

THESIS

IMPACT OF BRAND VALUE CO-CREATION ON BRAND
PERFORMANCE IN SRI LANKAN LIFE INSURANCE
INDUSTRY; MEDIATING ROLE OF BRAND PERCEPTION AND
MODERATING EFFECT OF SERVICE CLIMATE

Submitted By

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Abstract

This article provides an extensive analysis of the relationship between brand performance, service environment, brand equity co-creation and brand awareness about the life insurance industry in Sri Lanka. This study uses a rigorous methodological approach and carefully examines a selected sample of 313 sales employees using stratified random sampling. Process macros were used for mediation and moderation analyses, descriptive statistics were generated using SPSS, and structural equation modelling was performed using SmartPLS. Contrary to established hypotheses, our study shows that brand awareness acts as a mediator and clarifies the complex and indirect nature of the relationship between brand value co-creation and brand performance. The lack of a direct correlation between brand performance and brand awareness is surprising. However, it is necessary to recognise the need to mitigate the unintended consequences of the service environment. Despite the unexpected negative beta, the service environment acts as a catalyst and strengthens the relationship between brand value co-creation and brand performance. Given the substantial empirical evidence, we strongly encourage experts to recognise the important role of brand awareness as a mediating variable. This highlights that promoting positive brand perception among consumers is of paramount importance. Additionally, organisations are encouraged to improve and expand their service environment. Despite the apparent contradiction, this is an important means of enhancing the positive impact of brand value co-creation on performance. Additionally, this study integrates critical map analysis and multigroup analysis, thereby enhancing construct research. The results of this analysis reveal the underlying structure and show no differences across service environments. This unique perspective provides a deeper understanding of the complex dynamics that exist in the Sri Lankan life insurance industry. This study represents a significant addition to established theoretical frameworks of brand management based on local context. While the results of this study provide insight into current dynamics, more research is needed to understand the complexities impacting the service environment fully. In addition, it would be desirable for future research efforts to conduct intensive investigations into specific aspects of brand awareness that mediate the relationship between brand value co-creation and brand performance in complex ways.

Keywords: Brand perception, Brand performance, Brand Value co-creation, Life insurance sector, Service climate