## Examining the relationships among the brand equity dimensions: Empirical evidence from fast fashion

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## Abstract:

**Purpose**
– The purpose of this paper is to understand the nature of the inter-relationships among brand equity dimensions in the fast fashion context.

**Design/methodology/approach**
– Based on the empirical data collected from 419 fast fashion consumers in the USA, the study investigated the inter-relationships among the various brand equity dimensions by structural equation modeling.

**Findings**
– The findings reveal that brand awareness has a significant and positive direct impact on brand personality and perceived value; brand personality has a significant and positive direct effect on perceived quality and perceived value; and brand awareness, perceived quality and perceived value have a significant and positive direct effect on brand loyalty, respectively.

**Originality/value**
– Applying the brand equity model in the fast fashion industry and surveying actual consumers, the research provides in-depth empirical evidence of the interactions among the brand equity dimensions. Since fast fashion has become a key feature of the global fashion industry over the last decade, understanding the elements of brand equity and the inter-relationships among them provides important insights to marketing practitioners to develop strategies which encourage the growth of brand equity.

**Keywords:** Consumers | Brand equity | Fast fashion

## Article:

## Introduction

Building brand equity is considered an important part of brand building (Keller, 2008). Almost every marketing activity works, successfully or unsuccessfully, to build, manage, and exploit brand equity (Aaker, 1991; Keller, 1993; Yoo and Donthu, 2001). Brand equity is regarded as a very important concept in business practice as well as in academic research because marketers can gain competitive advantages through strong brands (Keller, 1993, 2008; Aaker, 1996a). A strong brand with positive brand equity has several advantages such as higher margins, brand extension opportunities, more powerful communication effectiveness and higher consumer preferences and purchase intentions (Keller, 1993; Cobb-Walgren et al., 1995; Netemeyer et al., 2004; Buil et al., 2008, 2013).

Developing further insights into the dimensions of brand equity represents a central priority for academics and marketing managers in the face of the prominence of branding (Keller, 2008; Buil et al., 2013). In recent years, one prominent phenomenon in the global business world that draws noticeable attention from academics and practitioners is the emergence and rapid dissemination of fast fashion. Fast fashion has experienced a decade of blistering growth (Caro and Martínez-de-Albéniz, 2015) and is fast becoming the way of the retail world as more and more brands move to the model (Choi, 2014; Caro and Martínez-de-Albéniz, 2015). Due to the fact that elements of a brand's equity influence consumers' perceptions and subsequent brand buying behaviors, fast fashion companies need to develop strategies which encourage the growth of brand equity. In this context, the examination of the elements that build fast fashion brand equity is vital.

The existing academic literature on fast fashion is somewhat limited to supplier-driven approach (Gabrielli et al., 2013) and calls for additional research on aspects such as consumers' perspective and buying behavior (Bhardwaj and Fairhurst, 2010; Gabrielli et al., 2013). It is worth noting that little research has addressed fast fashion from consumer-based brand equity (CBBE) perspective, leaving this an under-researched area. Previous research has identified the need for examining the relationships among brand equity elements (Yoo and Donthu, 2001; Netemeyer et al., 2004; Tong and Hawley, 2009; Buil et al., 2013); however, minimal evidence addresses the linkages among the dimensions of brand equity. In addition, researchers also propose to include brand personality dimension into the brand equity concept as a future research direction (Yoo and Donthu, 2001; Netemeyer et al., 2004). Moreover, Aaker (1996b) supports the inclusion of perceived value as a separate dimension. Thus, within this context and considering the nature of fast fashion, this study develops a conceptual brand equity model which integrates brand personality and perceived value dimensions, and the study aims to empirically examine the nature of the inter-relationships among the various dimensions of fast fashion brand equity.

In the following two sections, the relevant literature review is presented first and then the research conceptual framework and the hypotheses are developed. Next, the research methodology is described, followed by the data analysis and results. Subsequently, the paper discusses the study results. Finally, the paper provides conclusions, implications, and limitations of the research.

**Literature Review**

*Fast fashion*

Fast fashion firms have seen an explosive expansion since the turn of the century (Caro and Martínez-de-Albéniz, 2015). Stores like H & M and Zara have established themselves as recognized brands (Interbrand, 2014). The rapid expansion of fast fashion retailers has been remarkable. For example, the net sales of Zara owner Inditex in 2014 is 18.1 billion euros, compared with 8.2 billion euros in 2006; and the Inditex operates 6,683 stores in 2014 worldwide, compared with 3,131 in 2006 (Inditex, 2015). Another fast fashion giant, H & M opened a new store nearly every day in 2013 (Interbrand, 2014).

Fast fashion provides the latest fashion trends along with agile response to consumer demand with reasonable prices (Barnes and Lea-Greenwood, 2010; Jin et al., 2012). Fast fashion remains a key success factor in fashion retail and fast fashion has become a mainstream strategy of fashion retailers in the global fashion industry (Barnes and Lea-Greenwood, 2010; Gabrielli et al., 2013). Fast fashion is being driven by catwalk styles, celebrity looks and the desire for newness, particularly those designs identified in the media which create interest and drive high levels of consumer demand (Barnes and Lea-Greenwood, 2010; Gabrielli et al., 2013). Retailers such as Zara, H & M, Mango, and Topshop were adopting such designs rapidly to attract consumers and introduce interpretations of the runway designs to the stores in a minimum of two to six weeks (Choi, 2014).

Fast fashion's target market is large population of young people – the target for trendy and affordable fast fashion clothes. Updated looks, greater variety, and limited editions, along with the speed of their availability, make this industry very attractive to many young consumers (Choi et al., 2010; Joy et al., 2012). It is this demographic that is conscious of the runway designs, slavishly follows trends, and is perennially in pursuit of specific pieces that are both unique and stylish. They are also pragmatic. The trendy but affordable fast fashion items allow them to update their wardrobe more regularly than before (Joy et al., 2012).

*CBBE*

Farquhar's (1989) pioneering work defines brand equity as the "added value" with which a given brand endows a product (p. 24). When reflecting a consumer perspective, brand equity is referred to as CBBE (Pappu et al., 2005). Aaker (1991) views CBBE as a set of assets (liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product/service to the customer. Keller (1993, p. 2) views CBBE as "the differential effect of brand knowledge on consumer response to the marketing of the brand." Keller (1993) also views CBBE as a process whereby CBBE occurs "when the consumer is familiar with the brand and holds some favorable, strong, and unique brand associations in memory" (p. 2).

The two main frameworks that conceptualize CBBE are those of Aaker (1991, 1996b) and Keller (1993). Keller (1993) and Aaker (1991, 1996b) argue that collectively brand equity comprises of different dimensions which underlie the incremental value that a brand provides for its customer. According to Aaker, brand equity is a multidimensional concept whose four core brand equity dimensions are brand awareness, perceived quality, brand associations, and brand loyalty. Keller's conceptualization focusses on brand knowledge and involves two components – brand awareness and brand image. Basically, Aaker's four core brand equity dimensions were also originally supported by Keller. Table I includes some of the most commonly cited brand equity

studies. Based on the review of past literature, we took brand awareness, perceived quality, brand associations (including brand personality and perceived value) and brand loyalty as the basic consumer-related dimensions central to brand equity.

### Brand awareness

According to Aaker (1991), brand awareness, refers to the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category. This construct is related to the strength of a brand's presence in consumers' minds (Hakala et al., 2012). Keller (1993) conceptualizes brand awareness as consisting of both brand recognition and brand recall: brand recall refers to consumers' ability to retrieve the brand from memory; while brand recognition is the basic and first step in brand communication.

### Brand associations − brand personality and perceived value

Brand associations can be defined as "anything linked to the memory of a brand" (Aaker, 1991, p. 109). Brand associations are believed to contain the meanings of the brand for consumers and these associations can be from a wide range of sources and vary according to their favorability, strength, and uniqueness (Keller, 1993). Aaker (1991) suggests that brand associations could provide value to the consumer by providing a reason for consumers to buy the brand, and by creating positive attitudes/feelings among consumers. Although brand associations can be classified into different types, we adopt the two main associations, namely, brand personality and perceived value in the present study. Brand personality is a key component of brand equity and is defined as "the set of human characteristics associated with a brand" (Aaker, 1997, p. 347). The concept of brand personality is well recognized in the marketing literature. Netemeyer et al. (2004) define perceived value as the customer's overall assessment of the utility of the brand based on perceptions of what is received and what is given relative to other brands. Perceived value involves the trade-off of "what I get" for "what I give" (Sánchez-Fernández and Iniesta-Bonillo, 2007).

| References | Brand equity (BE) conceptualization and/or dimensions | Comment |
| --- | --- | --- |
| Farquhar (1989) | Defines BE as the "added value" with which a given brand endows a product. BE from an individual consumer's perspective is reflected by the increase in attitude strength for a product using the brand | Pioneering work on BE |
| Aaker (1991, 1996b) | Defines CBBE as a set of assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to the customers. CBBE is a multidimensional concept including four core dimensions – brand awareness, perceived quality, brand associations, and brand loyalty | One of the most accepted and comprehensive definitions of CBBE |
| Keller (1993) | Defines CBBE as "the differential effect of brand knowledge on consumer response to the marketing of a brand." Keller's conceptualization focusses on brand knowledge which involves two components: brand awareness (recall and recognition) and brand image (a combination of favorability, strength, and uniqueness of brand associations) | Keller views CBBE as a process whereby CBBE occurs when the consumer is familiar with the brand and holds some favorable, strong, and unique brand associations in memory |
| Cobb-Walgren et al. (1995) | Dimensions of BE are brand awareness, advertising awareness, perceived quality, and brand associations | They employ Aaker's (1991) conceptualization of BE |
| Yoo and Donthu (2001) | They define BE as consumers' different response between a focal brand and an unbranded product when both have the same level of marketing stimuli and product attributes. They developed and validated a multidimensional BE scale drawn from Aaker's and Keller's conceptualization. The results show brand awareness/association, perceived quality, and brand loyalty are three dimensions | They made possible suggestion regarding a causal order among the dimensions of BE. Brand awareness and brand association were combined into one dimension |
| Pappu et al. (2005) | BE includes brand awareness, perceived quality, brand association, and brand loyalty | They confirm four-dimension model of CBBE |
| Buil et al. (2008) | CBBE consists of brand awareness, perceived quality, brand loyalty, and brand associations (collectively including perceived value, brand personality and organizational associations) | The study shows BE scale was invariant across countries |
| Tong and Hawley (2009) | They include brand awareness, perceived quality, brand association, and brand loyalty as the four BE dimensions | They made suggestion about the inter-relationships among the CBBE dimensions |
| Roy and Chau (2011) | They use Yoo and Donthu's (2001) ten-item scale three constructs including brand awareness/association, perceived quality, and brand loyalty. They test the relationships among these three dimensions | They found the effect of brand awareness is fully mediated by perceived quality |
| Buil et al. (2013) | They include the four dimensions of brand equity – brand awareness, perceived quality, brand associations, and brand loyalty. Brand awareness has a positive influence on perceived quality and brand associations, which in turn influence brand loyalty | They did not separate different types of brand associations. They did not test the direct effect of brand awareness on brand loyalty, or the relationship between brand associations and perceived quality |

**Table I.**
Summary of select consumer-based brand equity (CBBE) studies

### Perceived quality

Defined as "the consumer's judgment about a product's overall excellence or superiority" (Zeithaml, 1988, p. 3), perceived quality is not the objective quality of the product but consumers' subjective evaluations which depend on their perceptions. Similar to brand associations, perceived quality also provides consumers with a reason to buy. It also creates a

basis for brand differentiation and extension (Aaker, 1991; Pappu et al., 2005), and offers a price premium advantage for firms (Keller, 1993; Netemeyer et al., 2004).

*Brand loyalty*
Aaker (1991) defines brand loyalty as the attachment that a customer has to a brand. Yoo and Donthu (2001) define brand loyalty on an attitudinal perspective as the tendency to be loyal to a focal brand, which is demonstrated by the intention to buy the brand as a primary choice. Oliver (1999, p. 34) defines brand loyalty, in a comprehensive way, as "a deeply held commitment to re-buy or re-patronize 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." Brand loyalty is considered as one of the most important determinants of brand equity (Aaker, 1991).

## Conceptual framework and research hypotheses

The focus of the research is on the primary CBBE components common to Aaker (1991, 1996b), Keller (1993), and other frameworks, namely, brand awareness, perceived quality, brand associations, and brand loyalty. However, for brand associations, we specifically include brand personality and perceived value as two separate constructs into the CBBE model. Yoo and Donthu (2001) advocate including brand personality into the CBBE scale. Brand personality can provide a link to a brand's emotional and self-expressive benefits as well as a basis for customer-brand relationships and differentiation (Aaker, 1996b; Phau and Lau, 2001). Aaker (1996b) explains the distinction between perceived quality and perceived value and supports the inclusion of perceived value as a separate dimension. Due to the nature of fast fashion, we believe it is appropriate to use perceived quality and perceived value as two separate CBBE dimensions. The perceived value of fast fashion brands has strong appeal to young consumers.

In order to understand the nature of the inter-relationships among the various dimensions of CBBE we followed previous researchers' suggestions. Yoo and Donthu (2001), Netemeyer et al. (2004), Keller and Lehmann (2006), and Tong and Hawley (2009) point out that investigating the ordering or associative relationships among the brand equity dimensions would be of interest for future brand equity research. According to Yoo and Donthu (2001), brand awareness and association precede perceived quality which precedes brand loyalty. An empirical study by Roy and Chau (2011) supports the predictions of Yoo and Donthu (2001), indicating the effect of brand awareness on brand loyalty is mediated by perceived quality. Buil et al. (2013) depict the evolution of brand equity as a consumer learning process: consumers' awareness of the brand leads to attitudes, which in turn will influence brand loyalty.

The theory of reasoned action (Fishbein and Ajzen, 1975) offers theoretical support for our study. The theory of reasoned action maintains that attitudes and subjective norms influence intentions, which in turn affect behavior. Approaching fashion apparel purchase decision as a problem-solving process, consumers have perceptions and form beliefs about a product/brand by being aware of the product/brand or seeking information about relevant attributes, and then consumers evaluate these beliefs and perceptions and develop feelings and attitudes about the product/brand, which result in buying or rejecting the product/brand (Solomon, 2012).

The preceding sections provide a basis for including brand awareness, perceived quality, brand personality, perceived value, and brand loyalty in the proposed conceptual model, which is shown in Figure 1. Specifically, we propose potential inter-relationships among the five CBBE dimensions. The process of building brand equity begins with increasing brand awareness. Consumers must first be aware of a brand to later have perceptions of quality and brand associations (Smutkupt et al., 2012). Brand awareness affects the formation and the strength of perceived quality and brand associations (Buil et al., 2013). Therefore, brand awareness is important as an antecedent to perceived quality, brand personality, perceived value, and brand loyalty. Therefore, the following hypotheses summarize these arguments:

*H1*. Brand awareness has a significant positive direct effect on perceived quality.

*H2*. Brand awareness has a significant positive direct effect on brand personality.

*H3*. Brand awareness has a significant positive direct effect on perceived value.

*H4*. Brand awareness has a significant positive direct effect on brand loyalty.

When consumers acquire a more positive perception of or favorable attitude toward a brand, loyalty results (Oliver, 1999). As such, brand personality, perceived quality, and perceived value are the previous steps leading to brand loyalty. Thus, high level of perceived quality and strong and favorable brand associations can enhance brand loyalty (Keller, 1993; Pappu et al., 2005; Buil et al., 2013). Recent research findings also indicate that a strong and positive brand personality can result in favorable product evaluations (Tong and Li, 2013). Thus, the following hypotheses were formulated to examine the effects of brand personality on perceived quality and perceived value and the effects of perceived quality, brand personality, and perceived value on brand loyalty:

*H5*. Brand personality has a significant positive direct effect on perceived quality.

*H6*. Brand personality has a significant positive direct effect on perceived value.

*H7*. Perceived quality has a significant positive direct effect on brand loyalty.

*H8*. Brand personality has a significant positive direct effect on brand loyalty.

*H9*. Perceived value has a significant positive direct effect on brand loyalty.
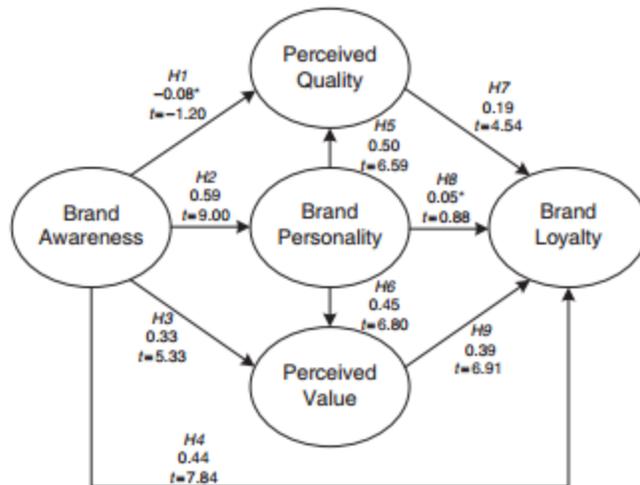
**Notes:** The path coefficients in the figure are standardized parameter estimates. *Indicates the *t*-value for the standardized path coefficient is not statistically significant at *p*<0.05

**Figure 1.**
Research conceptual model and research hypotheses

## Research design and method

A survey instrument in the form of a structured questionnaire was designed based on a review of pertinent literature. The instrument incorporates five constructs: brand awareness, brand personality, perceived quality, perceived value, and brand loyalty.

### Measures of fast fashion brand personality scale
Motivated by recent studies that argue for creating an appropriate scale and specific personality traits in particular sectors (Valette-Florence and De Barnier, 2013), we seek to define brand personality measurement scale adapted to the important fashion product category – fast fashion brands.

Aaker (1997) introduces the most widely used brand personality framework. Guided by Aaker's (1997) brand personality study, our selection and identification of fast fashion brand personality attributes follows the following process. In the first step, we conducted interviews with 46 college students to describe their experiences with fast fashion. Participants were asked to write down the personality attributes that first came to mind when thinking about fast fashion brands. A total of 215 unique traits were generated in this process. In the second step, we incorporated the Aaker's (1997) 42 original personality traits into our inventory. In the third step, from the set of personality attributes gathered in the previous two steps, attributes that are redundant, ambiguous, or irrelevant to the construct were eliminated, resulting in a final set of 58 traits for examining fast fashion brand personality. We used a principal component analysis with varimax rotation to determine what underlying brand personality structure exists for the data.

### Measures of brand awareness, perceived quality, perceived value, and brand loyalty
Measures of brand awareness (four items) were obtained from Buil et al. (2008), Yoo and Donthu (2001), and Tong and Hawley (2009). Measures of perceived quality (three items) were obtained from Buil et al. (2008), Yoo and Donthu (2001), and Netemeyer et al. (2004); while measures of perceived value (three items) were from Netemeyer et al. (2004). Measures for

brand loyalty (three items) were obtained from Buil et al. (2008), and Yoo and Donthu (2001). These measures were empirically tested and used by previous researchers.

*Sample and data collection procedure*
A pre-test was conducted among 45 undergraduates at a large northeastern university in the USA to enable the refinement of the measurement scales. The final questionnaire was administered to students enrolled at that university. We used a sample of college students in this study because fast fashion's target market is large population of young people – the target for quick and affordable fast fashion clothes (Joy et al., 2012). The brands included in the survey are six top fast fashion brands that are well-known among young consumers, including Zara, H & M, Mango, Topshop, Forever 21, and Uniqlo (Choi, 2014; Caro and Martínez-de-Albéniz, 2015). Respondents were first asked to choose one fast fashion brand they were most familiar with, then they were asked to rate the extent to which the final set of personality traits described their most familiar fast fashion brands along a Likert scale ranging from 1 (not at all descriptive) to 5 (extremely descriptive). Finally, the respondents were asked to evaluate the measures of brand awareness, perceived quality, perceived value, and brand loyalty using a five-point Likert scale (1=strongly disagree to 5=strongly agree).

A total of 600 copies of the questionnaire were delivered, and 468 responses were returned. After the data screening and cleaning process, 419 responses were found valid and usable for the purpose of this study. The participants mainly ranged in age from 18 to 40 (60.1 percent between 18 and 20; and 36.5 percent between 21 and 25). In total, 89 percent of the sample were female. The most prevalent ethnic group was Caucasian (72.6 percent), followed by African-American (11.5 percent), Asian (7.4 percent), and Hispanic (5.0 percent).

**Results**

We first analyzed the fast fashion brand personality scale, and then used the components of brand personality as the measures for brand personality construct in the testing of the research conceptual model. The two-step structural equation modeling approach was used. First, the measurement model was evaluated using confirmatory factor analysis to demonstrate adequate model fit and to ensure a satisfactory level of measure reliability and validity for the underlying variables and their respective factors in the model. Second, the structural model was tested to examine the research hypotheses. Analysis based on the maximum likelihood estimation method was carried out using LISREL 9.1.

**Fast fashion brand personality**
We used a principal component analysis with varimax rotation to determine what underlying brand personality structure exists for the data. The value of Kaiser-Meyer-Olkin statistics (0.939) was higher than the acceptable limit of 0.5 and Bartlett's test was significant, indicating the suitability of data for factor analysis. The analysis solution was determined by using the following criteria: eigenvalue ( > 1), variance explained by each component, scree plot, loading score for each factor ( · 0.40), elimination of cross-loading higher than 0.40, and meaningfulness and interpretability of each dimension. As a result, four components were extracted (excitement, attractiveness, up-to-dateness, and sophistication), explaining approximately 59.6 percent of the total variance. Moreover, the analysis of reliability of each component was satisfactory

(Cronbach's α of 0.900, 0.842, 0.825, and 0.812 for excitement, attractiveness, up-to-dateness, and sophistication, respectively). For each component, traits with the highest item-to-total correlations were also identified. Figure 2 represents the fast fashion brand personality framework.



**Figure 2.**
Structure of fast fashion brand personality
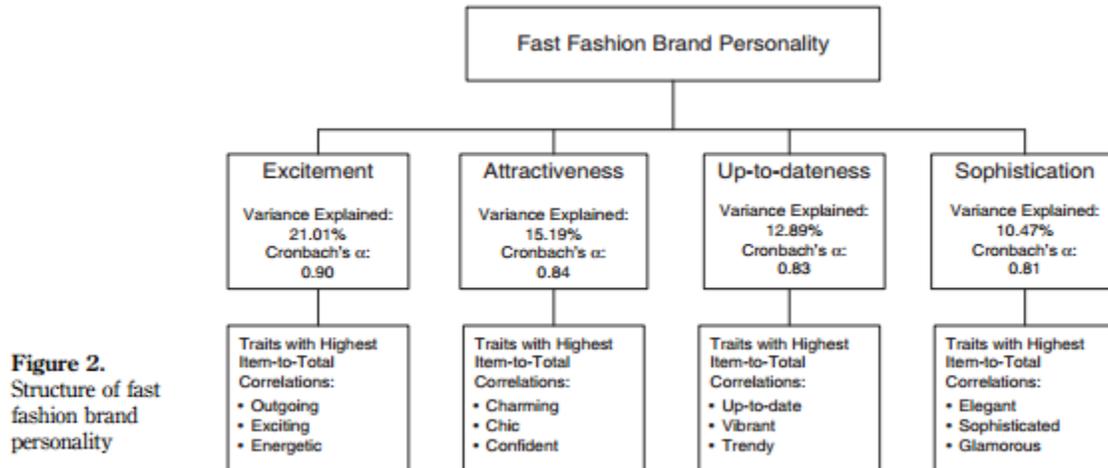
In the following analysis, the brand personality construct is operationalized by including its four components as the measures of brand personality. A composite score for each brand personality component was determined by calculating the average of respondent's ratings for the three traits with highest item-to-total correlations.

**The measurement model**
Table II provides the correlation matrix and the descriptive statistics of the variables in the measurement model. Evaluation of the measurement model was conducted using confirmatory factor analysis. Table III shows a summary of the fit indexes, the factor loadings (standardized), t-values, and reliability and validity analyses of the measurement model. A satisfactory fit is achieved for the measurement model: the $\chi^2/(df)=2.85$, less than 3.00; RMSEA=0.066; GFI=0.92; NNFI=0.98; CFI=0.98. The t-values of all the path parameter estimates for each factor in the measurement model are greater than 2.0; therefore, all the path parameter estimates are statistically significant with $p < 0.05$. All the composite reliability coefficients vary from 0.81 to 0.89 and are far above the threshold 0.70 criteria, indicating strong support for the construct reliability. All the AVEs vary from 0.52 to 0.74 and are greater than the criteria of 0.50, suggesting adequate convergent validity. Discriminant validity is shown by the confidence interval of two standard errors around the correlation for each respective pair of factors. Discriminant validity was established as none of the confidence intervals include 1.0.

**The structural model**
The results from evaluation of the structural model are shown in Figure 1. The relationships stated in the H2 (brand awareness − brand personality, standardized path coefficient=0.59, $p < 0.01$) and H3 (brand awareness − perceived value, standardized path coefficient=0.33, $p < 0.01$) are supported. The results support the relationships stated in the H5 (brand personality − perceived quality, standardized path coefficient=0.50, $p < 0.01$) and the H6 (brand personality − perceived value, standardized path coefficient=0.45, $p < 0.01$). The structural equation model

also supports the relationships stated in the H4 (brand awareness − brand loyalty, standardized path coefficient=0.44, p < 0.01), the H7 (perceived quality − brand loyalty, standardized path coefficient=0.19, p < 0.01), and the H9 (perceived value − brand loyalty, standardized path coefficient=0.39, p < 0.01).

| VAR | V1 | V2 | V3 | V4 | V5 | V6 | V7 | V8 | V9 | V10 | V11 | V12 | V13 | V14 | V15 | V16 | V17 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| V1 | 1.000 | | | | | | | | | | | | | | | | |
| V2 | 0.539 | 1.000 | | | | | | | | | | | | | | | |
| V3 | 0.602 | 0.724 | 1.000 | | | | | | | | | | | | | | |
| V4 | 0.604 | 0.572 | 0.663 | 1.000 | | | | | | | | | | | | | |
| V5 | 0.131 | 0.180 | 0.114 | 0.140 | 1.000 | | | | | | | | | | | | |
| V6 | 0.106 | 0.188 | 0.099 | 0.193 | 0.728 | 1.000 | | | | | | | | | | | |
| V7 | 0.131 | 0.184 | 0.125 | 0.162 | 0.760 | 0.713 | 1.000 | | | | | | | | | | |
| V8 | 0.344 | 0.376 | 0.363 | 0.385 | 0.234 | 0.227 | 0.283 | 1.000 | | | | | | | | | |
| V9 | 0.386 | 0.407 | 0.412 | 0.375 | 0.333 | 0.289 | 0.373 | 0.734 | 1.000 | | | | | | | | |
| V10 | 0.413 | 0.502 | 0.451 | 0.407 | 0.376 | 0.328 | 0.384 | 0.692 | 0.722 | 1.000 | | | | | | | |
| V11 | 0.340 | 0.373 | 0.380 | 0.362 | 0.208 | 0.179 | 0.190 | 0.334 | 0.316 | 0.392 | 1.000 | | | | | | |
| V12 | 0.336 | 0.348 | 0.343 | 0.336 | 0.309 | 0.286 | 0.328 | 0.412 | 0.417 | 0.452 | 0.543 | 1.000 | | | | | |
| V13 | 0.490 | 0.436 | 0.460 | 0.399 | 0.153 | 0.162 | 0.173 | 0.390 | 0.359 | 0.453 | 0.579 | 0.583 | 1.000 | | | | |
| V14 | 0.142 | 0.230 | 0.229 | 0.189 | 0.451 | 0.378 | 0.470 | 0.271 | 0.308 | 0.373 | 0.401 | 0.565 | 0.414 | 1.000 | | | |
| V15 | 0.386 | 0.522 | 0.556 | 0.472 | 0.337 | 0.308 | 0.365 | 0.513 | 0.552 | 0.594 | 0.375 | 0.425 | 0.381 | 0.372 | 1.000 | | |
| V16 | 0.335 | 0.522 | 0.522 | 0.450 | 0.367 | 0.356 | 0.388 | 0.452 | 0.514 | 0.578 | 0.358 | 0.413 | 0.383 | 0.419 | 0.775 | 1.000 | |
| V17 | 0.463 | 0.551 | 0.564 | 0.530 | 0.292 | 0.255 | 0.323 | 0.547 | 0.523 | 0.547 | 0.595 | 0.367 | 0.419 | 0.416 | 0.342 | 0.702 | 0.663 |
| Mean | 4.60 | 4.18 | 4.33 | 4.46 | 3.53 | 3.65 | 3.59 | 4.04 | 4.07 | 4.01 | 4.08 | 4.09 | 4.26 | 3.56 | 3.55 | 3.47 | 4.00 |
| SD | 0.650 | 1.001 | 0.863 | 0.786 | 0.910 | 0.904 | 0.901 | 0.864 | 0.821 | 0.919 | 0.678 | 0.659 | 0.623 | 0.852 | 1.180 | 1.201 | 0.953 |

**Table II.** Correlation matrix and descriptive statistics for the manifest variables in the model

However, support is not found for the H1 (brand awareness − perceived quality, standardized path coefficient=−0.08, non-significant), nor for the H8 (brand personality − brand loyalty, standardized path coefficient=0.05, non-significant).

Table IV shows the total effects and the indirect effects of the variables in the structural model. It can be seen that the total effects of all the variables in the model are positive and statistically significant at p < 0.01 (Table IV). The indirect effects of brand awareness on perceived quality, perceived value and brand loyalty are all positive and statistically significant at p < 0.01; and the indirect effect of brand personality on brand loyalty is positive and statistically significant at p < 0.01 (Table IV).

| Indicator variables and their underlying factors | Standardized factor loading | t-value | $R^2$ | Composite reliability | AVE |
|---|---|---|---|---|---|
| Brand awareness (Cronbach's $\alpha = 0.86$) | | | | 0.87 | 0.62 |
| V1 – I am aware of X | 0.70 | 15.75 | 0.49 | | |
| V2 – When I think of fast fashion, X is one of the brands that comes to mind | 0.80 | 19.15 | 0.65 | | |
| V3 – X is a brand of fast fashion I am very familiar with | 0.88 | 21.99 | 0.78 | | |
| V4 – I know what X looks like | 0.76 | 17.61 | 0.57 | | |
| Perceived quality (Cronbach's $\alpha = 0.89$) | | | | 0.89 | 0.74 |
| V5 – X offers very good quality products | 0.88 | 21.77 | 0.77 | | |
| V6 – X offers products of consistent quality | 0.82 | 19.80 | 0.68 | | |
| V7 – X offers very reliable products | 0.87 | 21.54 | 0.76 | | |
| Perceived value (Cronbach's $\alpha = 0.88$) | | | | 0.88 | 0.72 |
| V8 – X is good value for money | 0.82 | 19.64 | 0.67 | | |
| V9 – all things considered (price, time, and effort), X is a good buy | 0.86 | 21.06 | 0.73 | | |
| V10 – considering what I pay for X, I feel I get my money's worth | 0.86 | 21.36 | 0.75 | | |
| Brand personality (Cronbach's $\alpha = 0.80$) | | | | 0.81 | 0.52 |
| V11 – excitement | 0.70 | 15.27 | 0.49 | | |
| V12 – attractiveness | 0.80 | 18.23 | 0.64 | | |
| V13 – up-to-dateness | 0.75 | 16.65 | 0.56 | | |
| V14 – sophistication | 0.63 | 13.43 | 0.40 | | |
| Brand loyalty (Cronbach's $\alpha = 0.88$) | | | | 0.89 | 0.72 |
| V15 – I consider myself to be loyal to X | 0.88 | 22.31 | 0.78 | | |
| V16 – X would be my first choice when considering fast fashion | 0.85 | 21.02 | 0.72 | | |
| V17 – I intend to keep purchasing X | 0.81 | 19.55 | 0.66 | | |

| Fit indices | Value | Recommended value |
|---|---|---|
| $\chi^2/df$ | 2.85 | $\leqslant 3.0$ |
| Root Mean Squared Error of Approximation (RMSEA) | 0.066 | $\leqslant 0.10$ |
| Normed Fit Index (NFI) | 0.97 | $\geqslant 0.90$ |
| Non-Normed Fit Index (NNFI) | 0.98 | $\geqslant 0.90$ |
| Comparative Fit Index (CFI) | 0.98 | $\geqslant 0.90$ |
| Goodness of Fit Index (GFI) | 0.92 | $\geqslant 0.90$ |

**Table III.** Confirmatory factor analysis results of the measurement model

**Notes:** valid $n = 419$. X means the specific fast fashion brand. AVE, average variance extracted. All $t$-values are statistically significant at $p < 0.05$

## Discussion

### *The effect of brand awareness on brand personality and perceived value*

The significant and positive direct relationships between brand awareness and brand personality and between brand awareness and perceived value empirically validate the assertions made by previous research that brand awareness influences consumer's brand perceptions and brand choice (Aaker, 1991; Keller, 1993). Brand awareness can improve consumer perceptions about brand attributes and this construct is related to the strength of a brand's presence in consumers' minds. Brand personality, which is defined as the personality traits used to characterize a person and associated with a brand and is composed of four components excitement, attractiveness, up-to-dateness, and sophistication in the present study, could be strongly influenced by brand awareness. Perceived value includes consumer's perception about whether they get their money's worth. Brand awareness helps consumers assess the overall utility of the brand based on perceptions of what is received and what is given relative to other brands. Consumer with higher level of brand awareness tends to hold favorable, strong, and unique brand associations in

memory (Keller, 1993; Aaker, 1996b). Therefore, brand personality and perceived value, the two main components of brand associations, could be influenced by brand awareness.

| Factors | Standardized total effect | t-value | Significance test ($p < 0.05$) | |
|---|---|---|---|---|
| *Total effects* | | | | |
| Brand awareness – perceived quality | 0.21 | 3.88 | Yes | |
| Brand awareness – brand personality | 0.59 | 9.00 | Yes | |
| Brand awareness – perceived value | 0.59 | 10.04 | Yes | |
| Brand awareness – brand loyalty | 0.74 | 12.63 | Yes | |
| Brand personality – perceived quality | 0.50 | 6.59 | Yes | |
| Brand personality – perceived value | 0.45 | 6.80 | Yes | |
| Brand personality – brand loyalty | 0.32 | 5.63 | Yes | |
| Perceived quality – brand loyalty | 0.19 | 4.54 | Yes | |
| Perceived value – brand loyalty | 0.39 | 6.91 | Yes | |
| *Indirect effects* | | | | **Table IV.** |
| Brand awareness – perceived quality | 0.30 | 5.72 | Yes | Total effects and |
| Brand awareness – perceived value | 0.26 | 6.00 | Yes | indirect effects of the |
| Brand awareness – brand loyalty | 0.30 | 7.08 | Yes | variables in the |
| Brand personality – brand loyalty | 0.27 | 5.85 | Yes | structural model |

### *The effects of brand personality on perceived quality and perceived value*
The significant and positive direct linkages between brand personality and perceived quality and between brand personality and perceived value found in this study empirically validate the assertions made by Biel (1993) that brand personality is a central driving force of a consumer's positive attitude toward and preference for a brand. Perceived quality and perceived value are consumers' subjective evaluations which depend on their perceptions. Brand personality influences consumers' perceptual processing of product information and may create a basis for differentiation, which impacts what customers think and feel about brands particularly with regards to perceived quality and perceived value, and further impacts what customers do (Freling and Forbes, 2005). From a consumer's point of view, fast fashion brands provide young consumers self-expressive or symbolic benefits. The personality of fast fashion brands (excitement, attractiveness, up-to-dateness, and sophistication) helps create and build meaningful consumer-brand relationships, and further influences consumers' positive attitude toward perceived quality and perceived value.

### *The effects of brand awareness, perceived quality, and perceived value on brand loyalty*
The significant and positive direct relationships between brand awareness and brand loyalty, between perceived quality and brand loyalty, and between perceived value and brand loyalty indicate that when consumers are familiar with a brand, or perceive a brand as having satisfactory quality, or as a high value, they are more likely to develop brand loyalty toward that brand. These results are in line with previous studies. Brand awareness is related to the strength of a brand's presence in consumers' minds; therefore brand awareness helps strengthen connections between a product and its consumers. The strength of a fast fashion brand's presence in consumers' minds plays an important role in consumer brand choice.

The impacts of perceived quality and perceived value on brand loyalty support the notion that perceived quality and perceived value are core/primary facets of brand equity and they directly affect a consumer's differential response to a brand (Netemeyer et al., 2004). Roy and Chau

(2011) show that consumers' perception of quality is associated with their brand loyalty. Chang (2014) indicates the strong and positive relationship between quality perception and brand loyalty. Netemeyer et al. (2004) point out that when consumers compare a brand to other brands, they will consider time, price and effort in their evaluation of whether the brand is a good buy or worth the money's worth; and the good value of a brand leads to consumer loyalty toward the brand. To young consumers, fast fashion brands not only provide fashionable clothes, but also are considered having acceptable quality and good value, which particularly satisfies college students' lifestyle and financial status.

### *The effect of brand personality on brand loyalty*
The hypothesized relationship stated in H8 − brand personality has a significant positive direct effect on brand loyalty, was not supported in this study. This result was surprising. However, one interesting thing should be noticed from the analysis of the total and indirect effects of brand personality on brand loyalty. Although the direct effect of brand personality on brand loyalty (Figure 1) is not significant (standardized direct effect=0.05; t=0.88; non-significant), the total effect (standardized total effect=0.32; t=5.63; $p < 0.01$) and the indirect effect of brand personality on brand loyalty (standardized indirect effect=0.27; t=5.85; $p < 0.01$) are both statistically significant (Table IV). Thus, it is reasonable to conclude that the effect of brand personality on brand loyalty is conducted by means of other variables such as perceived quality and perceived value. Brand personality affects brand loyalty indirectly through perceived quality and perceived value.

### *The effect of brand awareness on perceived quality*
Contrary to our prediction, the study shows that the direct effect of brand awareness on perceived quality is not significant (standardized direct effect=−0.08; t=−1.20; non-significant). This is an interesting finding. It may result from the context of the study − fast fashion brands. Compared to other apparel brands, perceived quality of fast fashion brands may not be positively influenced by brand awareness. Having a brand name alone is not a guarantee of a positive perception of quality, but instead the fast fashion brand name could lead to negative consumer's response. Interestingly, it needs to point out that although the direct effect of brand awareness on perceived quality is not significant, the total effect (standardized total effect=0.21; t=3.88; $p < 0.01$) and the indirect effect (standardized indirect effect=0.30; t=5.72; $p < 0.01$) of brand awareness on perceived quality (Table IV) are both positive and statistically significant. This may suggest that on one hand awareness of fast fashion brands may not directly impact consumer's perception of quality, but on the other hand, brand awareness can indirectly impact consumer's perception of quality through affecting brand personality and this indirect impact could be positive and strong. This further validates previous studies' suggestions that brand awareness impacts other dimensions of brand equity and brand personality should be incorporated into brand equity as an influential dimension (Yoo and Donthu, 2001; Buil et al., 2008).

### Conclusions

This research improves our understanding about CBBE in several ways. First, this research specifically examines CBBE in the fast fashion context, considering the fact that fast fashion retailers have seen an explosive expansion during the last decade. By applying the conceptual model in the fast fashion industry and surveying young consumers about their perceptions of fast

fashion brands, the study enriches fast fashion literature. Second, building on the suggestions proposed by previous research, this study integrates brand personality and perceived value as two separate constructs in the brand equity model due to their importance in brand equity conceptualization and their relevance in the fast fashion context. Moreover, the study develops fast fashion brand personality scale and includes the four measures of fast fashion brand personality construct (excitement, attractiveness, up-to-dateness, and sophistication) in the conceptual model. Third, this study unifies and complements previous studies that have examined CBBE and adds value to marketing and brand management literature. The study empirically investigates the inter-related relations among the various dimensions of CBBE using structural equation modeling approach. By collecting data from 419 actual consumers, the findings of this study empirically validate previous scholars' suggestions that there may exist associative relationships among the various dimensions of CBBE. Brand awareness impacts brand loyalty directly. However, when considering other dimensions of brand equity, brand awareness precedes brand personality, perceived quality, and perceived value which precede brand loyalty. Brand awareness impacts perceived quality and perceived value indirectly through affecting brand personality. Brand awareness impacts brand loyalty both directly and indirectly through brand personality, perceived quality, and perceived value.

Several managerial implications arise from the results. First, this study strengthens the significance of brand awareness in the fast fashion market. Fashion marketers should first build brand awareness as a means of anchoring the different associations consumers have of a brand (Buil et al., 2013). As indicated by the study results, brand awareness not only strongly and directly impacts brand personality, perceived value and brand loyalty, and it also indirectly impacts perceived quality and perceived value through brand personality. In order to make one's brand outstanding among competition, fashion marketers should concentrate on brand management and niche strategies to improve brand awareness by strengthening connections between their product and its consumers. Second, the positive and direct impacts of perceived quality and perceived value on brand loyalty confirm that consumer's perceptions of brand/product quality and value are the core factors generating greater loyalty. Fast fashion marketing and brand managers need to emphasize brand/product quality and value programs in the creation of consumer's brand loyalty toward fast fashion brands. Finally, the positive and significant effects of brand personality on perceived quality and perceived value provide a solid ground for the managerial implication that brand personality is a viable prerequisite for effective brand management and favorable consumer behaviors. Since brand personality appears to be less imitable than other product attributes, it may yield a more sustainable competitive advantage (Phau and Lau, 2001; Ang and Lim, 2006). Brand personality is a contemporary tool for marketing strategists to use to build and enhance brand equity (Phau and Lau, 2001). In the increasingly competitive and complex global apparel business environment, fast fashion brand personality, described as characteristics including excitement, attractiveness, up-to-dateness, and sophistication, offers an effective way to achieve product differentiation and has a strategic role in brand positioning for the fashion companies.

## Limitations

This research has several limitations, which represent areas for future research. First, the study was carried out on a convenience sample of college students at a large northeastern university in

the USA. We are aware of the limitation of a relatively biased ratio of genders among the respondents. Second, we acknowledge the limitation that the present study is based on the participants' responses to a few specific fast fashion brands, which may restrict the generalizability of the study. It would therefore be of interest to extend the research to other types of brands and product categories. Third, the study was conducted in the USA; therefore future study is needed for investigating the relationships in the model from international consumers. Lastly, future research should further investigate the non-supported relationships in the current study.

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