Impact of Brand Equity towards Purchase Intention of the Mobile Telecommunication Sector in Sri Lanka

Wickramasinghe H. K. S. D.*

*Faculty of Management and Finance, University of Ruhuna, Sri Lanka

ABSTRACT

The Sri Lankan mobile telecommunication market has experienced a strong growth over the last few years. The increasing competition and number of identical products in the market pressure businesses to compete and stand out. Moreover, the number portability facility eventually allows users to switch among services with a minimal switching cost, and it hugely impacts consumer purchase intention and retention. Thus, companies must focus on their brand equity more than ever to retain customers and differentiate themselves from competitors to obtain a competitive edge. However, they attempt to capture the market with massive advertising, but this, according to the study, is not the best strategy to establish a positive reputation among the target population. Therefore, this study contributes to the existing body of knowledge by investigating the impact of brand equity on consumer purchase intention in the mobile telecommunication industry by analysing data from 199 respondents gathered through a structured questionnaire. Structural equation modeling was used to investigate the hypothesis between brand equity and consumer purchase intention. Results showed that brand association, brand loyalty, and perceived quality significantly impact consumer purchase intention of mobile connections, whereas brand awareness is non-significant in consumer purchase intention. The study findings support the hypotheses, and some managerial implications for corporates were also discussed.

Keywords: Brand equity, Mobile telecommunication, Purchase intention

11th ICME at University of Ruhuna, Sri Lanka. ISBN: 978-624-5553-28-0

^{*}Corresponding author: divyasw1016@gmail.com