ABSTRACT

In today’s world markets, consumers have more accessibility in choosing and purchasing international brands. When a brand is in an international market, it influences the consumer to have a perception on the country-of-origin image. This is where brand equity comes in. Brand equity is what represents the product in the minds of the consumers. The collaboration of country-of-origin image and brand equity predicts that brands are dependant on the origin of where the brand is from and how the consumer perceives it.

This study aims to identify the relationship between the brand’s country-of-origin image and its brand equity. This study also includes the relationship among the mediating variables of perceived quality, brand loyalty, brand awareness, brand association, and brand strength. The brand of this research is Sony electronic products in Bangkok, Thailand. Quota sampling was incorporated to collect the data from the respondents. The researcher collected 396 respondents who are passersby and shoppers around the wholly owned subsidiary of Sony Stores located in The Mall Bangkapi, The Mall Bangkae, Siam Paragon, and Central Rama 9. Structural equation modeling was used to examine the relationships. The data used AMOS (Analysis of Moment Structures) to run the test. The Goodness of Fit Index (GFI) was found to be 0.9, which complies to the rule. Thus, the model is considered fit and valid, therefore is it suitable to run the test.

The findings reveal that there is a significant relationship between country-of-origin image with perceived quality, brand loyalty, brand awareness, brand association, brand strength, and brand equity. There is also significant relationship between brand equity with perceived quality, brand loyalty, and brand association. On the other hand, brand awareness and brand strength do not have a significant relationship with brand equity. Consumers think less about the strength of Sony’s image and are already aware of Sony: This implies that Sony is already internationally and locally known in the Thai market where it does not necessarily influence the brand equity. Sony has the strength of its brand where does not affect the brand equity as expected. Most importantly, the study resulted in country-of-origin image has an effect on brand equity. This study further suggests that marketers should put more emphasis in developing the image of the brand’s own country and should be widely promoted to sustain in the market.