

Finding greener grass on the other side of hill

Examining donor perceived brand equity in a moderating role of brand credibility

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Abstract

Purpose – The research concerning brand credibility of charity brands is scantily examined. The purpose of this paper is to examine the moderating role of brand credibility within the customer-based brand equity model to investigate donor perceived brand equity of charity brands.

Design/methodology/approach – In a cross-sectional research design, a survey-based research strategy is followed to collect data from 448 active Muslim donors in Pakistan. The collected data are analysed by employing confirmatory factor analysis based on Smart PLS 2.0.

Findings – The results indicate that donor perceived brand association, brand awareness and brand loyalty strongly relate to perceived brand equity of charity brands. The brand credibility moderates the relationship between perceived quality, equity and brand loyalty, and equity paths.

Practical implications – The charity brands need to focus on building a strong brand image and reputation to uplift brand credibility which can be achieved by offering training programmes addressing various social causes such as HIV and Cancer prevention.

Originality/value – The proposed moderating effects of brand credibility and its application to charity brands operating in an Asian Muslim country context are unique products of this study.

Keywords Pakistan, Brand credibility, Charity brands, Customer-based brand equity (CBBE)

Paper type Research paper

Introduction

The growth of charity brands is threatened by strict governmental regulations and weaker customer-brand relationships (Kashif *et al.*, 2015). The limited funds offered by governments to run charitable organisations also make it necessary to efficiently utilise all available resources to achieve their objectives (i.e. excellent brand management efforts can ensure this efficiency) (Faulkner *et al.*, 2014). It is also notable that donors are not emotionally associated with charity brands that can adversely affect brand loyalty patterns (Sargeant *et al.*, 2008). In this regard, a positive relationship between brand loyalty and consumers' brand associations (mainly based on trust) is pivotal to strengthen brand resonance (Keller, 2016; Saleem *et al.*, 2017). This is achieved by building stronger brands which are preferred by customers and also by establishing brands with a stronger share of heart (i.e. the products and services consumers are willing to buy) among target market(s) (Nowak *et al.*, 2006). However, in this regard, the marketers must understand customers' mind-set – the driving force which may trigger positive outcomes for customers and brands

