95	2	5	4.29	.797
PQ1_Global	95	1	5	3.34	.952
PQ2_Local	95	2	5	4.12	.742
PQ2_Global	95	1	5	3.20	1.027
PQ3_Local	95	1	5	3.97	.893
PQ3_Global	95	2	5	4.27	.750
Valid N (listwise)	95				

Source: Self-made

The overall score is the sum of the mean of the three factors to find the average, and therefore the overall value for the dimension of brand perceived quality. This can be seen in the table 10 below. The total perceived quality for local Colombian brands has a mean value of 4.1, which is significantly higher (0.5) compared to the 3.6 mean total value for global brands. In this case, the standard deviation was very similar for both cases, with a value of 0.63 for local brands, and 0.67 for global brands. Furthermore, as Colombian brands scored higher in PQ1 and PQ2, with a significant difference, and only scored less in PQ3 with a small difference, it's clear that they

scored overall higher, and it can be reflected in the total mean. Thus, Colombian brands were able to position themselves higher in this dimension, despite falling short in the first two dimensions measured.

**Table 10 Perceived Quality Final Scores**

	N	Minimum	Maximum	Mean	Std. Deviation
PerceivedQuality_Local	95	2.33	5.00	4.1263	.62678
PerceivedQuality_Global	95	2.00	5.00	3.6035	.66185
Valid N (listwise)	95				

Source: Self-made

Regarding the third hypothesis that stated that “*Colombian local brands will score higher in the Perceived Quality dimension, when compared to Global brands*”, it can be accepted since Colombian brands indeed had a higher score (4.12) compared to global brands (3.60). This marks the first dimension out of the three measured as of now, where Colombian brands have been able to position themselves above Global brands in the clothing industry in Colombia.

## 6.4. Brand Association

Finally, the fourth and last dimension of Aaker's model that will be measured in this graduating project, is brand association. The brand association was measured by taking into account four factors: Prestige (BAS1), Rational benefits (BAS2), emotional benefits (BAS3), and attitudes (BAS4) towards the brand. In table 11 below, the results for each factor can be seen.

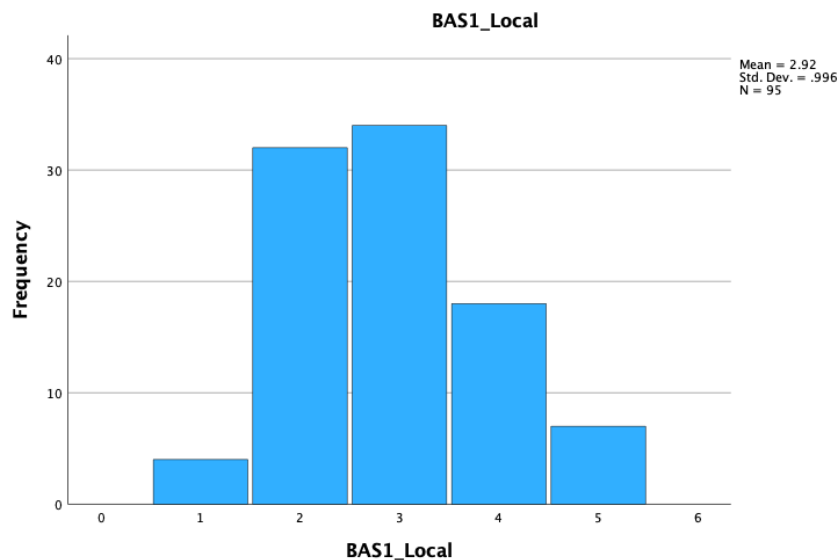
**Table 11 Factors affecting Brand Association**

	N	Minimum	Maximum	Mean	Std. Deviation
BAS1_Local	95	1	5	2.92	.996
BAS1_Global	95	2	5	3.47	.797
BAS2_Local	95	1	5	3.60	.950
BAS2_Global	95	1	5	3.37	1.062
BAS3_Local	95	1	5	3.96	1.071
BAS3_Global	95	1	5	3.06	1.165
BAS4_Local	95	2	5	4.22	.774
BAS4_Global	95	2	5	3.62	.827
Valid N (listwise)	95				

Source: Self-made

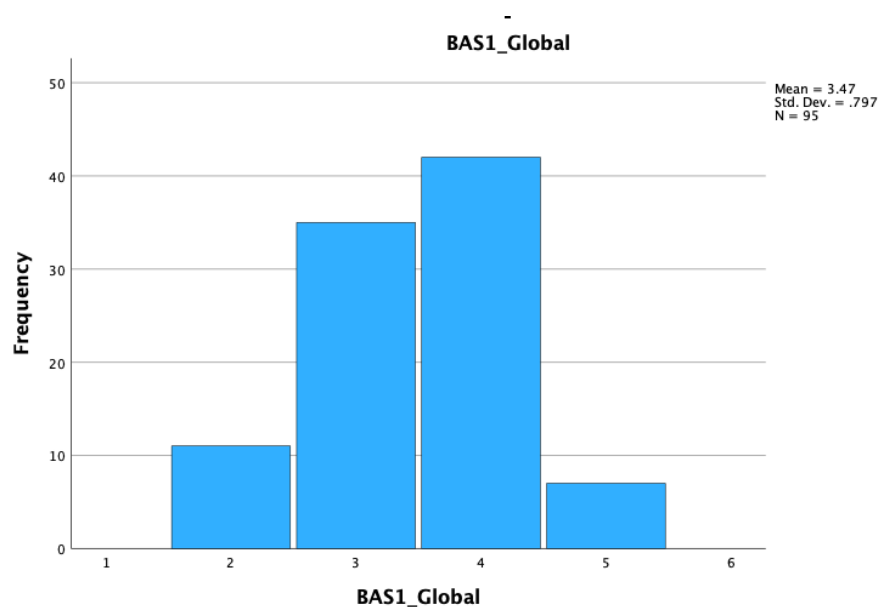
BAS1 for local brands was significantly lower (0.5 difference) with a mean value of 2.92, compared to 3.47 mean value for global brands. Stating that the respondents consider the global brands to be superior to local Colombian brands. However, as the value is not significantly over the neutral value of the scale (3), it doesn't state a significant difference, since both BAS1\_Local and BAS1\_Global are closer to 3 in the scale than to 2 or 4 which would imply a greater different and more clear reference as to whether participants consider one of the two superiors to the other. Hence, an additional analysis was done, which was to include the mode in this variable to show a better understanding of the preferences of the respondents. It can be clearly seen in *Graph 1* Where it shows that the median is 3 for local brands, and the mode is also 3. On the other hand, the median for global brands is 4, and the mode is 4 (with over 40 respondents choosing this option), as seen in *Graph 2* This indicates that most respondents agree that global brands are superior when compared to local brands, despite no significant differences in the mean.

**Figure 6 Brand Association for Local brands - Bar Chart**



Source: Self-made

**Figure 7 Brand Association for Global brands - Bar Chart**



Source: Self-made

Continuing with BAS2, the mean was higher for local brands with a value of 3.60, compared to a mean of 3.37 for global brands. In this case, as the mean for local brands is closer to a value of 4, while the mean for global brands is closer to a value of 3 (neutral response), it indicates that respondents associate rational benefits more with Colombian brands. Furthermore, BAS3 was higher for local brands as well, with a mean value of 3.96, compared to a mean of 3.06 for global brands. There is a significant difference, and also a clear superiority in this aspect for Colombian brands as it is almost a value of 4, which indicates that they associate more emotional benefits and feel better buying from and using clothes from Colombian brands. Finally, BAS4 was also higher for Colombian clothing brands, with a mean of 4.22, compared to a mean of 3.62 for global brands. Again, it shows a significant difference of 0.6 in favor of Colombian brands, which

indicates that the respondents have a more positive attitude towards Colombian brands when considering purchasing clothes.

However, one last step must be done in order to calculate the overall score for this dimension so that the brand equity can be found. Therefore, as previously done with the other three dimensions, the factors affecting the brand association dimension must be added in order to find the total mean for BAS. The results can be seen in Table 12 below. The total brand association mean for local brands is 3.67, while the total mean for global brands is 3.38. Both have a similar standard deviation of 0.61, compared to 0.59, so no significant differences between the two. Hence, Colombian brands were able to achieve a greater brand association score, despite having only a mean difference of 0.29.

**Table 12 Brand Association Final Score**

	N	Minimu m	Maximu m	Mean	Std. Deviation
BrandAssociation_Loca l	95	2.25	5.00	3.6737	.61028
BrandAssociation_Glob al	95	1.75	4.75	3.3816	.59569
Valid N (listwise)	95				

Source: Self-made

The fourth hypothesis stated that “Colombian local brands will score higher in the Brand Association dimension, when compared to global brands.” Therefore, after analyzing the factors and reaching a value for the Brand Association, hypothesis number 4 is accepted.

Since we have the score for the four dimensions for both, local and global brands, the last step is to calculate the brand equity, which can be obtained by adding BL, BAW, PQ, and BAS for local brands and then dividing by 4, to find the total Brand Equity for Colombian brands. This can be seen in table 13 below.

**Table 13 Colombian Local brand's Final Scores for each dimension**

	N	Minimu m	Maximu m	Mean	Std. Deviation
BrandLoyalty_Local	95	1.33	5.00	3.2526	.87074
BrandAwareness_Loc al	95	1.33	4.67	3.0842	.88722
PerceivedQuality_Loc al	95	2.33	5.00	4.1263	.62678
BrandAssociation_Loc al	95	2.25	5.00	3.6737	.61028

Source: Self-made

The same procedure must be done for Global brands in order to calculate the brand equity as well. The table 14 below shows the results for the four dimensions that were taken into consideration to find the BrandEquity for Global brands.

**Table 14 Global brand's Final Scores for each dimension**

	N	Minimu m	Maximu m	Mean	Std. Deviation
BrandLoyalty_Global	95	2.00	5.00	4.0035	.61212
BrandAwareness_Globa l	95	1.67	5.00	4.2947	.66465
PerceivedQuality_Globa l	95	2.00	5.00	3.6035	.66185
BrandAssociation_Glob al	95	1.75	4.75	3.3816	.59569

Source: Self-made

Once these values were separated exclusively between local and global brands, the Brand Equity was able to be measured. This can be seen in table 15 below.

**Table 15 Brand Equity Final score for Local and Global brands**

<b>Descriptive Statistics</b>					
	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>
<b>BrandEquity_Local</b>	<b>95</b>	<b>2.10</b>	<b>4.71</b>	<b>3.5342</b>	<b>.62302</b>
<b>BrandEquity_Global</b>	<b>95</b>	<b>2.54</b>	<b>4.88</b>	<b>3.8208</b>	<b>.45107</b>
<b>Valid N (listwise)</b>	<b>95</b>				

Source: Self-made

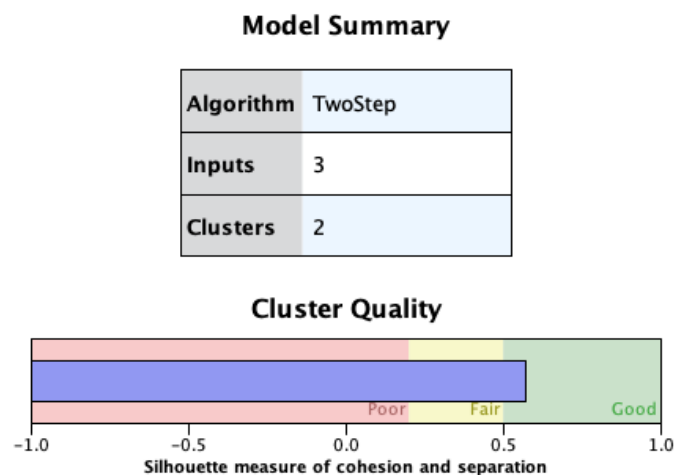
Therefore, the Brand Equity for Colombian brands is shown in the row “Brand Equity\_Local”, with a mean value of 3.53, with Perceived Quality being the dimension with the highest mean value at 4.12, hence demonstrating its strength in this dimension. However, the lowest mean was 3.0842, and it belongs to Brand Awareness, indicating its main weakness. Despite having a good Perceived Quality score, meaning that respondents believe that their products are good, from a high quality, their lack of Brand Awareness may be hurting them the most as it’s their main weakness, and also, the greatest asset for Global Brands according to the data analyzed.

The Brand Equity for Global brands is shown in the last row “Brand Equity\_Global”, with a mean value of 3.8208, with Brand Awareness being the dimension with the highest mean value

at 4.29, hence demonstrating its strength in this dimension. However, the lowest mean was 3.38, and it belongs to the Brand Association, indicating its main weakness. This means that Global brands are not associated with emotional benefits, or positive attitudes, or even rational benefits as much, so it may suggest that they have to adjust their strategy in this aspect to meet the consumer's needs.

At last, since we have found the brand equity for both, local and global brands, a two step cluster analysis was done regarding the brand equity and gender, to observe if gender had a significant difference when calculating these outcomes. Below in Figure 6, we can see the cluster quality and the model summary, which indicates that there is a good cluster quality as it has a value above 0.5, proving that it's a good model and cluster that will provide valuable insights.

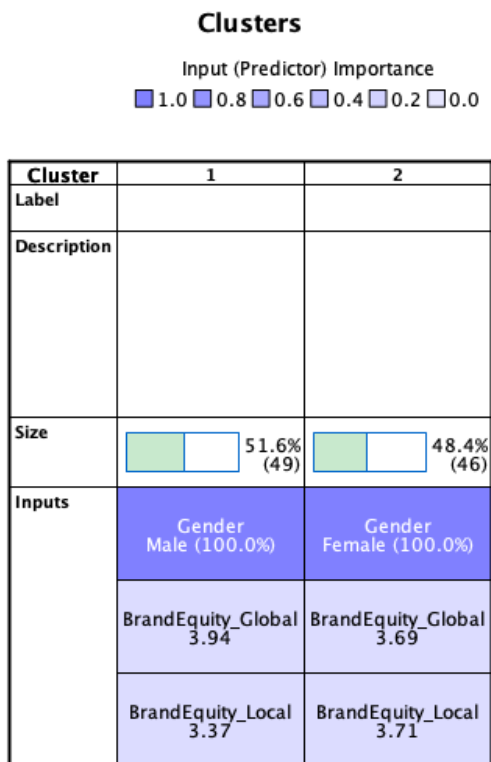
**Figure 8 Two Step Cluster - Gender against Brand Equity**



Source: Self-made

In figure 6, the results of the two clusters can be seen in depth. We will first analyze Brand Equity for local brands taking into consideration gender. As seen in the figure 7 Below, the BrandEquity\_Local had a score of 3.37 for males, compared to 3.71 for females. The total value obtained for BrandEquity\_Local is 3.53 as mentioned earlier, which shows that the score when looking only at the male gender is below the total score. Meanwhile, the value obtained for BrandEquity\_Local considering females is above the total score. The difference between the two genders is 0.34 in favor of females. This possibly indicates that local Colombian brands have been able to create a higher brand equity for the female audience/clientele, which may prove that they are able to understand and meet their expectations better when compared to the male audience. Also, the “BrandEquity\_Local” score for females (3.71) is higher, and almost equal to the “BrandEquity\_Global” score which is 3.69. This means that females consider Colombian brands to have a higher brand equity level (or at least at the same level) as global brands when taking into consideration the four dimensions of Aaker. Therefore, Colombian brands can now focus on improving and strengthening their strategies to keep building a higher brand equity as they can compete at an equal level to global brands based on these results for the female audience.

**Figure 9 Brand Equity scores given by Gender**



Source: Self-made

On the other hand, the case for the male gender was not the same. They gave a “BrandEquity\_Local” score of 3.37 (below to the one given by the female gender), meanwhile they gave a “BrandEquity\_Global” score of 3.94. The difference is 0.57, which shows a significant difference considering it’s a scale of 1 to 5. This means that the male gender may have a consumer preference towards global brands in the clothing industry when taking into consideration the Brand Loyalty, Brand Awareness, Perceived Quality, and Brand Associations factors.

## 7. Conclusions and Practical Recommendations

The purpose of the current research was to measure Brand Equity in Colombia's clothing industry. The brand equity was measured based on Aaker's model of Brand Equity, but it was adapted so that it can fit the context of this study by choosing the most appropriate and relevant factors for each of the four dimensions based on the clothing industry scenario. After collection, and analyzing the data it has been found that two out of the four hypotheses tested were accepted, and the other two rejected.

H1: Colombian local brands will score higher in the Brand loyalty dimension, when compared to Global brands. The first hypothesis was rejected, since the descriptive statistics have clearly shown that Global brands scored higher in the Brand loyalty dimension with a significant difference of 0.75.

H2: "Global brands will score higher in the Brand Awareness dimension, when compared to Colombian clothing brands" is accepted as the descriptive statistics have clearly shown that the score is significantly higher (1.2 in favor) for global brands.

H3: "Colombian local brands will score higher in the Perceived Quality dimension, when compared to Global brands", it can be accepted since Colombian brands indeed had a higher score (4.12) compared to global brands (3.60).

H4: “Colombian local brands will score higher in the Brand Association dimension, when compared to global brands.” Therefore, after analyzing the factors and reaching a value for the Brand Association, hypothesis number 4 is accepted.

Therefore, it can be stated that the four dimensions were all relevant to calculate the brand equity in the clothing industry context, and that all of these factors influence directly the consumer preferences for local versus global brands in Colombia. Despite the fact that Colombian brands scored higher in two out of the four dimensions, global brands were still able to achieve a greater Brand Equity.

In conclusion, the aim of identifying key factors that influence consumer preferences for local versus global clothing brands in Colombia was achieved, since this study addressed the different factors and also indicated the strengths and weaknesses for both: local and global brands. These strengths and weaknesses allow business to leverage this understanding in order to effectively expand and compete in the Colombian market. For example, it’s clear that Global Brands have a very high Brand Awareness, meanwhile, Colombian brands have fallen behind in this aspect, so if they are able to work on this they may gain a competitive advantage since they have products with higher perceived quality and with more positive brand associations. If businesses are able and willing to adapt their strategy based on these results, they may improve their performance in the Colombian market.

## 8. Limitations and Future Directions

The main limitation of this study is the sample. A convenience sampling technique was chosen due to the accessibility to send it to University Colombian students and young adults, but also due to the limitation of characteristics, only 95 responses were taken into consideration. In order to be able to generalize to a larger extent the results, a much bigger sample size is needed. Also, the fact that the target population was only for an age range of 18-26, it means that it's not applicable to all ages. This is a big limitation because the clothing industry is not limited to this age range, but instead it has an age range from 0 (newborns) to elderly as everyone needs clothes. Therefore, the reduced and exclusive target population may not allow the results to be applied to a greater scale in reality, but instead just for the young adult population in Colombia.

Finally, the other limitation has to do with the methodology. Although the study shows that Aaker's model is applicable, and that the four dimensions impact the brand equity for clothing brands, there was not a measure on which dimension was the most impactful, or least impactful, but instead, it was assumed that they all affect the consumer preference at the same rate. This may not necessarily be accurate as there must be some factors that consumers value more than others.

## **9. Research Implications**

There was a gap found for measuring brand equity in emerging markets in the clothing industry, and proposing insights on how to improve in the Colombian market industry. Strengths and weaknesses for global brands were identified in this industry, so global brands can now use these results to improve their weaknesses and maintain their strengths as this has allowed them to differentiate. Same case goes for Colombian brands, since strengths and weaknesses were identified in the industry and compared to global brands, they can now observe how positioned global brands are, where they are better and what they need to do to get to that level. Also Colombian brands can observe their strength and try to build up their strategies taking into consideration these aspects.

## **10. Recommendations for Future Research**

This research was able to obtain a sampling method similar in terms of quantity between genders, but no further analysis was done to compare whether their answers were different and if so, to what extent. Therefore, further research could do a detailed analysis regarding gender for instance, in order to give brands a more detailed approach as to what strategies may work for specific targets. Also, this study only took into consideration a population of young adults, so those brands that want to reach other age ranges, may not be able to fully rely on this study, but instead

further research may be needed for other age ranges. The impact of the dimensions can be further studied to understand which dimension is the most relevant for consumer preferences and purchasing decisions, as they were assumed to have the same effect in this study. Finally, further research needs to be done in different countries, since this one was specific to the Colombian market, which may give insights into emerging markets, but it may not be applicable to many other countries.

## 11. References

- Aaker, D. A. (1991). *Managing Brand Equity*. The Free Press.  
[https://www.academia.edu/38495140/Managing\\_Brand\\_Equity\\_David\\_A\\_Aaker](https://www.academia.edu/38495140/Managing_Brand_Equity_David_A_Aaker)
- Aaker, D. A. (1996). *Building Strong Brands*. Free Press.
- Alamgeer, Z. (2023). Time Horizon in Research onion. *The Innovidea*.  
<https://theinnovidea.com/time-horizon-in-research-onion/>
- Alden, D. L., Kelley, J. B., Riefler, P., Lee, J. A., & Soutar, G. N. (2013). The Effect of Global Company Animosity on Global Brand Attitudes in Emerging and Developed Markets: Does Perceived Value Matter? *Journal of International Marketing*, 21(2), 17-38.  
<https://doi.org/10.1509/jim.12.0086>
- Ballester, E., Munuera-Alemán, J.-L., & Yagüe, M. (2003). Development and validation of a trust scale. *International Journal of Market Research*, 45, 35-56.
- Bangun, N. C., Pardosi, J., & Putra, I. M. (2021). Level of Local Community Brand Awareness of Samosir Tourism. *International Journal of Applied Sciences in Tourism and Events*, 5(2), 121-130. <https://doi.org/10.31940/ijaste.v5i2.121-130>
- Bell, E., Bryman, A., & Harley, B. (2022). *Business Research Methods*. Oxford University Press.
- Berry, L. L., & Parasuraman, A. (1991). *Marketing Services: Competing Through Quality*. The Free Press.

- Bilgihan, A. (2016). Gen Y customer loyalty in online shopping: An integrated model of trust, user experience and branding. *Computers in Human Behavior*, 61, 103-113.  
<https://doi.org/10.1016/j.chb.2016.03.014>
- Byun, K.-A., & Dass, M. (2015). An investigation of the effects of product recalls on brand commitment and purchase intention. *Journal of Consumer Marketing*, 32(1), 1-14.  
<https://doi.org/10.1108/JCM-06-2014-1000>
- Carr, L. T. (1994). The strengths and weaknesses of quantitative and qualitative research: What method for nursing? *Journal of Advanced Nursing*, 20(4), 716-721.  
<https://doi.org/10.1046/j.1365-2648.1994.20040716.x>
- Cengiz, E. (2010). *Measuring Customer Satisfaction: Must Or Not?*  
<https://www.semanticscholar.org/paper/MEASURING-CUSTOMER-SATISFACTION%3A-MUST-OR-NOT-Cengiz/abd29b3efe183c92e5e950c4734e2ab39fcae80e>
- Chen, Y.-C. (2017). The relationships between brand association, trust, commitment, and satisfaction of higher education institutions. *International Journal of Educational Management*, 31(7), 973-985. <https://doi.org/10.1108/IJEM-10-2016-0212>
- Chinosa, O., I. (2019). Types of Research methods or Methodology. *Thesismind*.
- Cooper, T. (1994). *Beyond Recycling: The longer life option*. New Economics Foundation.  
[https://www.academia.edu/31425579/Cooper\\_T\\_1994\\_Beyond\\_Recycling\\_the\\_longer\\_life\\_option\\_London\\_New\\_Economics\\_Foundation](https://www.academia.edu/31425579/Cooper_T_1994_Beyond_Recycling_the_longer_life_option_London_New_Economics_Foundation)
- Daniels, J., Kunkel, T., & Karg, A. (2018). New Brands: Contextual Differences and Development of Brand Associations Over Time. *Journal of Sport Management*, 33, 1-15.  
<https://doi.org/10.1123/jsm.2018-0218>
- Delgado-Ballester, E., & Luis Munuera-Alemán, J. (2005). Does brand trust matter to brand equity? *Journal of Product & Brand Management*, 14(3), 187-196.  
<https://doi.org/10.1108/10610420510601058>
- Dimofte, C. V., Johansson, J. K., & Ronkainen, I. A. (2008). Cognitive and Affective Reactions of U.S. Consumers to Global Brands. *Journal of International Marketing*, 16(4), 113-135. <https://doi.org/10.1509/jimk.16.4.113>

- Dubois, B., Czellar, S., & Laurent, G. (2005). Consumer Segments Based on Attitudes Toward Luxury: Empirical Evidence from Twenty Countries. *Marketing Letters*, 16(2), 115-128. <https://doi.org/10.1007/s11002-005-2172-0>
- Fisher, M. J., & Marshall, A. P. (2009). Understanding descriptive statistics. *Australian Critical Care*, 22(2), 93-97. <https://doi.org/10.1016/j.aucc.2008.11.003>
- French, A., & Smith, G. (2010). Measuring political brand equity: A consumer oriented approach. *European Journal of Marketing*, 44(3/4), 460-477. <https://doi.org/10.1108/03090561011020534>
- Funk, D. C., & James, J. D. (2004). The Fan Attitude Network (FAN) Model: Exploring Attitude Formation and Change among Sport Consumers. *Sport Management Review*, 7(1), 1-26. [https://doi.org/10.1016/S1441-3523\(04\)70043-1](https://doi.org/10.1016/S1441-3523(04)70043-1)
- Hawas, H. (2013). Brand trust: Implications from consumer doubts in the Egyptian mobile phone market. *Journal of Islamic Marketing*, 4(1), 80-100. <https://doi.org/10.1108/17590831311306363>
- Holt, D., & Quelch, J. (2004). *How Global Brands Compete*. 82, 68-75. [https://www.researchgate.net/publication/8265186\\_How\\_Global\\_Brands\\_Compete](https://www.researchgate.net/publication/8265186_How_Global_Brands_Compete)
- Hoyer, W. D., & MacInnis, D. J. (2001). *Consumer Behavior*. Houghton Mifflin.
- Hsieh, M.-H., Pan, S.-L., & Setiono, R. (2004). Product-, Corporate-, and Country-Image Dimensions and Purchase Behavior: A Multicountry Analysis. *Journal of the Academy of Marketing Science*, 32(3), 251-270. <https://doi.org/10.1177/0092070304264262>
- Keller, K. L. (1993). Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. *Journal of Marketing*, 57(1), 1-22. <https://doi.org/10.1177/002224299305700101>
- Koll, O., & Von Wallpach, S. (2014). Intended brand associations: Do they really drive consumer response? *Journal of Business Research*, 67(7), 1501-1507. <https://doi.org/10.1016/j.jbusres.2013.06.010>
- Mckinney, M., & Benson, A. (2013). The value of brand trust. *Journal of Brand Strategy*, 2(1), 76-86.
- Mitchell, A. A., & Olson, J. C. (Jerry C. (2000). Are Product Attribute Beliefs the Only Mediator of Advertising Effects on Brand Attitude? *Advertising & Society Review*, 1(1). <https://doi.org/10.1353/asr.2000.0010>

- Okonkwo, U. (2007). *Luxury Fashion Branding: Trends, Tactics, Techniques*. Palgrave Macmillan. <https://www.abebooks.com/9780230521674/Luxury-Fashion-Branding-Trends-Tactics-0230521673/plp>
- Oliver, R. L. (1997). *Satisfaction: A Behavioral Perspective on the Consumer*. McGraw Hill.
- Papadopoulos, N., & Heslop, L. (2002). Country equity and country branding: Problems and prospects. *Journal of Brand Management*, 9(4), 294-314.  
<https://doi.org/10.1057/palgrave.bm.2540079>
- Radder, L., & Huang, W. (2008). High-involvement and low-involvement products: A comparison of brand awareness among students at a South African university. *Journal of Fashion Marketing and Management: An International Journal*, 12(2), 232-243.  
<https://doi.org/10.1108/13612020810874908>
- Saunders, M., Lewis, P., & Thornhill, A. (2007). *Research Methods for Business Students*. Pearson Education.
- Silverman, D. (2005). *Doing Qualitative Research: A Practical. Second*.  
[https://www.researchgate.net/publication/279187183\\_Doing\\_Qualitative\\_Research\\_A\\_Practical](https://www.researchgate.net/publication/279187183_Doing_Qualitative_Research_A_Practical)
- Steenkamp, J.-B. E. B. M., Batra, R., & Alden, D. L. (2002). How Perceived Brand Globalness Creates Brand Value. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.339365>
- Steenkamp, J.-B., & Jong, M. (2010). A Global Investigation into the Constellation of Consumer Attitudes Toward Global and Local Products. *Journal of Marketing*, 74, 18-40.  
<https://doi.org/10.2307/25764281>
- Tingchi Liu, M., Anthony Wong, I., Shi, G., Chu, R., & L. Brock, J. (2014). The impact of corporate social responsibility (CSR) performance and perceived brand quality on customer-based brand preference. *Journal of Services Marketing*, 28(3), 181-194.  
<https://doi.org/10.1108/JSM-09-2012-0171>
- Van Ittersum, K., & Wong, N. (2010). The Lexus or the olive tree? Trading off between global convergence and local divergence. *International Journal of Research in Marketing*, 27(2), 107-118. <https://doi.org/10.1016/j.ijresmar.2009.12.011>

