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ANALYZING THE EFFECTS OF BRAND EQUITY ON INVESTOR BEHAVIOR AND COMPOSITION OF FINANCIAL PORTFOLIO

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ABSTRACT

Numerous studies had been conducted to contribute to the literature on the marketing and finance fields. However, there is a huge deficit of literature on this interdisciplinary area. This research tries to reduce this gap by undertaking an investigation into investor's behavior and brand equity in the finance and marketing interface along with few studies. The research specifically seeks to unravel the effects of brand equity dimension on portfolio management. The study is conducted via an online survey among educated adults who currently hold, have once held, and or intend to hold an investment instrument of any kind in Istanbul, Turkey. The Structural Equation Modeling (SEM) technique was used to test the structural relationship between the measured variable (portfolio management) and dominant variable (brand awareness). The results show that brand equity dimensions of financial assets are vital construct that significantly impact investors' behavior and shapes the construction of portfolio of financial assets.

Keywords: Brand Equity, Perceived Risk, Perceived Return, Portfolio Management.

MARKA DEĞERİNİN YATIRIMCI DAVRANIŞI VE FİNANSAL PORTFÖY BİLEŞİMİ ÜZERİNDEKİ ETKİLERİNİN ANALİZİ

ÖZET

Pazarlama ve finans alanlarındaki literatüre katkıda bulunmak için çok sayıda çalışma yapılmıştır. Bununla birlikte, bu disiplinlerarası alanda büyük bir literatür açığı vardır. Bu araştırma, finans ve pazarlama arayüzünde yatırımcının davranışı ve marka değeri hakkında bir araştırma yaparak bu boşluğu, diğer az sayıda çalışma ile birlikte azaltmaya çalışmaktadır. Araştırma özellikle marka değeri boyutunun portföy yönetimi üzerindeki etkilerini incelemektedir.. Çalışma, Türkiye'de İstanbul'da bulunan, geçmişte ve/veya şimdi herhangi bir yatırım aracı değerlendiren/değerlendirmeyi planlayan eğitimli yetişkinler arasında çevrimiçi bir anket yoluyla yürütülmüştür. Temel değişkenler, portföy yönetimi ile baskın değişken- marka bilinirliği arasındaki yapısal ilişkiyi test etmek için Yapısal Eşitlik Modeli (YEM) kullanılmıştır. Sonuçlar, finansal varlıkların marka değeri boyutlarının yatırımcıların davranışını önemli ölçüde etkileyen ve ideal varlık portföyünün yapısını şekillendiren hayati bir yapı olduğunu göstermektedir.

Anahtar Kelimeler: Marka Değeri, Algılanan Risk, Algılanan Getiri, Portföy Yönetimi.

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1. Introduction

An important question that demands answers is whether investors are largely influenced by the anticipated risk and return, or they are largely influenced by branding activities as in the case of consumer goods? Researchers in the behavioral finance and marketing fields have undertaken plenty of studies to unravel the rationale behind investment choices. Most of these studies are centered on decision making patterns of institutional or corporate investors because they constitute a majority (in terms of volume of financial transactions) in the financial market (Gabaix et al., 2006; Gompers & Metrick, 2001). Many economic concepts have been propounded on the premise that individuals behave rationally during or performing economic transactions or activities and take into consideration all needed information in making their investment decisions. Thus, this premise calls for an efficient market (EM) proposition (Bennet & Selvam, 2013). Research by Zhang & Wang (2015) indicated that the behavioral patterns of the individual investor can have effects on the performance of assets in the market and the stock market in general. A fundamental assumption that underlies most studies investigating investor's behavior and brand equity is that perceptions and attitudes toward brands in the general goods and services market will have a spillover effect in the financial stock market (e.g. Çal & Lambkin, 2017).

This research seeks to investigate the behavioral pattern of investors in relation to their investment decision-making processes and how the brand equity constructs come into play. In this context, in the literature and discussion parts, the study focuses on brand equity dimensions (brand awareness) and how these influence investor's portfolio managements. Also, the roles of perceived risk and return as mediating variables is explored. The study's model is tested via an online survey among educated adults who currently hold, have once held, and or intend to hold an investment instrument of any kind in Istanbul, Turkey. The research further gives a detailed review on investor risk behaviors and how the heuristics and professionals construct financial portfolios. A proposed conceptual model with hypotheses arising from the literature is presented. The findings shed light on how individual investors respond to branding activities vis-à-vis their inherent perceptions of risk and return. The specific findings together with its implications are presented in the final section. This research contributes to the financing and marketing literature; thus theoretical and practical implications on the relevance of strategically positioning financial asset brands and making vital adjustments to the management of ''brand-related influencers'' with regards to making investment decisions.

2. Literature Review

2.1 Investor Behaviors and Perceptions

For a while, the decision to allocate cash for investment products was believed to be exclusively rational, dependent on returns that investors anticipate obtaining. Why

investors considered some financial assets and not others remained a question to be answered (Barber & Odean, 2008). In time, these traditional propositions have evolved to include some non-financial variables like perceptions and cognitive evaluation of customers (Çal & Lambkin, 2017). In line with these traditional propositions, both marketing researchers (Barber & Odean, 2008; Billett, Jiang, & Rego, 2014a, b), and finance researchers (Clark et al., 2004; Clark-Murphy & Soutar, 2005; Fama & French, 2007; Frieder & Subrahmanyam, 2005b) have pointed out and challenged the dominant notion of investment decisions being largely influenced by anticipated financial returns. The researchers brought to light the role of investor perceptions and evaluations of financial firms and brands as an important influencer of investor preference and decision making (Aspara & Tikkanen, 2010; Çal & Lambkin, 2017).

In this review, attention has been given to identifying and simplifying rules governing decisions or the heuristic approach investors apply in concluding on financial decisions (Çal & Lambkin, 2017; Clarkson & Meltzer, 1960; Kahneman & Tversky, 2012; Kumar & Goyal, 2015). The heuristic idea was introduced by Tversky & Kahneman (1974), who propounded that individuals make use of mental shortcuts or the thumb strategy rule when it comes to making decisions of the complex and uncertain nature. Some recent contributory studies have highlighted the importance and how the use of this approach could lead to biases in decision making (Gigerenzer & Gaissmaier, 2011; Kurz-Milcke & Gigerenzer, 2007).

Empirical studies show that about 50% of individual investors heavily rely on the heuristic approach to making investment decisions. The research by (Clarkson & Meltzer, 1960) indicated that investor's decision making under uncertainty (heuristic approach) is preferable to those techniques that rest on probabilistic assumptions leading to non-testable implications. A common heuristic technique individual investor use in reducing risk is opting for investments of multinational companies that have been in existence for years (Çal & Lambkin, 2017). Research has shown that if time is of the essence, heuristics are quite useful (Waweru et al., 2008), nonetheless, sometimes they lead to biases (Tversky & Kahneman, 1974). Other researchers add to this view by classifying the heuristics as being ignorant to sample size, neglecting base rate, conjunction fallacy and innumeracy (Barberis & Thaler, 2003; Chandra, 2017; De Bondt & Thaler, 1995).

Though at an early stage, there has been an increase in studies on the brand's role in simplifying heuristics or influencer investors' day to day financial decision making (Grullon et al., 2004; Huberman & Jiang, 2006; Keloharju et al., 2012). Notwithstanding, the uniqueness of the various studies on the matter, the common ground amongst the studies is that a realistic understanding of individual investor behavior warrants going beyond expected returns and considering how brands and the financial market interplay (Çal & Lambkin, 2017). Merton (1987a, b) highlighted the concept of brand recognition in financial trading. Stocks with lower recognition need to compensate with comparatively higher returns while stocks with higher brand image and recognition offered lower returns.

Several studies have found relationships between brand recognition and returns on investment (Engelberg & Parsons, 2011; Hillert et al., 2014). For example, Fang & Peress (2009) through empirical research found a stable negative correlation between brand recognition and the required rate of return and accredited their findings as a sequel to effects highlighted by Merton (1987). A survey conducted by Borges, Goldstein, Ortmann, & Gigerenzer (1999) showed that about 90 percent of individual investors took a decision to invest in assets with local brand recognition owing to the fact that a brand name has value and it is important for heuristics.

2.2 Brand Awareness and Investor Behavior

Brand awareness is seen as the first and core element of the dimensions of the brand equity concept, which is defined as the potential customer's ability to recognize and recall a particular brand (product or service) out of a range of similar competitive brands (Aaker, 1992). The brand-awareness process involves a link between the product or service class and the brand. It also includes measurement at different levels like a top of mind, recognizable, recallable, and brand dominance. Alba & Hutchinson (1987) describe brand awareness as anything that causes the consumer to have a differential experience or that facilitates the exposure of the brand to potential consumers. Consumers in need of new products or services begin by considering those brands that are known to them and of which occupy a position in their minds. A known or well-branded financial asset is likely to be chosen by the investor ahead of other less-branded ones. Homburg et al. (2010) postulate that brand awareness is a vital contributing factor in the perceived risk reduction. Brand awareness in this context is likely to influence the investor in the investment decision making hence the following hypotheses:

H1: Brand awareness has a significant impact on portfolio management.

H4: Investment experience significantly moderate the impact from brand awareness to portfolio management.

2.3 Financial Assets as Brands

In recent times, researchers in the behavioral finance and economic psychology have shown so much interest on how investors subjectively perceive investment products, the relationships, and how these considerations impact their decisions to invest (Ang et al., 2010; Aspara & Tikkanen, 2008; MacGregor et al., 2000; Statman, 2004). In a study conducted on eighty-two institutional holdings in the United States of America, Frieder & Subrahmanyam (2005) showed that individual investors are attracted to and would prefer reputable companies and brands.

Huberman (2001) postulated that non-financial characteristic such as brand familiarity positively impacts investors' decision making and choices. The extent to which a firm's

brand is visible determines the breadth of that firm's stock ownership increment over time and this visibility is measured by advertising expenditure (Grullon et al., 2004).

Barber & Odean (2008) highlighted that brands that are well-positioned in the minds of investors due to unique marketed features stands to be easily and likely considered during the investment decision making process. In a similar proposition, Aspara & Tikkanen (2010) argued that given two companies with similar financial risks and returns, an investor will trade with the company whose brand the investor mostly identifies with. The research by Keloharju et al. (2012) also found that investors are more comfortable in dealing with brands they are clients to and would do repeat business with such brands. In a study of about 1,200 brands with more than 2,000 respondents, it was found that there exists a correlation between familiarity or prestige of investment assets and the positive decision to choose those assets by investors (Billett et al., 2014b).

All the above studies span on a common proposition that a well-positioned brand in the mind of the investor will always be a preferred choice. In furtherance of these propositions, two subjects of the psychological construct of interest will be reviewed. Firstly, the personal relevance of domains represented the company's products and services and secondly, an effective evaluation of the company's brand.

2.4 Investor Based Brand Equity (IBBE)

Various researchers have studied the subject of brand equity in length. Broadly speaking, these researchers categorized it under customer-based brand equity (Aaker, 1992; Keller, 2013), investment or financial brand equity (Barwise, 1993; Kapareliotis & Panopoulos, 2010) and the combination of the two concepts (Kim et al., 2003). The brand equity concept is more dominant in the product and service sectors but Jacobsen (2009) through literature research revealed that of recent times the approach has been extended into the investment and financial sector.

Usually, individual investors prefer to trade with stocks that they have ideas about and know. Knowing about a firm and what that firm can offer in relation to return and risk is very vital to the investor for maximizing the returns potential and minimizing the risk potential (Azwadi, 2011). Knowledge of the brand mostly stems from brand awareness. Brand awareness as a dimension of the brand equity concept represents the existence of the brand in the memory of the consumer such that it increases share information. This creates the opportunity for an increase in trade of the brand (asset) and again induce the investor to hold the firm's shares for a long period (Aspara & Tikkanen, 2010). The brand-awareness process consists of establishing the brand into the memory of the investor, using it as a tool to differentiate from other brands, and reinforcing the features and performance of the brand and firm entirely. Brand awareness is not limited to the investor having a

remembrance of the brand (asset) but positions the brand such that the investor will easily recognize it based on the firm's position in the financial market.

Nourbakhsh and Arghavani (2016) highlight how investors put their trust in prestigious brands presuming their performance and be willing to trade such assets with all confidence. The researchers added that such confidence in the brand is usually drawn from the confidence in the companies issuing those assets. The results of brand awareness, thus easily recognizing the brand and creating trust in the investor can moderate the investor's anticipated return and perceived risk (Asgarnezhad et al., 2017).

Aside from brand awareness, attitude towards the brand also shows the feedback investors exhibit to the reception of the brand. This response is the form of attitude can be influenced by internal and external attributes of the brand, the symbolic and functional benefits it emits to investors (Asgarnezhad et al., 2017). In the nutshell, a favorable attitude to asset offer firms results in the likelihood that the investor exhibiting that attitude will patronize the stocks of the firm. It can also be put such that a direct response to the firm and its marketing activities is seen in the attitudes investors exhibit towards the brands. These attitudes can be categorized into cognitive, emotional, and behavioral. The cognitive aspect connotes how knowledgeable the investor is with regards to the brand. This stems from the availability of information and how it's positioned to reach the prospective investor. The emotional aspect represents how the investor evaluates and appreciates the brand, thus an exhibition of likeness or otherwise towards the brand. The behavior of investors is very vital as it encompasses their commitments and decisions leading to trading in the stock of the company (Asgarnezhad et al., 2017). However, perceived return and risk impact investor's attitude towards the brand, thus, a high-perceived return with low perceived risk is more favorable. The present study based on the above review can say that brand equity affects investor behavior.

2.5 Perceived Risk, Perceived Return, and Country-of-Origin (COO) Effects

Various studies on COO effects have shown how a country's image (say innovation and technological advancement) are attributed to the features of the products or services offered (Bilkey & Nes, 1982; Johansson, 1989; Klein, 2002). Finance and marketing researchers have found that images of the country of production (typically perceived opinions about their manufacturing and the technological advantage of the target nation) have an important impact on product evaluations and resulting decision to purchase or not (Bilkey & Nes, 1982; Chang & Chen, 2014; Klein, 2002).

COO has been identified as a guarantee that impacts judgments of product durability, especially when the purchaser has less information about the product domain, in or is less motivated to patronize the product (Han, 1989; Hong & Wyer, Jr., 1989).

Generally, it can be said that the COO assists the buyer to evaluate a product's quality and making a choice among a range of similar offers. The buyers' admiration for the product or brand is established when that country's reputation aligns with the buyer's belief of the product. This proposition confirms the study conducted in Nanjing, China [the city where about 300,000 civilians were killed during a Japanese invasion in 1937 (Iris, 1997)]. The study revealed that Chinese consumers' anger towards Japan predicted (Klein, 2002) their attitude and willingness to patronize and own Japanese products. Thus, over 60 years of the Japanese invasion, the anger from the Chinese is so powerful that they choose to forgo goods that they rank as high in quality [see Klein, 2002].

Focusing on financial investment which is perceived to have high levels of risk [see Sweeney, Soutar, & Johnson, 1999], researchers have proposed that in addition to the investment product's inherent risk, country-of-origin contributes to the individual investor's perceived risk and return. Following the conceptualizations of Stone & Gronhaug (1993), perceived risk can be defined as the uncertainty investors face stemming from their decision to patronize a particular product/service or any personal expectation of loss. In the capacity of simplifying heuristics, perceived risk and return impacts investment decision making on the willingness to invest and on which platform or instrument to select (Çal & Lambkin, 2017).

From these propositions, it is likely that financial assets issued by stock markets who are domiciled in a preferred country will be seen to pose a lesser risk and stable returns. On the other hand, guided by the principle ''the higher the risk the higher the returns'', other investors (risk lovers) might prefer to invest in such regions where risk is perceived to be high anticipating a higher return. To confirm these propositions, the below hypotheses are stated as:

H2: Perceived risk significantly mediates the impact from brand awareness to portfolio management.

H3: Perceived return significantly mediates the impact from bBrand awareness to portfolio management.

Based on the hypothesis developed, Figure 1 shows conceptual framework detailing the independent, dependent, mediating and moderating variables.

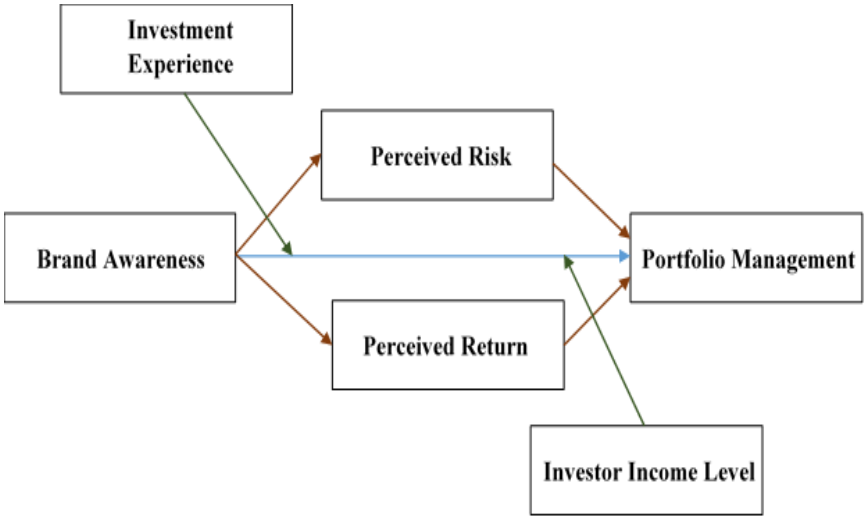

Figure 1: The Conceptual Model

2.6 Constructing the Portfolio of Financial Assets

Currently, there is no unified approach to analyzing portfolios or the process of combining assets in the financial portfolio even though its history dates back in ages. However, researchers' overtime has suggested various ways to measure the composition of individual portfolios (Barasinska et al., 2012; Goetzmann et al., 2005). The studies by the above researchers sought to identify the unique performance of individual assets in portfolios. Goetzmann et al. (2005) investigated the correlation among the returns on these individual assets to account for yielding diversification. Their work takes premises from the mean-variance concept propounded by Markowitz and well suitable for analyzing portfolios. However, information about the investor's income levels and the amount of money allotted to each asset is needed to ascertain the science behind the portfolio composition. According to Ghaleb & Kaplan, (2019) brand characteristics do not have a direct effect on consumer willingness to pay a price premium, when it comes to finance and financial services, unless there is a brand perceived uniqueness as it plays a mediating role between brand characteristic and consumer willingness to pay a price premium when it comes to finance and financial services. Subsequently Ghaleb and Kaplan, (2020) found that brand perceived uniqueness have a direct effect on consumer willingness to pay a price premium, when it comes to finance and financial services. This leads to the hypothesis:

H5: Investor income level significantly moderate the impact from brand awareness to portfolio management.

3. Methodology

3.1 Population and Sampling

A beginning consideration was that the population of private investors is to be targeted and drawn from individuals with significant levels of education who are financially proficient and currently hold, have held, or intends to hold any financial asset in Turkey. The sampling is limited with this described profile living in Istanbul. This consideration is key for the realization of the study's aim, which is to analyze the effects of brand equity on investor behavior and a subsequent resultant of the ideal portfolio construct.

Out of the above specified population, the study applied the Cochran's formula to determine the sample size which data will be solicited from. The formula is quoted as:

$$n_0 = \frac{Z^2 pq}{e^2}$$

Where:

n= the sample size e= margin of error p= the extent of the population which has the trait being referred to q= 1- p (the Z value is identified in the Z table)

The formula emphasizes two relevant issues. The principal factor alludes to the risk that the researcher is ready to acknowledge in the study, normally called the margin of error. The subsequent one is the degree of permissible risk, the researcher is eager to acknowledge that the true margin of error surpasses the permissible margin of error (Cochran, 1963).

A total of 238 respondents participated in the survey out of which 207 were valid and usable responses.

3.2 Questionnaire Design

For the purpose of gathering data for the study, an online questionnaire was created utilizing scale items which were demonstrated to be cogent in previous research. The scale items were sources from Asgarnezhad et al. (2017) using a 5 point Likert scale (1 = Strongly agree, 2 = Agree, 3 = Neutral, 4 = Disagree, 5 = Strongly disagree) such close-ended type of question was selected as minimum writing activity is required, which makes it easy and less time consuming for the respondent (Hair et al., 2014).

The questions were constructed in the English language and then translated into Turkish language. It is necessary to be very accurate when converting scientific research items from one language to the other and also according to Olohan (2007, p. 131) ''an array of

propositions, structures, methodologies may be acquired, depending on the intent of the research items under conversion'' so as to render the same intent, meaning, and results of the study from its initial language to the other.

To get a precise translation, the translation procedure took two stages, the initial step was deciphering the questions from English to the Turkish language by an experienced Turkish native-language speaker, the subsequent step was to interpret the questions from the Turkish language back to English by another individual and contrast it with the first English questions to ensure that they are equivalent all together, so as to avoid semantic discrepancies, which could alter the intent of the original scale items.

3.3 Data Collection

To gather and examine data, a standardized questionnaire has been used, the validity of which was assessed officially; the questionnaire's reliability was also assessed using confirmatory factor analysis technique the results of which are shown in the "data analysis" part of the study. Validity answers the question that to what degree the measurement instrument can measure the proposed traits. One approach to assess validity is face validity; as needs be, sample questionnaires were given to renowned academicians, financial and investment specialists to give expert remarks on the probity and transparency of the questionnaire. Finally, after applying the experts' comments, the questionnaire was adjusted to meet the required validity.

4. Results and Interpretations

4.1 Presentation of Demographics.

Table 1 shows the descriptive analysis of the studied sample. The dynamics of the respondentswith regards to the demographics show a degree of dispersion, probably indicating differences in their investment interests (Çal & Lambkin, 2017). The female respondents outnumbered the males with a 20%. However, this is opposite in contrast with the findings of Çal & Lambkin (2017), with Δ40%. The age summary shows that younger investors in Turkey report a high rate of participation; perhaps it can be concluded that there is a considerable level of financial education for the young adults. Similarly, majority of the participants are married in both male and female cases. Both male and female indicate a high level of respondent's educational status (approximately, 67% of respondents have post-graduate degrees). From table 3 also shows that majority of the respondents are salary earners, however, they earn below USD 10, 000 per annum.

Table 1: Demographic of Respondents

	Frequency	**Percentage (%)**
Gender		
Female	126	60.9
Male	81	39.1
Ages		
18-25	29	14.1
26-35	74	35.7
36-45	60	29
46 and above	44	21.3
Marital status		
Unmarried	64	30.9
Married	124	59.9
Other	19	9.2
Educational Qualification		
High School	3	1.4
Bachelors	54	26.1
Masters	119	57.5
PhD	20	9.7
Others	11	5.3
Employment Status		
Self-employed	13	6.3
Salaried	99	47.8
Student	45	20.5
Retired	46	22.2
Other	4	1.9
Annual income (USD)		
Below 10,000	97	46.9
10,001-25,000	89	43
25,001-35,000	13	6.3
More than 35,000	8	3.9

***Note**: The sample size is 207

4.2 Exploratory factor analysis

It is argued that when factor analysis is used to validate a survey instrument, it is imperative to verify the factor loading of the individual items "to determine how, and to

what extent, the observed variables are linked to their underlying factors, and help to identify the minimal number of factors that account for the covariation among the observed variables" (Byrne, 2010). After a successfully conducting the EFA below are:

Table 2: EFA Reliability Results

Scale	Factor loading
Brand Awareness	
Q1: I am familiar with brand of companies that trade in financial assets	.661
Q2: I have a lot of information about the main business of the companies that trade in financial assets.	.942
Q3: My buying and selling decisions of assets are primarily based on my previous expertise, knowledge and experience	.835
Perceived risk	
Q7: I am usually cautious about buying assets whose price fluctuates suddenly.	.653
Q8: I am usually worried about the repurchase of the assets of the companies which have been associated with loss for me.	.694
Q9: In selecting brokerage companies to buy and sell asset, I usually pay attention to their reputation.	.511
Q11: I am always interested to buy and sell financial assets.	.313
Perceived return	
Q13: Investing in financial assets will create more return for me.	.930
Q14: I believe that the financial market in my country will operate satisfactorily in the future.	.522
Q15: I always anticipate making profits when I think of investing in the financial market of my country.	.815
Portfolio Management	
Q17: I refuse to invest in assets of the companies with low profitability.	.700
Q19: In the case of poor market conditions, I will not increase the amount of my investments.	.817
Q20: I decide separately about the assets in my investment portfolio.	.721

Q21: I usually consult with brokers and other specialized companies on issues of portfolio composition and financial asset trading.	.768
Q22: My knowledge and expertise in the field of buying and selling financial assets is at a level which can contribute to the proper diversification of my investment portfolio.	.751

Alpha's range of 0.80 to 0.90=very good; 0.70 to 0.80=good; 0.65 to 0.70=acceptable; 0.60 to 0.65=caution. The researchers indicated that the alpha value is usually dependent on the number of scale items. The procedure used in this study was reporting on the corrected item-total correlations, and Cronbach's Alpha if item deleted. Table 2 shows that alpha values with minimum of 0.875 and a maximum of 0.888. The values were all above 0.80 which are considered to be very good. A further look at the inter-correlations among the items which showed a very strong correlation coefficient ranging from 0.344 to 0.677. None of the values were below 0.30 which indicate that every item was measuring the larger scale as a whole. The 'Alpha if item deleted' shows that deleting items on the scale did not necessarily contribute to the increase of the alpha values but it confirms the all items contributed to the measurement of the entire scale. The overall Cronbach's Alpha is 0.887. By this results it can be submitted that there is internal consistency which was generated from the exploration factor analysis.

4.3 Validating the Model - CFA

Using SPSS AMOS, the correlation and standardized regression weights values were computed to ascertain the reliability and validity results as presented in the below Table.

Table 3: Outcome of Reliability and Validity test.

Variable	**CR**	**AVE**	**MSV**	**MaxR(H)**	**PRe**	**BA**	**PRi**	**PM**
Perceived Return (PRe)	0.871	0.693	0.585	0.874	0.833			
Brand Awareness (BA)	0.825	0.612	0.371	0.838	0.598	0.782		
Perceived Risk (PRi)	0.908	0.764	0.172	0.264	0.377	0.289	0.874	
Portfolio Management (PM)	0.887	0.612	0.585	0.892	0.765	0.609	0.415	0.782

The outcomes as shown in the tables show CR values above 0.80 which is above the benchmark of 0.70. Also, AVE scores were above 0.50 and all the MSV values were below the AVE values granting an indication that the responses are reliable and valid for the purpose of this study.

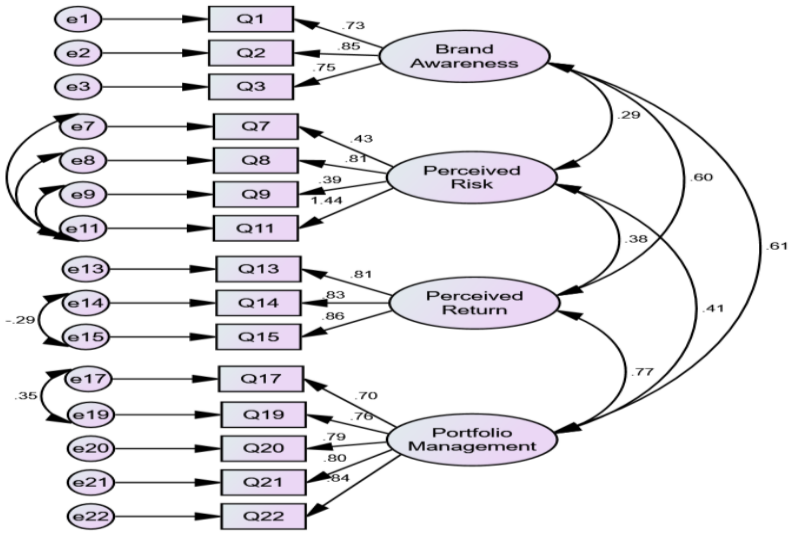

Figure 2: CFA Loading

After getting an appropriate model fit The outcomes as shown in the tables show CR reliability values above 0.80 which is above the benchmark of 0.70. Also, AVE validity scores were above 0.50 and all the MSV values were below the AVE values granting an indication that the responses are reliable and valid for the purpose of this study.

4.4 Testing the Hypotheses – Structural Equation Modeling

First Hypothesis Results (Direct effect): The first hypothesis was to test the relationship between brand awareness and portfolio management. The P-value results as shown in the below table, indicate that there is a strong positive relationship between Brand Awareness and Portfolio Management.

Second and Third Hypotheses Results: The second and third hypotheses of this study include a mediating effect of Perceived Risk and Return. The hypothesis is stated as Perceived Risk and Return significantly mediate the impact from Brand awareness to portfolio management. The P-values results as shown in the above table, indicate that there is a strong effect of perceived risk and return as mediators between Brand Awareness and Portfolio Management.

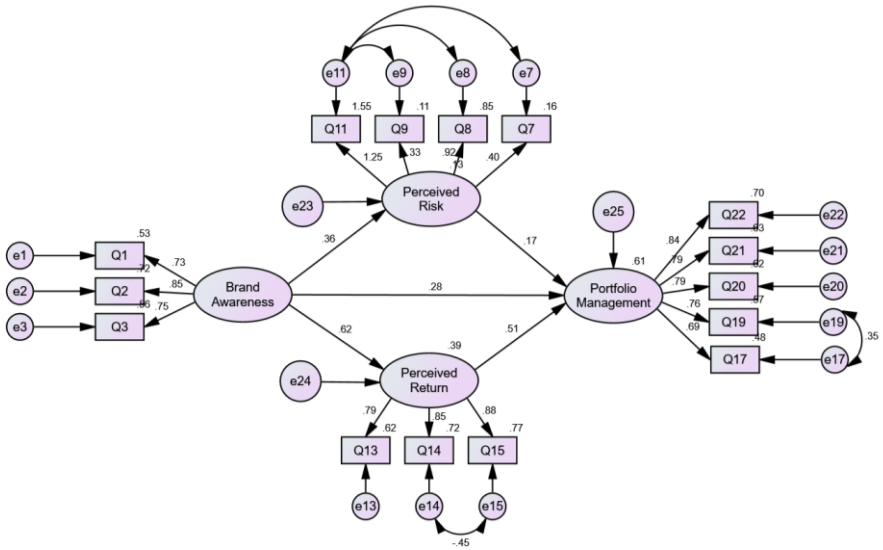

Figure 3: Structural Model

Table 4: Results of Hypothesis Testing

	Turkey	**P-value**	**Explanation**
H1	Brand Awareness ---> Portfolio Management	0.005	**Accepted**
H2	Brand Awareness ---> Perceived Risk ---> Portfolio Management	0.006	**Accepted**
H3	Brand Awareness ---> Perceived Return ---> Portfolio Management	0.007	**Accepted**

Fourth and fifth Hypotheses Results: The fourth and fifth hypotheses include variables that act as moderators between Brand Awareness and Portfolio Management. From the table 5 results, it can be concluded that neither investors income levels nor investment experience moderates the existing relationship between Brand Awareness and Portfolio Management.

Table 5: Fourth and fifth hypothesis testing (moderating effect)

	Turkey	**P-value**	**Explanation**
H4	Brand Awareness Investor income level ---> Portfolio Management	0.608	**Rejected**
H5	Brand Awareness * Investment experience---> Portfolio Management	0.574	**Rejected**

5. Conclusion and Suggestion

This study addresses a gap in literature by investigating the influence of brand dimensions on portfolio management which has not yet been investigated. This research further illustrates the mediating influence of perceived risk and return as investors seek to construct their portfolio of assets.

In this regard, a union between the finance and marketing field is achieved, an interdisciplinary concept which is largely ignored by researchers and practitioners. This research exchanges distinct approaches between the two fields.

By assigning a brand value to financial assets aside their core financial role, it highlights the investor-based brand equity that the financial markets receive via its financial activities with investors/customers. In this context, brand equity represents an add on value to a given financial asset and also serve as an evaluating short-cut or heuristics to make it easy for investor during the investment decision making process.

This study further indicates that the extent of perceived risk and return, which are known to be vital in making the financial and investment decisions, differs significantly across individual investors with regards to their level of financial knowhow and enlightenment. The effect of perceived risk and return on investment decisions is identified to be more prevalent and more negative or positive but to an extent, the strength of brand equity reduces this effect in the developing financial market setup. This is largely because of the country of origin effect which reflects the perceived risk and return for the financial market, with a resulting mediating role between brand equity and investment decisions.

This study was limited in the sense that, the investigations were limited to private investors and such were used as the core unit of analysis; analyzing individual investor's behavior only from an equity-investment context and not specifically dealing with the various investment types, such as treasury bills, bonds, and currencies. However, these limitations give room for further studies. The marketing literature will be enhanced greatly if an investigation is carried out and discoveries made on how institutional investors perceive financial assets and the brand equity ''influence'' in the financial markets and the degree to which these perceptions impact their placing decisions. Also, it would be great to explore the other dimensions of the brand equity construct in further studies.

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