



INTERACTIONS BETWEEN BRAND CONCEPT MARKETING AND PURCHASE INTENTION VIA WORD-OF-MOUTH: A CASE STUDY OF LUXURY BRANDED GOODS

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ABSTRACT

Purpose- The main purpose of this study is to investigate the interactions and interrelationships between brand concept marketing and purchase intention through word-of-mouth (WOM) for luxury branded goods.

Methodology- The research process is as follows. First, the literature review is conducted in the headings of brand concept marketing, WOM and purchase intention. Then, the interview questionnaire, participant information and findings of the questionnaire were presented in the study. Finally, the empirical results and suggestions of customers, firms and marketers are discussed in the last part of the study.

Findings- The empirical results show that WOM is an important intermediary between brand concept marketing and purchase intention. The effectiveness of brand concept marketing can be used as an advertising medium. Specifically, it has been found that the factors of brand concept marketing have a positive impact on the elements of WOM and purchase intention.

Conclusion- The main conclusion indicate that firms/marketers need to more actively engage in doing and applying WOM to influence on customers' purchase intention.

Keywords: Brand concept marketing, word-of-mouth (WOM), purchase intention, luxury branded goods.

JEL Codes: M30, M31, M37, L81

1. INTRODUCTION

In the past, people think only a few people are affordable for luxury branded goods. People also think that luxury branded goods is a symbol of vanity. However, the consumer behavior has changed, more and more people would like to spend their income on luxury branded goods as the luxury products can represent their social status, so even middle-class people begin to consume luxury brand products. Recently, as the average income has increased and the type of consumption has changed, more and more people are willing to pay for luxury branded goods. This situation exists not only in Taiwan but also in the world, including the United States, Europe, Japan, the United Kingdom and China.

As more and more people use luxury brands, international luxury branded goods are introduced into every country, and sales are rising year by year. This means that luxury branded goods are no longer luxury goods, and luxury branded goods have become an indispensable product in our daily lives. This change has also led to a shift in buying attitudes. As people's values of luxury branded goods have changed, marketing methods also need to change with people's minds. At present, the Internet has become a popular way to promote its products, so many companies have set up Internet stores or official Internet sites for consumers. Due to the widespread use of the Internet, customers can exchange ideas or share their experiences on Internet forums, bulletin board systems (BBS) and Internet sites. The impact of the forum and BBS was very strong, and even the newspapers began to adopt BBS

comments. In order to maintain their brand image and implement their comments on the Internet, some companies even require marketers to monitor Internet sites. Today, people make purchase decisions that depend not only on advertising, but also on word-of-mouth (WOM). Especially for luxury branded goods, such expensive goods, people usually consider this decision many times before purchasing a product. Therefore, when making purchasing decisions, WOM becomes an important factor for customers.

This study will discuss the relationships between brand concept marketing and purchase intention via WOM. Basically, the first goal of the study was to clarify and more fully understand brand concept marketing. The second goal is to reach a consensus on the previous WOM literature. The third goal is to evaluate the impact of brand concept marketing on consumers purchase intention through WOM. Then, the ultimate goal of the research is to use empirical results to provide practical advice to marketing practitioners who want to use brand concept marketing and WOM as an advertising tool or even to implement their marketing strategy.

The remaining of the paper is organized as follows. Section 2 reviews the main literature. Section 3 develops the research framework and research hypothesis. Section 4 discusses the empirical results and analysis. Section 5 presents the concluding remarks.

2. LITERATURE REVIEW

In this section, in order to achieve our motivations and purpose of study, we try to investigate the interrelationships between brand concept marketing and purchase intention via word-of-mouth (WOM). To effectively propose our research hypothesis and construct our theoretical framework, the related literature will be discussed here.

2.1 Brand Concept Marketing

The brand concept marketing means the marketing strategy that adopts the six-brand concept, attitude, benefit, culture, value, personality and user, which were proposed by Kotler (1994). Communicating a brand image to a target segment has long been regarded as an important marketing activity (Bastos and Levy, 2012). A well-communicated image should help establish a brand's position, isolate the brand from competition (Pawar, 2015), and therefore enhance the brand's market performance (Ehrenberg, Uncles and Goodhardt, 2004). A brand image has both direct effect on sales and a moderating effect on the relationship between product life cycle strategies and sales, (Park, Jaworski and MacInnis, 1986; Sondoh Jr, Omar, Wahid, Ismail and Harun, 2007 and Chen, Huang, Wang and Chen, 2018).

A brand image is not simply a perceptual phenomenon affected by the firm's communication activities alone, it is also the understanding consumers derive from the total set of brand-related activities engaged in by the firm (Keller, Parameswaran and Jacob, 2011). Marketers and firms should combine brand and marketing activities tight together, therefore, the brand equity can be established. Through marketing, brand awareness, brand image and even brand loyalty can be built. Marketing via brand positioning and product, price, place and promote these 4P, marketers and firms can distinguish their products with their competitors (Saqif and Razi, 2018). Brand and marketing like the two sides to a coin, both of them are necessary, marketing process help to set-up a brand and brand decide the marketing way, therefore, the combination of brand and marketing are essential factor for a firm to do selling for present days.

Mandel, Petrova and Cialdini (2006) and Han, Nunes and Drèze (2010) found the impact of media depictions and the desire for luxury branded goods has positive relationship. The study of Müller, Flores, Agrebi and Chandon (2008) and Kim and Ko (2010) indicated that website visitors with highly involvement are more prone to purchase the brand and change their opinion concerning the brand. Most of studies (Amatulli and Guido, 2011; Hung, Huiling Chen, Peng, Hackley, Amy Tiwaskul and Chou, 2011; Liu, Burns and Hou, 2013; Allman, Fenik, Hewett and Morgan, 2016) reveal that the brand concept marketing has positive and significant relationship with purchase intention.

2.2 Word-of-Mouth

Arndt (1967) and Bansal and Voyer (2000) annotated that Word-of-mouth (WOM) is a product-related conversation. In this modern era, people often use the Internet, and WOM influences people more. As pointed out by Filieri (2015) and Liang, Choi and Joppe (2018), traditional WOM is a consumer who talks face-to-face with their friends. However, Internet WOM uses words to spread consumer opinions or experiences. WOM is a form of interpersonal communication between consumers on personal experiences or perceptions of companies or products (Laczniak, DeCarlo and Ramaswami, 2001; Rahayu, 2018). Consumers often search for product information when they are unsure, until they are satisfied with the decision (Chun, Choi and Song, 2005; Baker, Donthu and Kumar, 2016). Reza Jalilvand and Samiei, (2012) and Chu and Kim (2018) advanced that WOM marketing, which encompasses

a variety of subcategories, including buzz, blog, viral, grassroots, causing influencers and social media marketing, as well as ambassador programs, work with consumer-generated media and more, can be highly valued by product marketers. WOM communication is an important source of consumer information, it forms the basis of interpersonal influence and determines the relevance of information (Zhang, Hu, Guo and Liu, 2017).

WOM can simply be a leading indicator of product success (Godes and Ayzlin, 2004). Chevalier and Mayzlin (2006) found that WOM had a positive impact on sales. Smith, Coyle, Lightfoot and Scott (2007), Wolny and Mueller (2013), and Xiaobo (2014) show that e-WOM has an impact on e-commerce-based consumer purchase intentions, and most people are willing to share marketing information with others. In addition, this influence is provided by the basic needs of human beings, by providing advice to help, and sharing common fun when looking for valuable information. Sundaram, Mitra and Webster (1998) used critical incidental technique to derive four motivations for promoting word of mouth, including altruism, self-improvement, product involvement, and helping companies. However, the fourth motivation is actually altruistic behaviour, and the assumption is that the customer actively recommends the product. There is a possibility that customers recommend their relatives or friends because of the reward. For example, cosmetic store sometimes offers free sample after customer recommending their friends (Cheung and Thadani, 2012 and Tien, Rivas and Liao, 2018).

2.3. Purchase Intention

Purchase intention is the intent of a consumer to purchase a particular product or service. Fishbein and Azjen (1975) cite purchase intentions as the most accurate predictor of actual purchase behaviour. The purchase intention may also be a personal behavioral tendency associated with the brand (Bagozzi and Burnkrant, 1979). A concise definition of purchase intention can be described as a purchase intention intended to be a conscious plan for an individual to attempt to purchase a brand (Spears and Singh, 2004; Hung, Huling Chen, Peng, Hackley, Amy Tiwaskul and Chou, 2011). Purchase intentions are customer behaviour variables traditionally used to assess the external impact of perceived quality (Anderson and Sullivan, 1993; Matsuoka, Hallak, Murayama, and Akiike, 2017). Purchase intention can be approximated using ratings of customer satisfaction and loyalty (DiPietro and Peterson, 2017). Customer satisfaction is defined as the emotional reaction accompanied with a disconfirmation experience which acts on the base attitude level and is consumption-specificity (Oliver, 1981). According to the researches of Bolton (1998) Pérez and Rodriguez del Bosque, (2015), a customer's purchase intention is caused partly by the customer's satisfaction with prior experiences on the product or service. As a customer gains experience in dealing with the product or service, he/she will place less importance on new information.

Firms' and marketers' benefits from customer loyalty, and Tellis (1988) tested it based on experience and found that loyal customers are more likely to respond more positively to advertising, both in terms of advertising perception and follow-up behaviour. Loyal customers are better able to remember the information in the ad and are less exposed due to selective attention and perception. Customer loyalty allows companies to charge higher premiums for their products and services, ultimately affecting the firm's bottom line (Bolton, 1998; Bourne, 2016). Anderson (1998) and Baker, Donthu and Kumar (2016) further indicated that WOM is increasing in customer loyalty. Those customers who describe themselves as loyal are significantly more likely to engage in WOM.

3. RESEARCH FRAMEWORK AND HYPOTHESES

The model we studied in this research is that brand concept marketing will have a positive impact on WOM, which in turn will have a positive impact on the purchase intentions. In addition, brand concept marketing will have a positive impact on purchase intentions. Therefore, the general hypotheses can be described as:

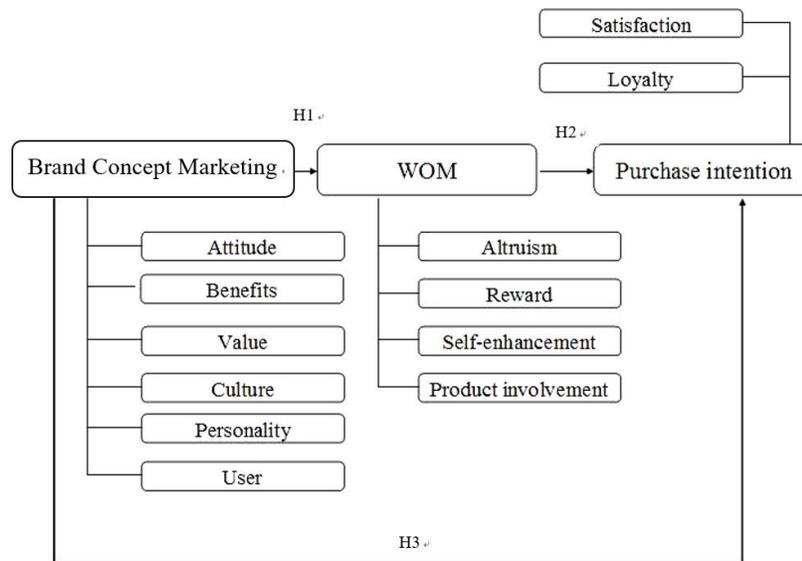
H1: Brand concept marketing will have a positive impact on WOM.

H2: WOM will have a positive impact on purchase intention.

H3: Brand concept marketing will have a positive impact on purchase intention.

The interactions between these factors will also be examined. In addition, because a causal effect has been previously found between the elements of WOM, this causal effect will also be considered in the study. These hypotheses will be stated after the factor analysis. The basic model is demonstrated here in Figure 1.

Figure 1: Influential Path and Research Hypotheses



4. METHODOLOGY

4.1. Measures and Questionnaires

According to the research framework (Figure 1), Interactions between brand concept marketing and purchase intention via WOM need to be measured to help test the hypothesis. A self-administrated questionnaire survey was conducted to collect empirical data. The questions in the questionnaire are designed based on a review of the literature in above section. The questionnaire was constructed based on the interaction and interrelationship among the three dimensions in this research and research framework. As previous reviewed on brand concept marketing, this study applied the six factors of brand concept marketing and referred to existing literatures. WOM, as mentioned earlier, has been widely researched in marketing area. Similar to WOM, purchase intention, questions were referred to the service literature. Data on respondents' perceptions of satisfaction and importance were gathered.

The questionnaire was pre-tested and revised to ensure content validity. The questionnaire consists of three parts. The first part is brand concept marketing which is consisted by six dimensions such as attitude, benefit, culture, value, personality and user. The second part is WOM; altruism, reward, self-enhancement and product-involvement. The purchase intention part is measured by two dimensions, which are satisfaction with brand concept marketing and WOM and customer loyalty to marketing and WOM. All items in these three parts are measured by a 5-point Likert-type scale from 'strongly disagree' to 'strongly agree'.

4.2. Sampling and Survey

The research sample consisted of individuals from all over Taiwan who purchased luxury branded goods. The questionnaire was posted on a website that provides market research services. The site allows interested individuals to participate in the survey. Based on Comrey and Lee (1973), while investigating factor analysis, the sample size should exceed 300; when referring to unknown population, according to the formula, in order to obtain a 95% confidence interval and the sampling error is less than 5%, the sample of this study should be greater than 384. A total of 597 responses were collected. 185 useless replies were deleted, so the response rate was approximately 70%.

4.3. Econometric Method

In order to achieve our research objective, this study uses econometric method to construct statistical analyses. Basic statistics will be conducted in order to ascertain differences within the respondent population. Reliability, validity and factor analysis were conducted by using SPSS to extract the main factors of interactions between brand concept marketing and purchase intention via WOM. Then, factor analysis is used to calculate the principal component and varimax rotation to select the factor. The structural

equation model (SEM) was analyzed using the LISREL computer package and the path coefficients were estimated by maximum likelihood estimation (MLE).

5. EMPIRICAL RESULTS AND ANALYSIS

5.1. Analysis of Sampling Characteristics

The basic statistics for demographic information are shown in Table 1. The basic characteristics of sampling are discussed individually as follows.

Table 1: Basic Statistics

Variable	Category	Frequency	Percentage
Age	Under 20	28	6.8
	21-25	245	59.5
	26-30	103	25
	31-35	23	5.6
	36-40	8	1.9
	Above 40	5	1.2
Sex	Male	155	37.6
	Female	257	62.4
Education	High school	54	13.1
	Bachelor	212	51.5
	Master	141	34.2
	PhD	5	1.2
Average monthly income	20000 and under	122	29.6
	20001-30000	66	16.0
	30001-40000	102	24.8
	40001-50000	98	23.8
	50001-60000	16	3.9
	60001 and above	8	1.9
Main resource of luxury branded goods	Internet	143	34.7
	Newspaper or Magazine	90	21.8
	Other recommendations	128	31.3
	Special store	24	5.8
	Other	27	6.6
The number of luxury branded goods you own	1-2	135	32.8
	3-5	193	46.8
	6-10	67	16.3
	Above 10	17	4.1

Age: Most of the respondents were quite young and aged between 21 and 25, accounting for 58.8%. Other but still substantial groups can be found among respondents between the ages of twenty-six to thirty. These two groups are the main people with the strongest purchasing power.

Sex: As expected, the majority of respondents were women, accounting for approximately 65%. People often link luxury branded goods to women, as can be seen from this result

Education: Most of the respondents were educated in the above bachelor's degree, and about 50% of the respondents had a bachelor's degree. The second most respondents are masters. This may mean that respondents can provide a more accurate answer to this study.

Average monthly income: There are three majorities in this section. According to the education level provided above, the majority of respondents are students, so the first major monthly income group is "20,000 and below". The second and third majority are "30,001-40,000" and "40,000-50,000" respectively, indicating that a fairly young career is a major customer of luxury branded goods.

Main resource of luxury branded goods: Based on the sampling, the two major luxury resources are the Internet and other recommendations. These two resources are 34.7% and 31.3%, respectively.

The number of luxury branded goods you own: Statistics show that 46.8% of people have three to five luxury branded items. It can be seen that a significant proportion (about 32.8%) of respondents have one or two luxury branded items.

5.2. Reliability

To test the reliability of reflective variables (constructs), according to Cronbach and Warrington (1951), when Cronbach's $\alpha \geq 0.7$, the reliability of the reflective variables was very good. In this study, the results of the reliability analysis (Table 2) showed that Cronbach's α for the constructs about the reflective latent variables such as brand concept marketing 0.7478, word-of-mouth 0.7762 and purchase intention 0.8081. Even total agreement scale has Cronbach's α 0.9364, while total importance scale has Cronbach's α 0.9258. The estimated Cronbach's α is much higher than the threshold level of 0.7 recommended by Nunnally (1978), each reflective construct is correctly measured, thus verifying their internal consistency. The reliability of the construct is high and strong.

5.3. Validity

Zaltmann and Burger (1975) propose the use of communalities (between observed variables and their latent construct) to measure validity. It has been proposed that a commonality of at least 0.4 indicates reasonable validity. In addition, eigenvalues in excess of 1 is also indicative of validity. The cumulative variance explained by the eigenvalues also needs to be larger than 40%. As this is the case in all of the scales, it can be inferred that the scale possesses reasonable validity. As can be seen from Table2, the constructs are both convergent and discriminate valid because the average variance extracted (AVE)/commonness of all extractions exceeds 0.5. We thus confirm the convergent and discriminant validity of the constructs.

Table 2: Cronbach's α and AVE /Communalities*

	Importance	Satisfaction		Importance	Satisfaction
Brand Concept Marketing (Cronbach's $\alpha = 0.7478$)					
AVE /Communality					
A1:	0.701	0.712	D11:	0.777	0.819
A2:	0.774	0.748	D12:	0.791	0.740
A3:	0.745	0.726	D13:	0.755	0.742
B4:	0.722	0.749	E14:	0.665	0.691
B5:	0.757	0.765	E15:	0.728	0.748
B6:	0.729	0.701	E16:	0.715	0.777
B7:	0.684	0.757	F17:	0.799	0.750
C8:	0.744	0.748	F18:	0.698	0.712
C9:	0.672	0.717	F19:	0.719	0.748
C10:	0.683	0.741	F20:	0.746	0.815
Word-of-Mouth (WOM) (Cronbach's $\alpha = 0.7762$)					
AVE /Communality					
G21	0.771	0.81	I28	0.693	0.758
G22	0.775	0.782	I29	0.772	0.755
G23	0.709	0.751	I30	0.768	0.803
H24	0.757	0.757	J31	0.794	0.796
H25	0.803	0.717	J32	0.810	0.813
H26	0.669	0.670	J33	0.833	0.789
H27	0.749	0.718	J34	0.679	0.679

Purchase Intention (Cronbach's $\alpha = 0.8081$)					
AVE /Communality					
K35	0.751	0.818	L40	0.759	0.792
K36	0.818	0.814	L41	0.76	0.794
K37	0.786	0.842	L42	0.744	0.733
K38	0.769	0.767	L43	0.777	0.768
K39	0.761	0.797			

* Please refer to Appendix 1 for a list of abbreviations used in this table.

5.4. Factor Analysis

The KMO (Kaiser-Meyer-Olkin Sampling Adequacy Metric) score for all dimensions was above 0.8 (Table 3), meeting the minimum requirement of 0.6. This indicates that a successful factor analysis can be performed, and it also shows that the null hypothesis of the correlation matrix can be rejected as the identity matrix in Bartlett's sphericity test. An eigenvalue greater than one is used to determine the number of components present in the data. The extracted factor is then renamed using the characteristics of the item with a factor load greater than 0.7.

Table 3: Kaiser-Meyer Olkin and Bartlett's Test of Sphericity Results

Dimension	Kaiser-Meyer Olkin	Bartlett's Test of Sphericity
Total	0.889	Chi-Square: 5001.112 Significance: 0.000
Brand concept marketing	0.879	Chi-Square: 5392.368 Significance: 0.000
Word-of-Mouth	0.875	Chi-Square: 4678.345 Significance: 0.000
Purchase intention	0.826	Chi-Square: 2567.654 Significance: 0.000

5.4.1. Brand Concept Marketing

Initially, brand concept marketing has six factors, such as attitude, interest, value, culture, personality and user. However, the results of the factor analysis found three factors with eigenvalues greater than one. These three factors are renamed based on features with a factor load greater than 0.7, namely "status", "additional benefit" and "image and style". The first factor, the status, including the questionnaire item "social position," "attract people's attention," "wealthy symbolic" and "reveal different identity". The second factor, the additional benefit, represents the added value, especially for emotionally functional customers, for example, with the feelings and preferences of luxury branded goods. The final factor, image and style, which represents the brand image is affected by the country of origin and the style should represent the personality.

5.4.2. Word-of-Mouth

Using varimax rotation in factor analysis, two clear factors were found in word of mouth. These factors can be renamed "experience sharing" and "appreciation and recognition". The former refers to whether customers are willing to share their impressions after using luxury branded goods. The latter refers to the motivation of customers to share comments about luxury branded goods.

5.4.3. Purchase Intention

The result of factor analysis reveals there are two factors for purchase intention. One factor remains the items of satisfaction, thus, keeping the original name. The other factor is made up of the items both from satisfaction and loyalty, and most of the items are related to the customer preference, for example, I will buy related products for the brand. Therefore, this factor has been renamed to the customers' purchase preference.

5.5. Estimated Results of the Restated Hypotheses

The hypotheses are restated to include the various factors found in the factor analyses.

H1_a: Status has a positive impact on experience sharing

H1_b: Status has a positive impact on appreciation and recognition

H1_c: Additional benefit has a positive impact on experience sharing

H1_d: Additional benefit has a positive impact on appreciation and recognition

H1_e: Image and style has a positive impact on experience sharing

H1_f: Image and style has a positive impact on appreciation and recognition

H2_a: Experience sharing has a positive impact on satisfaction

H2_b: Experience sharing has a positive impact on preference

H2_c: Appreciation and recognition has a positive impact on satisfaction

H2_d: Appreciation and recognition has a positive impact on preference

H3_a: Status has a positive impact on satisfaction

H3_b: Status has a positive impact on preference

H3_c: Additional benefit has a positive impact on satisfaction

H3_d: Additional benefit has a positive impact on preference

H3_e: Image and style has a positive impact on satisfaction

H3_f: Image and style has a positive impact on preference

The following structural equations were set up in order to conduct the hypothesis testing.

$$\eta = \beta\eta + \Gamma\xi + \zeta$$

$$\begin{bmatrix} \eta_1 \\ \eta_2 \\ \eta_3 \\ \eta_4 \end{bmatrix} = \begin{bmatrix} 0 & 0 & 0 & 0 \\ 0 & 0 & 0 & 0 \\ 0 & 0 & 0 & 0 \\ \beta_{41} & \beta_{42} & 0 & 0 \end{bmatrix} \begin{bmatrix} \eta_1 \\ \eta_2 \\ \eta_3 \\ \eta_4 \end{bmatrix} + \begin{bmatrix} \gamma_{11} & \gamma_{12} & \gamma_{13} \\ \gamma_{21} & \gamma_{22} & \gamma_{23} \\ \gamma_{31} & \gamma_{32} & \gamma_{33} \\ \gamma_{41} & \gamma_{42} & \gamma_{43} \end{bmatrix} \begin{bmatrix} \xi_1 \\ \xi_2 \\ \xi_3 \end{bmatrix} + \begin{bmatrix} \zeta_1 \\ \zeta_2 \\ \zeta_3 \\ \zeta_4 \end{bmatrix}$$

$$\eta_1 = \gamma_{11}\xi_1 + \gamma_{12}\xi_2 + \gamma_{13}\xi_3 + \zeta_1$$

$$\eta_2 = \gamma_{21}\xi_1 + \gamma_{22}\xi_2 + \gamma_{23}\xi_3 + \zeta_2$$

$$\eta_3 = \gamma_{31}\xi_1 + \gamma_{32}\xi_2 + \gamma_{33}\xi_3 + \zeta_3$$

$$\eta_4 = \beta_{41}\eta_1 + \beta_{42}\eta_2 + \gamma_{41}\xi_1 + \gamma_{42}\xi_2 + \gamma_{43}\xi_3 + \zeta_4$$

5.5.1. Empirical Results of the Structural Equation Model (SEM)

The above hypotheses were tested using a confirmatory factor analysis and a maximum likelihood method. As a result, the estimated final model was obtained after several modifications. This final model was obtained after a procedure of modifications made to the original model. Modifications were made for those cases in which MI (modification index) was greater than five. The modifications resulted in an improvement in goodness-of-fit. The goodness-of-fit of final model is demonstrated in Table 4.

Table 4.A: Comparison of Goodness-of-Fit of the Final Structural Equation Models

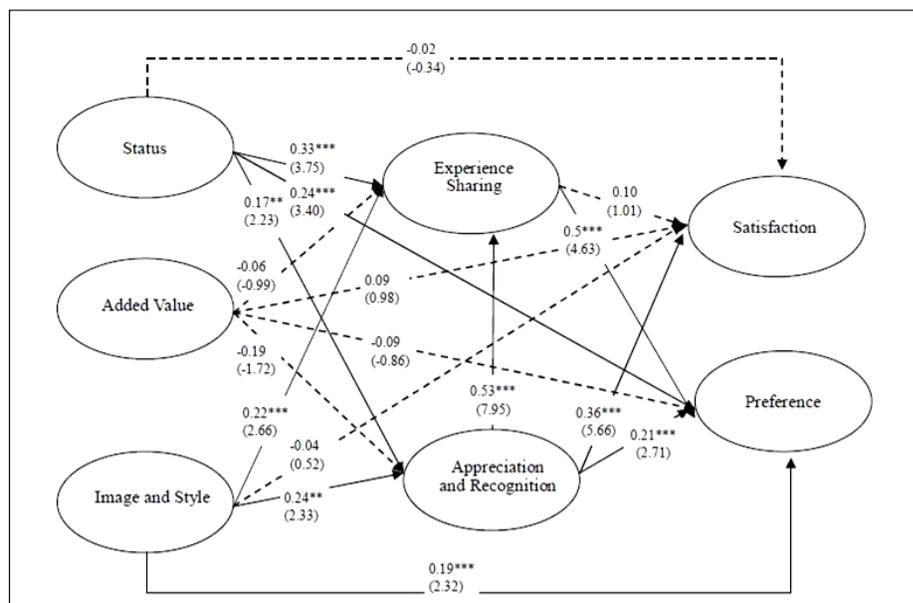
Type of Measure	Measure	Recommended Limits	Final Model	Acceptable
Absolute	χ^2/df	<3	251.26/131=1.92	Yes
	GFI	>0.90	0.93	Yes
	RMR	<0.06	0.032	Yes
	RMSEA	<0.05	0.05	Yes
Relative	AGFI	>0.90	0.90	Yes
	NNFI	>0.90	0.97	Yes
	CFI	>0.90	0.98	Yes
Adjusted	PNFI	>0.50	0.66	Yes
	PGFI	>0.50	0.58	Yes

As can be seen in Table 4, the diagnostic checking for goodness-of-fit of the estimated final model reaches an acceptable area. Therefore, the estimated final model can be used to analyse the hypothesised relationships, as well as the direct and indirect effects of the modelling constructs. The estimated results of the final model are reported in Figure 2. The solid lines represent significant effects at 1% or 5% significant level and while the dotted lines show insignificant results. The results of all hypothesis tests are discussed below:

H1a-H1f: The effect of brand concept marketing on WOM

As indicated in Figure 2, the estimated results show that there are significant and positive at the 5% significant level for the reactions of status-experience sharing, status-appreciation and recognition, image and style-experience sharing as well as image and style-appreciation and recognition on WOM contents and behaviours. Therefore, hypotheses, **H1_a** for the relationships between the status meaning of luxury branded goods and experience sharing, **H1_b** for the relationships between the status meaning of luxury branded goods as well as appreciation and recognition, **H1_c** for the relationships between the image and style of luxury branded goods and experience sharing and **H1_f** for the relationships between the image and style of luxury branded goods and appreciation and recognition, are supported.

Figure 2: The Final Model Path Coefficients and t-values



These results imply that the status represented by luxury branded goods can encourage customers to share their using experience and urge customers to make WOM in order to gain others appreciation and recognition. Additionally, the image and style of luxury goods positively affect the experience sharing of customers and the appreciation and recognition from sharing the WOM. Our findings are supported by the research results of Müller, Flores, Agrebi and Chandon (2008), Kim and Ko (2010), Amatulli and Guido (2011), Hung, Huiling Chen, Peng, Hackley, Amy Tiwaskul and Chou (2011), Liu, Burns and Hou (2013) and Allman, Fenik, Hewett and Morgan (2016). However, the tests of hypotheses, **H1_c** for the relationships between the additional benefit of luxury branded goods and experience sharing and **H1_d** for the relationships between the additional benefit of luxury branded goods and appreciation and recognition, are not accepted. In this study, these two hypotheses that are not supported by the statistical results may indicate that the additional benefit of luxury goods cannot motivate customers to share their experience in using products or the motivation for customers to share WOM is not the additional benefit of luxury branded goods.

The above findings indicate that symbolic meanings such as status and social status represented by luxury branded goods can motivate customers to share their experiences. The image and style of luxury branded goods can also encourage customers to share their experiences after using branded goods. In addition, in order to increase the discussion of luxury branded goods, marketers need to emphasize symbolism and appearance, such as the image and style of luxury branded goods.

H2_a -H2_d: The effect of WOM on consumer purchase intention

Except the **H2_a** for the relationships between the experience sharing and customers' satisfaction is not supported by the empirical results, it may reveal that experience sharing is not a way to improve customer satisfaction with consumers' purchase intention. The other three hypotheses, **H2_b** for the relationships between the experience sharing and customers' purchase preference, **H2_c** for the relationships between the appreciation and recognition and customers' satisfaction, **H2_d** for the relationships between appreciation and recognition and customers' purchase preference, have been tested to obtain positive results at the 5% significance level. These hypotheses are supported by statistical results. Consumers' purchase intention through their purchase preferences are affected by the experience shared by other users. The appreciation and recognition from sharing WOM can positively and directly influence customers' satisfaction. In addition, the purchase preferences of customers are influenced by the appreciation and recognition of WOM. In General, our findings are supported by the research results of Godes and Ayzlin (2004), Chevalier and Mayzlin (2006), Smith, Coyle, Lightfoot and Scott (2007), Wolny and Mueller (2013) and Xiaobo (2014).

Basically, these above results point out that the purchase intention through purchase preference of customer is affected by the experience shared by customers and the appreciation and recognition resulted from sharing WOM. However, the purchase intention through the satisfaction of customers only affected by the appreciation and recognition from the spreading of WOM.

H3_a-H3_f: The effect of brand concept marketing on consumer purchase intention

There are only two hypotheses, **H3_b** for the relationship between the status meaning of luxury branded goods and customers' purchase preference, **H3_f** for the relationship between the image and style of luxury branded goods and customers' purchase preference, are supported by the empirical results to have positive significantly effects at the 5% level. These results indicate that the status meaning and brand image and style of luxury branded goods are major factors which can influence customers' preference. However, the other four hypotheses, **H3_a** for the relationship between the status meaning of luxury branded goods and customers' satisfaction, **H3_c** for the relationship between the additional benefit of luxury branded goods and customers' satisfaction, **H3_d** for the relationship between the additional benefit of luxury branded goods and customers' purchase preference and **H3_e** for the relationship between the image and style of luxury branded goods and customers' satisfaction, are not supported by the empirical results. The reasons may be that customers' satisfaction does not come from the status meaning of luxury goods. The increase for the additional benefit of luxury goods cannot rise the customers' satisfaction and customers' purchase preference. The image and style of luxury goods does not have a strong direct impact on s customers' satisfaction.

Based on above results, the status meaning and the image and style of luxury branded goods significantly affect customers' purchase intention. The increase for the additional benefit of luxury goods cannot rise the customers' satisfaction and customers' purchase preference. These results may mean that brand concept marketing is not a major source of customer satisfaction. When reviewing the items related to the satisfaction, most respondents expressed satisfaction with the quality and service of luxury branded goods, which indicates that marketers want to improve customer satisfaction and should pay more attention to the increased service of luxury branded goods. The brand concept marketing in this study partly influence the purchase intention through purchase preference. Marketers have to emphasize the status meaning and the image and style of luxury branded goods in order to attract customers' purchase preference. In this part, our findings are supported by the research results of Bolton (1998), Amatulli and Guido (2011) and Pérez and Rodriguez del Bosque (2015).

Based on the above discussions, all test results for these hypotheses are summarized in Table 5.

Table 5: Summary of Hypothesis Tests

Hypothesis	Description	Conclusion
H1 _a	Status has a positive impact on experience sharing	Accept
H1 _b	Status has a positive impact on appreciation and recognition	Accept
H1 _c	Additional benefit has a positive impact on experience sharing	Reject
H1 _d	Additional benefit has a positive impact on appreciation and recognition	Reject
H1 _e	Image and style have a positive impact on experience sharing	Accept
H1 _f	Image and style have a positive impact on appreciation and recognition	Accept
H2 _a	Experience sharing has a positive impact on satisfaction	Reject
H2 _b	Experience sharing has a positive impact on preference	Accept
H2 _c	Appreciation and recognition have a positive impact on satisfaction	Accept
H2 _d	Appreciation and recognition have a positive impact on preference	Accept
H3 _a	Status has a positive impact on satisfaction	Reject
H3 _b	Status has a positive impact on preference	Accept
H3 _c	Additional benefit has a positive impact on satisfaction	Reject
H3 _d	Additional benefit has a positive impact on preference	Reject
H3 _e	Image and style have a positive impact on satisfaction	Reject
H3 _f	Image and style have a positive impact on preference	Accept

5.5.2. Direct, Indirect and Total Effects of the Path Analysis

The aim of the path analysis is to establish the relative strength of the different routes to customers' purchase intention. Table 6 details the direct, indirect and total effects of the paths within the model framework. The significance of discovering the status meaning of luxury branded goods is that the indirect impact is greater than the direct influence on customers' purchase intention. This result means that experience sharing as well as appreciation and recognition are two important mediators that measure customers' purchase preferences. Therefore, in order to achieve greater effect for brand concept marketing on customers' purchase intention through purchase preferences, the experience sharing as well as appreciation and recognition from WOM are needed to be considered as a link. The symbolic meaning of luxury branded goods is often the reason why customers buy luxury brand goods. As mentioned earlier, in the past, it was believed that only nobles and wealthy people could own luxury branded goods, which led people to link luxury brand goods with wealth.

The indirect effect between the image and style of luxury branded goods and the purchase preferences is greater than the direct effect. When making a purchase decision, the appearance of the goods is the customer's first choice. This result suggests that when examining the impact from the image and style of luxury branded goods to customers' purchase preference, firms/marketers need to consider two intermediaries, namely appreciation and recognition and experience sharing. Therefore, the effect can be greater.

Table 6 Direct, Indirect and Total Effects

Path	Direct Effect	Total Indirect Effect	Bigger Effect
BCM1→WOM1	0.33 (3.75)	---	---
BCM1→WOM2	0.17 (2.23)	---	---
BCM1→PI1	-0.02 (-0.34)	0.10 ^a	---
BCM1→PI2	0.24 (3.4)	0.25 ^b	Indirect
BCM2→WOM1	-0.06 (-0.09)	---	---
BCM2→WOM2	-0.19 (-1.72)	---	---
BCM2→PI1	0.09 (0.98)	-0.08 ^c	---
BCM2→PI2	-0.09 (-0.86)	-0.12 ^d	---
BCM3→WOM1	0.22 (2.66)	---	---
BCM3→WOM2	0.24 (2.33)	---	---
BCM3→PI1	-0.04 (-0.52)	0.12 ^e	---
BCM3→PI2	0.19 (2.32)	0.22 ^f	Indirect
WOM1→PI1	0.1 (1.01)	---	---
WOM1→PI2	0.5 (4.63)	---	---
WOM2→PI1	0.36 (5.66)	0.05 ^g	Direct
WOM2→PI2	0.21 (2.71)	0.11 ^h	Direct
WOM2→WOM1	0.53 (7.95)	---	---

Note: BCM1=The status meaning of luxury branded goods;

BCM2=The additional benefit of luxury branded goods;

BCM3= The image and style of luxury branded goods;

WOM1=Experience sharing; WOM2=Appreciation and recognition;

PI1=Customers' satisfaction; PI2=Customers' purchase preference

() t-value

Indirect effect:

a: BCM1→WOM1→PI1+BCM1→WOM2→PI1+BCM1→WOM2→WOM1→PI1

b: BCM1→WOM1→PI2+BCM1→WOM2→PI2+BCM1→WOM2→WOM1→PI2

c: BCM2→WOM1→PI1+BCM2→WOM2→PI1+BCM2→WOM2→WOM1→PI1

d: BCM2→WOM1→PI2+BCM2→WOM2→PI2+BCM2→WOM2→WOM1→PI2

e: BCM3→WOM1→PI1+BCM3→WOM2→PI1+BCM3→WOM2→WOM1→PI1

f: BCM3→WOM1→PI2+BCM3→WOM2→PI2+BCM3→WOM2→WOM1→PI2

g: WOM2→PI1+WOM2→WOM1→PI1

h: WOM2→PI2+WOM2→WOM1→PI2

5. CONCLUDING REMARKS

This study adopts structural equation model (SEM) to examine the relationships between brand concept marketing and purchase intention via WOM. It was found that, in general, the status meaning of luxury branded goods has a positive effect on experience sharing, appreciation and recognition and customers' purchase intention through purchase preference; the image and style of luxury branded goods has a positive impact on experience sharing, appreciation and recognition and customers' purchase intention through purchase preference; experience sharing has a positive effect on customers' purchase intention through purchase preference; appreciation and recognition has also a positive influence on customers' satisfaction, preference and experience sharing.

According to the results discovered by SEM, the intermediary effect of WOM can be defined which means WOM served as an important intermediary between brand concept marketing and customers' purchase intention. The direct effects through brand concept marketing on customers' purchase intention are less than the indirect effect from brand concept marketing on purchase intention with WOM as an intermediary. The empirical result reveals that the brand concept marketing is not the main factor for improving customers' purchase intention and the brand concept marketing will generate WOM and further influence on purchase intention.

In addition, the empirical results indicate that the indirect effect for the path from the status meaning of luxury branded goods to customers' purchase intention through purchase preference is higher than the direct effect, which is the same as the indirect impact of the image and style of luxury branded goods on customers' purchase intention through purchase preference. This result

implies that when measuring the effect of brand concept marketing on customers' purchase intention through purchase preference, experience sharing as well as appreciation and recognition, representing WOM are two important intermediaries. Therefore, experience sharing as well as appreciation and recognition from WOM need to be considered in order to access a greater impact on customers' purchase intention. Based on this result, marketers should pay attention to the WOM of luxury branded goods in order to increase the purchase intention of customers. In other words, through WOM, brand concept marketing can better satisfy customers' purchase intention and the effect on purchase intention will be greater.

To sum up, the results of the present research show that the effectiveness of brand concept marketing could be used as an advertising medium. Specifically, it has been found that the factors of brand concept marketing have the potential to have a positive impact on the elements of WOM and customers' purchase intention. The results also indicate that firms/marketers need to more actively engage in doing and applying WOM to influence on customers' purchase intention.

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Appendix: List of Abbreviations used in the Empirical Analyses

A1: Brand image will be the priority when I purchase the product.

A2: Brand and design could coexist

A3: The design of luxury branded products is unusual.

B4: In purchasing a branded product, I will consider the social position as represented by the brand.

B5: I like use luxury branded products, because it can attract another people's attention.

B6: When using luxury branded products, it makes me feel happy.

B7: Using luxury branded products is a symbol of wealth.

C8: In making my decision, I will choose luxury branded products; even if the price is more expensive.

C9: I like luxury branded products because quality and design represent value for money.

C10: Luxury branded products can discriminate from different brand level.

D11: While referring to special luxury branded products, it makes me associate with the culture of its country of origin.

D12: The design of luxury branded products represents the culture of its origin country.

D13: I will purchase special luxury brands because its country of origin holds a special appeal for me.

E14: I use luxury branded goods because it can represent my personal character.

E15: Luxury branded products can reveal different identity.

E16: I like particular brands, because their design appeals to my style.

F17: I will buy luxury branded products only when I have spare money.

F18: I like branded products because they can represent my social position.

F19: Using branded products is a kind of pleasure.

F20: I use luxury branded products because of the personal preference.

G21: Before purchasing, I will seek others opinion or search for comment and opinion on the product.

G22: I want to buy the luxury banded product as the result of the recommendation by others.

G23: The opinion of relatives or friends will influence my decision.

H24: When I talk about the luxury banded products, I used I usually give detailed information.

H25: I often recommend to other people the luxury banded products I prefer.

H26: Given a positive recommendation about a luxury banded product, I would purchase that product.

H27: Using luxury branded products is a part of life.

I28: I prefer to rely on my own experience in order to let other users more greatly appreciate the brand.

I29: Because of the favors of particular luxury banded products, I would like to share my experience.

I30: I would not like other customers be cheated, therefore I share my own experiences.

J31: I will recommend others to purchase this luxury banded product because of the added value provide by the retailers.

J32: I will give detailed comments in order to obtain the compliments.

J33: I will share the experience because of the reward after commenting. (for example: the credits provided by the forum website)

J34: Luxury branded products shops provide more information.

K35: Luxury branded products provide high quality products.

K36: Luxury branded products provide high level service.

K37: Luxury branded products provide high standard after-care service.

K38: Luxury branded products will regard customer satisfaction as a priority.

K39: Luxury branded products provide proper price.

L40: Once I like one luxury banded product, I will purchase the same brand in the future.

L41: Even other brands offering promotion; I will still choose the brand I like.

L42: I will recommend relatives and friends to purchase the luxury banded product I like.

L43: Once I use particular luxury banded products, I will purchase the related products of this brand.