The Impacts of Brand Awareness and Image on the Decision-Making of the Children's English School

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Abstract

More and more children learn English in Taiwan. The market of the children's English school is growing in recent years. However, the study of the *decision making of the children's English school* is still rare. *The purpose of the study is to investigate the* parents' *decision making on the children's English school. The authers study the relationship between brand awareness, brand image, perceived value, customer satisfaction and behavioral intentions in the children's English school. The samples are 218 parents whose children study in the English school. The questionnaire survey results show that:* first, *brand awareness of English school* positively impacts on *brand image of English school.* Second, *brand image of English school* positively impacts on *perceived value of English school.* Third, *perceived value of English school* positively impacts on *customer satisfaction.* Fourth, customer satisfaction of English school positively impacts on parents' *loyalty of English school. The results show that the antecedent variables, including of brand awareness, brand image, perceived value and customer satisfaction,* positively impact on parents' *loyalty in the children's English school.*

Keyword: *Brand Awareness, Brand Image, Perceived value, Satisfacation, Loyalty*

Introduction

In many Asia countries, more and more parents send their children to English school to learn English. Many Asia parents believe that learning English is an important thing and English skills can improve their childrens ' learning and jobs opportunities in the future. In Taiwan, children attend many English class after school. In search of high quality educational options, parents are active for their children's public elementary schools. (Billingham & Kimelberg, 2013). In order to attract and retain families, downtown schools are re-branded and promoted to middle and upper class parents (Cucchiara, 2008). Many parent pay attention to search and select an English school for their children. The English school market is growing in recent years in Taiwan. It is important to know the parents' decision making of their children's English school.

It is an important issue to know How to improve the parents loyalty in the English school market. He, Li & Harris (2012) confirm that brand identity and brand identification have direct and indirect influences on brand loyalty. However, Brodie, Whittome & Brush (2009) suggest that Service brand does not have a direct influence on customer loyalty but rather its influence is mediated through customer value. Many marketing literature pays attention to the impacts of customer value on customer behavior and firm performance (Ruiz, Gremler, Washburn & Carrion, 2008).

There is limited research about service brand, and more qualitative research than quantitative(Brodie, Whittome & Brush, 2009). Although a lots of marketing researches study the issue of customer loyalty, the research about the children English school is still rare. The managers of children English school still unknown about parents' decision-making.

The main purpose of this study is to investigate the factors impact on parents' decision-making in the children English school. The study help the children English school to know the parents' decision-making.

Brand awareness, brand image and perceived value

Brand is one of the valuable intangible assets for firms (Keller & Lehmann, 2006) Aaker (1996) measure the strength of a brand and classify brand equity into five categories: loyalty, perceived quality, associations, awareness, and market behavior. Brand awareness and brand image are two important assets for enterprise. Brand knowledge compose brand awareness and brand image (Keller, 1993). Keller (1993) proposed that brand awareness can increases consumers' brand familiarity.Lassar, Mittal and Sharma (1995) develope five dimensions to measure customer-based brand equity, including of performance, value, social image, trustworthiness and commitment, and suggest that brand is important to service firms.

Hyun & Kim (2011) develop four dimensions of restaurants' brand equity: brand awareness, brand image, perceived quality and brand loyalty, then suggest that the foundation of brand equity is brand awareness. Brand awareness influences brand loyalty and its impact is mediated by brand image and perceived quality (Hyun & Kim, 2011). Tsai, Cheung & Lo(2010) indicated that better performing casino were associated with greater customer-based brand equity, including of brand loyalty, brand image and brand awareness. Brodie, Whittome and Brush (2009) indicated that all aspects of the brand influence on customers' perceived value directly, and brand does not have a direct impact on customer loyalty but mediated through customer perceived value. The results show that service brand impacts on customer perceived value directly but impacts on customer loyalty indirectly

He, Li & Harris (2012) integrates brand identity and identification with value, trust and satisfaction to predict brand loyalty and results confirms that both brand identity and brand identification influnce on antecedents of brand loyalty (i.e. perceived value, satisfaction, and trust). The studies show that service brand improve consumers' perceptions, Therefore, the researchers propose the hypotheses:

Hypothesis 1: Brand awareness positively influences on brand image in the children English school.

Hypothesis 2: Brand image positively influences on perceived value in the children English school.

The relationship between perceived value, satisfaction and loyalty

Companies should focus on satisfaction and customer perceived value (Yang & Peterson, 2004). The study results of golf travelers' find that both value and satisfaction had significant influences on revisit intention and word-of-mouth, and value influences on satisfaction (Hutchinson, Lai & Wang, 2009). The study results for air passengers show that perceived value impacts on satisfaction positively, then perceived value and satisfaction impact on behavioral intentions(Chen, 2008). However, the study results of Chen &. Tsai (2008) reveal that only the effect of perceived value, but not satisfaction, on loyalty is supported.

Most researchers suggest that the chain relationship of perceived value-satisfaction- loyalty. Choi, Cho, Lee, Lee & Kim (2004) showed that service quality and value have impacts on behavioral intention. The study revealed that perceived equity and perceived value of the loyalty program influence satisfaction and trust. (Omar, Alam, Aziz & Nazri, 2011). Chen & Chen (2010) reveal the effects of the experience quality on perceived value and satisfaction,

and suggest that the chain relationship of experience quality-perceived value-satisfaction-behavioral intentions. In the service firms, service quality, service value and satisfaction all directly influence on consumer's' behavioral intentions (Cronin, Brady and Hult, 2000). The results suggest that the chain ralationship of perceived value- satisfaction- loyalty in the service industries. Therefore, the study proposes the hypotheses:

Hypothesis 3: Perceived value positively influences on parent's satisfaction in the children English school.

Hypothesis 4: Parent's satisfaction positively influences on parent's loyalty in the children English school.

Research method

Sample

The samples are the parents who's children are learning in the English schools. By permission of the English schools' managers, the researches distributed a self-report questionnaire to the parents of four well-known chain English schools. in Taiwan. The researches adopted the convenient sampling method to collect the sample data. The data collection period was 2012. Out of the 250 questionnaires distributed to the four English schools, 220 responses were collected. After eliminating those with missing data, 218 effective samples remained. Parents were asked to answer the questions of their experiences with their children's English schools.

Measurements

The measurements in the study are modified from the existing literature. All measurement items are used 7-point Likert scale from 1(=strongly disagree) to 7(=strongly agree). Brand awareness are measured with 4 items employed by Hyun & Kim(2011) and Yoo and Donthu (2001) The definition of brand awareness is parents could recall and recognize their children' English schools brand. Brand image are measured with 10 items developed by Kim & Kim (2005) and Hyun & Kim(2011). The definition of brand image is parents' image evaluation of their children's English schools brand. Perceived value are measured with 4 items employed by Yang & Peterson(2004). The definition of perceived value is parents compare to their children English schools' price and services. Satisfaction is measured with 6 items employed by Ruiz et al. (2008). The definition of satisfaction is parents' overall evaluation to their childrens' English schools. Loyalty are measured with 5 items employed by Hyun & Kim(2011) and the definition of loyalty is parents' behavioral intentetions to their children' English schools, including of recommend to other people and not switch to other English school.

Research results

Descriptive statistics

The sample data and correlation matrixes are showed in table 3.1 and table 3.2.

Table 3.1 Sample Data (N = 218)

Items	Frequency	%
Sex		
Male	91	41.7
Female	127	58.3
Age		

Under 30	11	5.1
31~35	38	17.4
36~40	80	36.7
41~50	81	37.2
51 above	8	3.7
Education		
High school and Under	31	14.2
College	76	34.9
University	77	35.3
Masters or above	34	15.6
Occupation		
Government and school	28	12.8
Servvices	56	25.7
Manufacturing	62	28.4
Others	72	33.0

Table 3.2 Correlation Matrixes

	Brand Awareness	Brand Image	Perceived Value	Satisfaction	Loyalty
Brand Awareness	(.89)				
Brand Image	.30***	(.92)			
Perceived Value	.29***	.41***	(.89)		
Satisfaction	.31***	.45***	.54***	(.96)	
Loyalty	.29***	.41***	.50***	.61***	(.95)
Mean	5.64	5.47	5.17	5.40	5.21

***p <.001, numbers in parentheses are Cronbach's α.

Reliability and validity

The study use Cronbach's α value to evaluate the reliabilities of measurements. The Cronbach's α of brand awareness is .89. The Cronbach's α of brand image is .92. The Cronbach's α of perceived value is .89. The Cronbach's α of satisfaction is .96. The Cronbach's α of loyalty is .95. All Cronbach's α of measurements are higher than 0.7 suggested by Nunnally (1978) and showed the internal consistency for each measurement are good. The researchers use confirmatory Factors Analysis (CFA) to test the validity of measurements. For convergent validity, the composite reliabilities (CR) of each variable are all higher than 0.7 and the average variance extracted (AVE) are higher than 0.5, showing that the convergent validity is good (Fornell and Larcker, 1981). The correlation between any two variables are lower than Cronbach's α of the variables (Table 3.1), indicating that the discriminant validity are good (Gaski and Nevin 1985).

Structural model analysis

The researches use Structural equation modeling (SEM) to test the relationship among brand awareness, brand image, perceived value, satisfaction and loyalty in the children's English school. The researchers assessed the model fit suggested by Bagozzi and Yi (1988). The factor loadings of the five constructs are all higher than 0.5 and the indexes for the structural model fit are: χ^2/ *d.f.* = 1.50, CFI (Comparable Fit Index) = 0.97, GFI (Goodness-of-

Fit) = 0.86, AGFI (Adjusted Goodness-of-Fit Index) = 0.83, RMR (Root mean square residual) = 0.04, and RMSEA (Root Mean Square Error of Approximation) = 0.05. The model fit indexes of the structural model indicated that the model fit is acceptable.

Table 3.3 shows the test results of the hypothesis, including of standardized path coefficient and *t*-values. All hypotheses were supported. The results show that the effect of brand awareness on brand image is significant (path coefficients is .77, *p*<.001). the hypotheses 1 of the study is supported. The result show the positive relationship between brand awareness and brand image. The higher of the English school's brand awareness of the parents, the higher of the English school's brand image of the parents. Then, the results show that the effect of brand image on perceived value is significant (path coefficients is .89, *p*<.001). The hypotheses 2 of the study is supported. The result show the positive relationship between brand image and perceived value. The higher of the English school's brand image, the parents perceived English school's value is higher.

The empirical test shows that the effect of perceived value on satisfaction is significant and the path coefficients is .95(*p*<.001). Besides, the effect of satisfaction on loyalty is significant and the path coefficients is .85(*p*<.001). The hypotheses 3 and 4 of the study are supported.The results show that the parents perceived English school's value is higher, the parents' satisfaction of the English school's is higher. Besides, parents' satisfaction of the English school's is higher, the loyalty to English school's is higher.

Table 3.3 Hypothesis tests

Hypotheses			Path Coefficient	*p*	Results
H1	Brand Awareness	→ Brand Image	.77***	.000	Supported
H2	Brand Image	→ Perceived Value	.89***	.000	Supported
H3	Perceived Value	→ Satisfaction	.95***	.000	Supported
H4	Satisfaction	→ Loyalty	.85***	.000	Supported

*** *p* <.001

Conclusion

Discussions

More and more parents send their children to learn English after school in Taiwan. The children's English school market is increasing in recent years. The researches study the chain relationship between brand awereness, brand image, perceived value, satisfaction and loyalty in the children's English school. The results could help the managers of English school to know how to improve the parents loyalty. The results are as following: First, the study confirms that brand awareness positively impacts on brand image in the children English school. The result show that brand awareness is an important antecedent variable of brand image. From the view of managers, brand awareness could improve the brand image of children English school. The managers of children English school need to increase brand awareness, i.e. recall, memory and recognition of parents', then the brand image of children English school would be improved. The result support that brand awareness could increases consumers' brand familiarity(Keller, 1993).

Second, the study confirms that brand image significantly influence on perceived value of the childrens' English school. The result support the finding of He, Li & Harris (2012) and suggest that brand identity and identification influnce on perceived value. The results show

tha brand image plays a mediating role between brand awareness and parents perceived value in the Childrens' English school. The managers should improve the positive image of the childrens' English school, such as creating an cheerful and appealing atmosphere, providing more exciting events, and more comfortable environment. The susults confirm that brand is an important factor to service firms (Lassar, Mittal and Sharma, 1995), Besides, the result support that brand influence on customers' perceived value directly but influence on customer loyalty indirectly, mediated through customer perceived value(Brodie, Whittome and Brush, 2009).

Third, the study confirms that parents' perceived value influence on parents' satisfaction, then parents' satisfaction influence on parents' behavious intentions positively in the childrens' English school. Satisfaction and customer perceived value are two important factors for companies(Yang & Peterson, 2004). The result support the chain ralationship of value- satisfaction- loyalty in the service enviorments. Parents' satisfaction plays a mediating role between perceived value and behavioral intentions in the Childrens' English school. The results supprot the findings of literatures(Chen, 2008; Chen & Chen ; 2010; Hutchinson, Lai & Wang, 2009). Childrens' English school should offer attractive service an charge fairly to increase the degree of parents' satisfaction. And the satisfied parents' would show more positive behavior intentions, such as word-of-mouth and revisit intention.

How to improve the parents' positive behavioral intentions in the childrens' English school? The study confirms that brand awareness, brand image, parents' perceived valus and parents' satisfaction are four important antencedent variables of behavioral intentions. The managers of Childrens' English school should focus on these factors to manage the brand relationship with parents.

Limitations and future research

The authers discuss researchers limitations and future directions as following: First, English is second language in Taiwan and the survey samples are parents in Taiwan and, therefore, the research results may be different across different countries and cultures. Future researches could apply the model to different countries. Second, The model only test the chain relationship of brand awareness, brand image, perceived value, satisfaction and loyalty. The research do not study the complicated relationship between the variables and the effects of other antencedents. Future researches could study the relationship among variables deeply or apply other antencedent factors to test, i.e. parents' personalities, income and motivation. Third, the study adopt a cross-sectional method and the results may be biased. The future researches may adopt othet methods to aquire more information, such as longitudinal, interview or observation method.

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