

The Effect of Brand Value on Sales Income and Market Value

Hamid Hosseini,

M.A Business Management, Payame Noor University, Tehran, Iran
Corresponding Author

Melika Kagopour,

M.A Business Management, Payame Noor University, Tehran, Iran

Mohammadreza Khanlou

M.A Business Management, Payame Noor

ABSTRACT— Brand value and its relationship with some topics such as sales income is very important for entrepreneurs because personal experiences and quality of last interactions is important factor in successful cooperation of an approach. Most of people believe that capital brand value is a vital relationship because it is an important factor in presence and activity of market. This investigation is an effort on sales income and market value of Mobin Net Company. Six hypotheses were analyzed. Questionnaire was used as tool of collecting data including questions about variables of relationship distributed among staffs of Mobin Net Company. Descriptive- survey method was used in this research. Kolmogorov- Smirnov test was used to test normality of data. SPSS was used to analyze data of research. According to results, all of hypotheses were confirmed.

KEYWORDS: brand value, market value, sales income, Mobin Net Company

Introduction

Brand is one of the most important elements of a company nowadays . a suitable management of brand could smooth the way of obtaining more market shares and more profit in any industry (Rezvani, 2012). According to different studies, more than 2.3 of assets of the world best company are intangible assets . brand is one of intangible assets which plays significant role in this regard. Brand is a concept which is made in brain of customer in relationship with different angles of goods. not only brand introduces goods , but also makes brain of customers familiar with concept, efficiency and its necessity (Katler , 1991). Commercial name of a good and strong brand increases confidence and trust to quality of goods in brain of customer and encourages customer to buy the goods (Neghabi et.al, 2012). More value of brand in mind of customers, results in more profit gaining by the company. Perceived validity and value of brand are two important specifications that marketers need them for making a strong commercial brand. Validity of brand means perceived confidence about ability and tendency for continuous provision of what is promised, and provides high profit for customer and companies . according to Swait and Erdem (2001) , brand validity includes two significant aspects of confidence and skill .brand validity decreases the perceived risk by customer when buying goods and cost of obtaining data by him for buying it. It also impacts on the perceived quality by him. These factors lead to increase expected utility customer from purchasing goods, and encouraging to buy the brand (Ahmadi, 2014). Existence of a high perceived value in a brand is another important specification for making a strong brand. Goodwill and value of brand is due to loyalty of customers to their names, knowing their names, and perceived quality. Also, they have brand copyright, or strong relation with distribution channel . Each brand has a core of loyal customers. They make main motor of financial value creation and brand income (Heskit et.al, 1994). Brand is a specific name which a service or goods are provided under that brand to distinguish it from other goods or services (Keler , 2013). According to America Marketing Association, brand includes name, sign, design or a combination of them that is applied for introduction or identifying a service or goods provided by one or different suppliers. Valid brand is one of customer satisfactions for selecting products . in many markets, brand creates a specific identity for product and connect them to a specific group of society (Hajeb, 2015). Buying a product of a brand, customer believes that he has received a valuable thing by paying money. Notably, brand concept has specific dimensions including social brand. The key question in investigating social brand is that how much do you trust on others? This trust is as result of social interactions in groups, committees, and social activities (John and Moyer, 2006) . Especially, if the trust is transmitted from personal level to social level, it is considered as a valuable brand. This capital reduces costs level of social and economic interactions and different activities. Increasing mutual trust in a company increases efficiency of systems significantly. Brand among races: in societies with different races, many social groups try to provide essential trust by value of companies (krampton , 2015). A person, who works hard, has many opportunities for growth and development. Good image, reputation and validity in talent market and society encourage hard-workers to try more.

Statement of problem

Customer's behavior is a reflection of commitments of people who obtain it on their social roles. Customer's behavior forms based on internal and external factors (Neghabi et.al. 2012). As customers are in active environment, and products and services are changed continuously, a suitable marketing mix is defined for a market. Marketing managers should have accurate definition of customer's behavior and market value of organization. Brand value is a relationship including all of assets extracted of nature - qualities – power of relations. Usually, based on those criteria, values, and principles form that make recognition aspect. Except relational aspect, trust plays significant role. It is known as one of important columns in long-term success of brand, because it plays important role in all players of value-making activities (Talib, 2014). Marketers should study on customers purchase behavior to be able to make decision on competition in market shares development, new product development, price changes, product specifications changes, advertisements, and changing distribution channel. Customers pay more money for goods with brand than products without a specific commercial name. Some people believe that existence of brand is not economical because there is no significant difference between goods except some advertisement are for brand (Boton, 2013). If there is not brand, customers can not use their last experiences for decision on buying which goods. Especially, in such situation, customers can not punish companies with low-quality goods by stopping buying of the, nor encourage companies with high- quality products. Disability of customers in punishment of the producers produced significant problems (Jenifer, 2015). Hence, it is essential for companies to evaluate their brand role in their sales income and market value to make their marketing strategies for creating a strong brand in market and compete with competitors to attract customers. Hence, this investigation is an attempt to study impact of brand value on sales income and market value in Mobin Net Company.

Purposes of research

- A study on effect of market value on company brand value.
- A study on effect of equity on company brand value.
- A study on effect of brand value on loyalty of customers of company.
- A study on effect of equity on loyalty of customers of company.
- A study on loyalty of customers of company on perceiving quality of brand of company.
- A study on effect of perceiving quality of brand on sales income of company.

Literature review

Brand

Brand is defined as follows: it is a name, sign, mark, term, or a combination of them to identify goods or services of sellers or a group of sellers and making them distinguish of their competitors (Katler, 1991). Brands are valid marks. due to having brand, companies are trustworthy on their products and services and consider complains of them (Taghavi Fard, 2014). brand is permanent commitment of a seller to provide a complex of specifications, advantages, and services to buyers (Yaghoob Zadeh, 2011).

Brand value

Brand value is a power that a brand may have it due to its name, sign, or mark (Movahedi Niya, 2010). Brand value is defined by a set of assets, and debts of brand (Aker, 1991). Keler (1998) stated that brand value is different impact of identifying brand on consumer respond in marketing of the brand. according to him, value of a brand is positive in viewpoint of customer when customers react to an identified brand well. in the contrary, value of a brand is negative in viewpoint of customer when reaction of customers is not well (Keller, 1998). Value is defined as accessibility of aims and tendencies of independent thing in a specific time (Taghavi Fard, 2014). Actually, brand value is defined as long-term interaction of customers with suppliers of product in the field of the stability of brand services. It is a general concept that describes satisfaction. in other words, brand value represents the belief of ability level and brand tendency in doing based on promise. it includes two aspects as reliability and expertise (Yaghoob Zadeh, 2011). Additionally, value increases the perceived risk about claims of a product of a company due to trust of customers (Ghavi Del, 2014).

Income

Income is defined as amounts of money which is received of customer or will be received due to providing services to customers (Heydar Zadeh, 2011). A company with different income sources should provide separate account for each income resource. Increasing capital of a company due to commercial activities is defined as income (Vazir moghadam, 2012). Income is obtained due to selling goods, providing services for customers, renting assets, borrowing money, and other commercial and professional activities for obtaining income (Jafar Zadeh, 2014).

Sales

Sales is one of sub-members of marketing. in other words, sales is the last marketing operation in a transaction. However, it is starting a long-term relationship with customers (Katler, 1991). a simple definition of sales is as follows: a process of help to customers whether value of goods is more than the amount you request or not. in this process, seller tries to provide some explanations about advantages and quality of goods (Ghare Che, 2011). Mostly, marketing and sales are used equal, but they are different. According to Katler marketing is not selling. Actually, selling is a part of marketing.

Loyalty to brand

Term of loyalty to brand is a concept has many advocators in recent decades. Different companies looked for making a relationship with their consumers by loyalty to brand (Jack, 2015). Loyalty was entered to marketing as loyalty to brand. According to America marketing committee, loyalty to brand is equal to a situation where a customer buy services or products of producer permanently and buy of different producer groups (Acker, 1998). There are two approaches in most of definitions. Different feelings in person attitude approach in person provides belonging to organization, services and goods. This feeling determines loyalty degree of customer . attitude loyalty scales include mouth to mouth advertisement, tendency to recommend and encouraging others to use goods and services. Customer tendency behavioral approach is for re-purchasing services and products of provider of services and making relationship with provider of goods and services (Daheshti, 2010).

Literature review

Different investigations were done in the field of commercial name value . some of them are presented as follows in table 1:

Table 1- Literature Review

Author	Year	Topic	Result
Heydar Zadeh and Ghafari	2011	A study on impact of brand validity on loyalty of customers in bank industry of Iran	According to results, brand validity impacts directly on loyalty commitment, permanent commitment, and satisfaction. Also, satisfaction impacts directly on loyalty commitment, and verbal commitments.
Movahedi Niya	2011	Relationship between brand validity and loyalty of industry-makers in Iran insurance Company	According to results, there is significant relationship between validity of brand of Iran insurance company and satisfaction and commitment to remain loyal of insurance makers.
Yaghoob Zadeh	2014	A study on impact of brand on customers loyalty of dairy products of Zarin Ghazaal company in Shiraz city.	According to results, there is significant relationship between brand and loyal commitment, permanent commitment, and satisfaction.
Vazir Moghadam	2012	Model design for evaluating impact of brand on loyalty of customers of airplane company	According to results of analyses, brand of airplabe company impacts significantly on customers loyalty.
Hoseini and Nabavi	2013	Evaluating reliability of brand of insurance companies	According to results of this research, reliability plays important role in improving behavioral tendencies of customers.
Soveini	2008	Impact of validity of brand	According to their results, brand validity impacts directly on satisfaction, permanent commitment, commitment to loyalty. Satisfaction impacts directly on verbal recommendation on purchase and commitment to loyalty.

Research hypotheses

- H1: Market value impacts positively on brand value of Mobin Net Company.
- H2: Equity impacts positively on market value of Mobin Net Company.
- H3: Brand value impacts positively on market value of Mobin Net Company.
- H4: Equity impacts positively on customer loyalty of Mobin Net Company.
- H5: Customer’s loyalty impacts positively on perceived value of brand of Mobin Net company.
- H6: Perceived value of brand impacts positively on income of Mobin Net Company.

Model of research

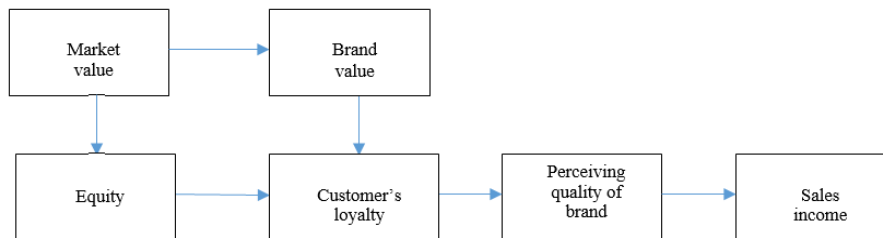


Figure 1: Conceptual model of research (using models of M.Palmeire , Abhishek Dwivedi, 2012)

Methodology

It is descriptive- survey research . it describes the real situation systematically. Sampling was used to select samples of research. Also, this is correlative research. Questionnaire was used as tool of collecting data. Researcher prepared this questionnaire and was scored by five-option likert scale. Reliability and validity of this questionnaire were confirmed. Validity of research was confirmed by viewpoint of experts. Reliability of research was confirmed by Cronbach’s alpha that was calculated as 0.863. Sample size was calculated by Morgan table as 245 people. Questionnaire was distributed among staffs of Mobin Net Company randomly. SPSS was used to analyze data of research. Kolmogorov—Smirnov test was used test normality of data. T-test was used for testing hypotheses of research.

Analysis of research

As mentioned before, Kolmogorov—Smirnov test was used to test normality of data. In this test, if sig >0.0, data distribution is normal. Hypothesis of research is as follows:

H0: data is normal.

H1: data is not normal.

Table 2- Results of Kolmogorov—Smirnov test

Variable	z-test	Sig	Alpha(error)	Test result
Market value	2.89	0.51	0.05	Data is normal
Brand value	3.15	0.07	0.05	Data is normal
Equity	4.21	0.12	0.05	Data is normal
Perceive quality	2.87	0.10	0.05	Data is normal
Sales income	3.29	0.09	0.05	Data is normal
Customers loyalty	2.92	0.14	0.05	Data is normal

According to the table 2, sig is more than 0.05 . hence, H0 is rejected and data distribution is normal.

Hypothesis one

Market value impacts on brand value of Mobin Net Company significantly.

Table 3- Analysis of hypothesis one

Predictor variable	t- test	R2
Market value	4.84	0.89

P < 0.05 p < 0.01

According to t-test amount as 4.84 it is stated that in confidence level of 99%, market value impacts on brand value of company positively. Hence, hypothesis one of this research is conformed.

Hypothesis two

Equity impacts positively on market value of Mobin Net Company.

Table 4- Analysis of hypothesis two

Predictor variable	t-test	R2
Equity	3.64	0.89

P < 0.05 p < 0.01

According to t-test as 3.64, it is stated that in 99% confidence level, equity impacts on market value of company positively.

Hypothesis three

Brand value impacts positively on loyalty of customers of Mobin Net Company.

Table 5- Analysis of hypothesis three

Predictor variable	t-test	R2
Brand value	4.95	0.89

P < 0.05 p < 0.01

According to t-value as 4.95, it is stated that brand value impacts positively on loyalty of customers of Mobin Net Company.

Hypothesis four

Equity impacts positively on loyalty of customers of Mobin Net Company.

Table 6- Analysis of hypothesis four

Predictor variable	t-test	R2
Equity	4.35	0.89

P < 0.05 p < 0.01

As t-value is 4.21, it is stated that in confidence level of 99%, equity impacts positively on loyalty of customers of Mobin Net Company.

Hypothesis five

Loyalty of customers impacts positively on perceiving quality of brand of Mobin Net Company.

Table 7- Analysis of hypothesis five of research

Predictor variable	t-test	R2
Process factors	4.46	0.89

P < 0.05 p < 0.01

According to t-test as 4.64, it is stated that in confidence level of 99%, loyalty of customers impacts positively on perceiving quality of brand of Mobin Net Company.

Hence, hypothesis five of the research is significant and is confirmed.

Hypothesis six

Perceiving quality of brand impacts positively on income of Mobin Net Company.

Table 8- Analysis of hypothesis six of research

Predictor variable	t-test	R2
Process factors	6.21	0.89

P < 0.05 p < 0.01

According to t-test value as 6.21, it is stated that in 99% confidence level, perceiving quality of brand impacts positively on income of Mobin Net Company.

Results and recommendations of research

Results of research are presented in table 9 as follows:

Table 9- Total results of research

Hypothesis	T-Test	T-Value	Result
1	Is significant	4.84	Confirmed
2	Is significant	4.64	Confirmed
3	Is significant	4.95	Confirmed
4	Is significant	4.35	Confirmed
5	Is significant	4.46	Confirmed
6	Is significant	6.21	Confirmed

Recommendations of research

The following approaches are followed for increasing impact of market on brand value.

- Encourage members of group to interact more considering situation of market in work. Staffs are the best people who know needs of group. to change brand value to a culture, providing ownership feeling in staffs is very effective.
- Motivation about brand value is required according to market needs. There is expiration date for any effort occur by a staff. So one time is not enough to motivate staff.

Effect of equity on brand value

Equity is known one of value-maker resource. In addition, the following approaches should be followed:

- 1- Civic participation and leadership
- 2- Informal social interactions
- 3- Giving and volunteering
- 4- Justice in market participation

Effect of brand value on loyalty of customers

Senior management should try to make effort based on the following policies on combination of brand value and positive effect of it on loyalty of customer.

A- Positive effort:

In this role, staffs managers should monitor if equal employment opportunities are provided, or there is prejudice when recruitment of volunteers, selecting them, employing, job progress, mission, training in the organization? Are some factors such as gender, ration, culture, political parliament, result in ignoring qualifying and disability of person who is volunteer of recruitment or in appointments and promotions? Health and safety: rules of health and safety should be administered in this role in factory environment and office in relation to conditions of hard work and confidence situation. Test: monitor and find out whether tests are used for recruitment and employ in jobs. Results represent applying test in relation to works and groups. Validity and reliability of tests used here should be confirmed.

Impact

The following suggestions may increase loyalty of customer considering perceiving brand:

- 1- Determining suitable increase of incentives based on measuring performance of customers
- 2- Recognizing people who should be supported.
- 3- Identifying instructional needs of customers.
- 4- Identifying people who are able to increase capability and apply in suitable positions.

Impact of perceiving quality of brand on income of company

Obviously, perceiving brand quality is a vital factor for success of a company, and accurate inter-relationship are effective in this regard. Some of the most important factors for obtaining this goal are presented as follows:

- Planning: appropriate planning provides a clear view for staffs and makes it possible to assess value of their works for successful attainment to aims.
- Challenging duties: existence of challenges is a factor for making brains more innovative. Intelligent thoughts occur when brain cells are activated and decision-making ability increases.
- Reward: financial and none-financial rewards and language encourages result in motivating staff. They find out they are valuable for managers of company.
- Positive work place: staff pass their time in work place mostly. For creating a positive work place, there should be safe competition, intelligent interaction, and team work of main principles in a company.

Resources

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