Dealer-Based Brand Equity: The Role of Market Orientation and Relationship Marketing on Brand Equity

Noor Hasmini AbdGhani and Osman Mohamad

1College of Business, Universiti Utara Malaysia (UUM), Sintok, Kedah Malaysia
2Graduate School of Management, Multimedia University, Cyberjaya Campus, Cyberjaya, Selangor, Malaysia.

ABSTRACT

This study is to investigate the role of relationship marketing and market orientation strategy in developing brand equity from the dealer’s viewpoint, focused on automobile authorized independent sales dealers in Malaysia. Interestingly, the finding showed market orientation influenced the brand equity. But, the brand equity formation is by a function of relationship marketing and not restricted to the direct role of market orientation. Hence, to support the growth of both dealers and their firm’s future success, the study highlighted that relationship marketing activities is needed in any company’s strategy including in training activities as well as marketing events.

INTRODUCTION

Brand equity is valued as a very important concept in business practice as well as in academic research because achievement of brand equity will provide benefits such as competitive differentiation, premium prices, higher in sales volumes, economies of scales and greater security of demand through strong brands (Aaker 1996a; Blackston 2000; Hankinson 2004; Keller 1993). Thus, investigating the strategy that develop brand equity need to be further sustained and continued.

Likewise, the investigation should not be limited to consumers but need to expand it from the business customers as well. For example, the sales network context, such as a dealer. Similar to consumer’s perception, the point of differentiation that represented the equity of the brand, which evaluated from the business customers are absolutely critical as well (Bauldauf, Cravens, and Binder 2003; Keller 2013).

Hence, parallel to consumer-based brand equity, the dealer-based brand equity is crucial as well in providing relative “differentiation” of what the brands have from the market viewpoints. The “differentiation” could be tangible, which are related to the product performance of the brand or intangible aspects that are related to what the brand represents. The “differentiation” gives equity and represents the added values that make the brands become stronger or competitive (Aaker 1996a; Blackston 2000; Hankinson 2004; Keller 2008).

Dealer-Based Brand Equity:

Keller (2013) proposed that “customers”, includes individuals as well as organizations, for example business organization such as the dealers. Based on Omar and Blankson (2000), a dealer is someone who aids, supports, and serves the manufacturer (or firm). Or, by considering Rosenbloom (2004), a dealer can be referred as a retail trade organization that engaged primarily in selling merchandise for personal or household consumption and rendering services incidental to the sale of goods. Due to dealer’s response tapping the scope of brand equity assets, hence, by following Aaker (1991), the dealer-based brand equity in this study is defined as, “a set of brand assets and liabilities linked to a brand carried by them that add to or subtract from the value provided by a product or service to a firm and/or to themselves as a firm’s customers”.

In Malaysia, the dealers, such as the authorized independent sales dealers are among of very important firm’s business customers. For example, in crucial industry such as the automobile industry the reliance of automobile firms on their sales networks in successful marketing their brands have built commitment for them that getting the cooperation from their sales networks are necessary. In particular, the automobile sales networks in Malaysia are divided by two categories, which are refers to the sales branches and authorized independent sales dealers. Importantly, the authorized independent sales dealers are the automobile firm’s main business

Corresponding Author: Noor Hasmini AbdGhani, College of Business Universiti Utara Malaysia (UUM), Sintok, Kedah Malaysia
E-mail: hasmini@uum.edu.my
customers. They are in the category of small and medium entrepreneurs (SMEs) as the company are owned by individual and have their own workers. Even though the firm’s term and condition is applied but the dealers have to pay for the „stock” they requested. Hence, the revenues are belongs to them. In comparison to sales branches, the authorized independent sales dealers bring more revenues to the firm. Mainly, 70% of total sales volume is contributed by the authorized independent sales dealers.

Besides, the dealers also involved with any of marketing research activities organized by the firms; reporting the firm’s market performance; analyzed the firm’s competitor brand information; promoting the firm’s brand; informing any customer complaints or recommendations on behalf of firm’s customer; and any other task-related for customer’s motivation, comfortable and satisfaction. Consistent with Baldauf, Cravens, and Binder (2003), this means that, the dealers are the entity that’s responsible for marketing the firm’s brand; acts at the interface between consumers and firm; possesses knowledge regarding the perceptions and preferences of its customers; and is aware of the market performance and relative profitability of the firm’s brand that it distributed. These characteristics possessed by dealers have made the assessment of brands from their perspective more meaningful. Crucially, all of the customer’s perceptions towards the firm’s brand carried by them are in their “hands”.

Hence, for Malaysian automobile firms, all responses from their authorized independent dealers are basically representing the “voices” or response of the customers who bought and used the firm’s brand. Consequently, positive response by the dealers toward the brand they carry portray the equities of the brand have. While, negative response by the dealers portray the liabilities of the brand have. A brand with high equity will motivate the dealers to remain their commitment in handling the firm’s brand. For that reason, the management of brand equity assets in dealers’ perspectives are critical, as this will create the firm’s superior performance (Baldauf, Cravens, and Binder 2003). Hence, investigating the strategies that able to build brand equity in dealers perspectives are necessary for firm. This means, the dealer-based brand equity is crucial for firm’s brand to remain competitive.

Unfortunately, reviewing the articles in brand equity context, majority of investigation is within consumer-based brand equity (for example, Yoo and Donthu 2000; Kyung et al. 2008; Eschet al. 2006; Cobb-Walgren, Ruble, and Donthu 1995). Practically nothing has been published about “dealer-based brand equity in Malaysia context”. In fact, only few studies are focused in small and medium companies related to branding context. Widely, the branding study is more to larger companies (Garcia, Diaz, and Duran 2012; Gundala and Jack 2013). As a result, brand management studies in dealer-based brand equity received scarcely any attention. This involved the investigation toward the strategy that able to influence brand equity (Norjaya 2004), including from the automobile dealer or sales network perspective.

In addition, past literatures have stressed the importance of market orientation and relationship marketing strategy in relation to firm performance such as achieving higher brand equity (Day and Wensley 1988; Kohli and Jaworski 1990; Gronroos 1991; Morgan and Hunt 1994). Relationship marketing is argued to be the most important mediating variable by earlier researchers (Morgan and Hunt 1994). Disappointingly, the exploration of relationship marketing as a key mediating variable in relation to market orientation and brand equity development is still questionable (Noor Hasmini 2011; Kyung et al. 2008). And, the research on the factors that mediate the implementation of market orientation is still limited (Ruekert 1992). Besides, empirical studies on channel market orientation (such as dealers’ market orientation) in relation to relationship marketing and other subjective performance such as brand equity are regrettable as well (Bigne and Blesa 2003; Cravens and Guilding 2000; Day and Wensley 1988).

Therefore, in this present study, two important strategies which refers to market orientation and relationship marketing strategy as importance sources of brand equity will be investigated. Purposely, this paper seeks to investigate the mediating effect of relationship marketing variables such as trust, commitment, and satisfaction towards the relationship between market orientation and overall brand equity. The concern area of this study is represents by the authorized independent sales dealers. Particularly, this paper has three main research objectives: (1) to examine the mediator effect of trust toward the relationship between market orientation and overall brand equity; (2) to examine the mediator effect of commitment toward the relationship between market orientation and overall brand equity; and, (3) to examine the mediator effect of satisfaction toward the relationship between market orientation and overall brand equity.

Literature Review:

Brand equity is a set of brand assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm’s customers (Aaker 1991). In his Brand Equity Ten, Aaker (1996a; 1992) further explained that the brand equity phenomenon requires tapping the scope of brand equity assets, such as brand loyalty, perceive quality (brand quality), brand awareness and brand associations (that create the brand image), brand leadership, and market behaviour (for example, brand performance, i.e., profitability, ROI, market share).
In relation to dealers, these brand equity assets represented their response toward a firm brand carrying by them. Their responses basically based from what have been perceived by the markets, in particular, their customers. Positive dealers’ response warrants them confidence in continuing their firm’s brand further. For example, their perception on the following brand equity assets presents something valuable for them, which certainly determines important values for the firm as well:

**Perceived Quality/brand quality:**
In dealer’s context, perceived quality is the perception of quality of the firm’s brand according to the retailer, such as the dealers (Baldauf, Cravens, and Binder 2003). High brand quality is perceived to increase the brand equity (Yoo, Donthu, and Lee 2000). Moreover, a perceived quality advantage provides the option of charging a premium price and can be exploited by introducing brand extensions (Aaker 1991; 1996a).

**Brand Leadership:**
According to Keller (2008), brand leadership is defined as the brand’s ability to influence its market and be a dominant force with a strong market share such that it can set price points, command distribution, and resist competitive invasions. Aaker (1996a) further stressed that brand leadership is important as it reflects the “number one” syndrome, taps the dynamics of customer acceptance and innovation within a product class. The ability of a brand to become the dominance for a dealer is crucial as brand dominance will further increase the brand equity of a firm. Besides, the fact that leadership covers the aspects of market share, popularity and innovations has made brand leadership important enough to merit attention.

**Brand Image:**
According to Yoo, Donthu, and Lee (2000), brand image is “a set of [brand] associations, usually in some meaningful ways”. The brand associations that form its image are related to a series of tangible and intangible elements associated with the brand. Thus, the image of the brand is the cluster of attributes and associations that the dealer connects to the brand name (Biel 1992). This is a condition for favourable attitudes towards choosing the brand. A positive image enables the brand to lead for larger margins and have more inelastic responses to price increase. The effect of positive image on price reflects the most important aspect of brand image, as the relationship shows the overall brand attitude (Villarejo-Ramos and Sanchez-Franco 2005). Dealers with strong, favourable brand attitude are more willing to pay premium prices for the brand.

**Market Behaviour:**
Among the importance element focused in market behaviour normally reflects the dealer’s brand performance, for examples, market share, profitability, sales volume and market price. This financial measure is crucial as it tends to be a benchmark for a dealer toward the brand it carries (Aaker 1996a; Baldauf, Cravens, and Binder 2003).

With the above explanation, it is clearly shown that assessing brand equity assets from the dealer is actually reveals the benefits that they are satisfied with the brand they carry and buy. These benefits are vital for firms, as they will translate to firms’ added value, which further sustained the firms’ competitive advantage. High dealer-based brand equity toward the firm’s brand were also able to attract their customers, providing a guarantee of sales, easily influencing the sales of a product, and allowing it to be sold at higher prices. But, low dealer-based brand equity will cause a problem for dealers as it creates difficulties for them in selling the firm’s product. This will affect their roles in selling activities. For a dealer, low brand equity indicates that the brand is not strong enough as it has still not achieved competitiveness. Consequently, beneficial in terms of greater margins, retail image contribution, and consistent sales volume for both the firm and their dealers will not be achieved (Cobb-Walgren, Ruble, and Donthu 1995; Farquhar 1989; Mehta, Larsen, and Rosenbloom 1996; Wood 2000).

Thus, the dealer-based brand equity is the crucial intangible aspect for firm to focus on. Due to the shift in power from firms to retailers, the role of dealers in influencing brand equity becomes increasingly important. Hence, the firms are supposed to work with rather than against their dealers in enhancing or maintaining brand equity. Similar to consumer-based brand equity, introducing the strategy that able to develop dealer-based brand equity is needs to be focused as well. Importantly, due to customer orientation becomes essential in nowadays situation, thus, dealing with the strategy that stressed the customer orientation such as market orientation is necessary. Moreover, due to becoming a market-oriented firm is essential during market dynamism (Singh 2004), thus, the consideration of dealer’s market orientation strategy in building brand equity during this tight time become a priority.

Market orientation as important strategies was stressed by many past researchers. This is due to market orientation is able to create firm’s superior customer value (for example, brand equity) that lead to the achievement of firm’s competitive advantage (Cravens and Guilding, 2000; Day and Wensley 1988; Kohli and Jaworski 1990; M. Ashari and Mohamed 2001; Narver and Slater 1990). Even, Ind and Bjerke (2007), they
argued that market orientation philosophy is aim to build brand equity by involving firms, customers and other stakeholder including retailers in the development of the brands. Market orientation that focused on knowledge-related behaviour (Kohli and Jaworski 1990) has been recognized as a pillar of superior company performance by both academics and practitioners for over than four decades (Kara, Spillan, and DeShieldsJr 2005). To support, Noor Hasmini (2012) found that there is a significant relationship between dealer’s market orientation and brand equity.

However, to what extent does the role of market orientation in develop the brand equity? Does market orientation directly influence the brand equity? Or, Does the role of market orientation in influence brand equity is by a function of other factor? Rationally, for dealer’s market orientation successfully implemented, support from supplier firm is vital (Soehadi, Hart, and Tagg 2001). This means that successful relationship marketing between them is vital. In fact, the establishment of relationship marketing is also important for delivering value to customer as customer’s buying motivation involves both sources of values between the supplier firm and their dealers. If both firms and their dealers are not capable of partnering effectively, it will be hard for dealers to inspire a strong sense of trust and partnership with customers. Negative relationship between firm and dealers will negatively impact the relationship between dealers and their customers. Without any satisfaction and trust, loyalty will not be stimulated (Anderson and Narus 1990; Saint-Onge 1998; Sanzoet al. 2003; Webster Jr 2000).

Indeed, the critical role of relationship marketing variables for example trust, commitment, satisfaction as a mediator in achieving the firm’s superior performance have been proven by some of past relationship marketing researchers (for example, Thibaut and Kelly 1959; Morgan and Hunt 1994; Colton, Roth, and Bearden 2010; Yuwen 2009; Matzler, Grabner-Kräuter, and Bidmon 2008; Li-Ting, Tsung-Chieh, and Cheng-Kiang 2007; Seigyou 2005; Chumpitaz and Paparoidamis 2004; Bloemer, de Ruyter, and Peeters 1998). Hence, by looking at the important of relationship marketing as a mediator, therefore, in this study, the proposed hypotheses are as follows:

H1: Trust mediates the relationship of market orientation and overall brand equity
H2: Commitment mediates the relationship of market orientation and overall brand equity
H3: Satisfaction mediates the relationship of market orientation and overall brand equity

**Methodology:**

**Sampling Procedure:**

This study is conducted in sales network or retailer context, which is represented by authorized independent sales dealers among branded cars in Malaysia. They are refers to the authorized independent sales dealer for Proton, Perodua, Toyota, and Honda brands.

In this study, the authorized independent sales dealers are refer to “individual independent dealer and superdealer (if any) that are contractually appointed by a firm as important intermediaries that deal with all activities involved in carrying and exclusively selling the firm’s product/brand to final customer; indirectly representing firm’s business „partnership” that perform the important function on behalf of a firm in fulfilling customer needs; and, a firm’s business „customer” as well, who have bought a certain or large volume of the product (stock) and are tied with the payment arrangement for any stock allocation”.

For the purpose of data collection, a survey method was used. A questionnaire was developed and distributed to these authorized independent dealers in Peninsular Malaysia. 132 authorized independent sales dealers were randomly selected. The dealer’s sales managers were selected to answer the questionnaire because they are the most qualified informants (Blesa and Bigne 2005). The selection of these dealers followed the procedure proposed by (Malhotra 1993), which is based on a random number using Statistical Tables. All respondents were given two-weeks to complete the questionnaire. From 132 respondents, only 129 valid responses were received giving a response rate of 97.7 percent.

**Research Construct:**

(i) **Brand Equity**

In this study, the brand equity represents dependent variable. As this study is focused on durable goods perspective, thus, brand equity is defined based on the definition developed by Villarejo-Ramos and Sanchez-Franco (2005). Pertaining to this, it has reflected four main brand equity assets: brand loyalty, perceived quality, brand awareness, and brand image. However, as this present study was to be conducted in the context of authorized independent sales dealers, some adaptations of the scale were involved. Due to authorized independent sales dealers already loyal and aware of the brand they carried out, therefore, brand equity assets in this study are refers to perceived quality, brand image, brand leadership, and brand performance. 20 items were proposed to represent all components of brand equity assets with minor modification on the wording for the appropriateness with the study context. These scales represent the main measurement of brand equity (Aaker 1996b; Baldauf, Cravens, and Binder 2003; Villarejo-Ramos and Sanchez-Franco 2005). The mean of all items for each of the brand equity assets was calculated to represent the overall brand equity for the purpose of analysis (Green and Chen 2010).
(ii) Dealers’ Market Orientation:

Dealer’s market orientation represents the independent variable in this study. For the purpose of this present study, market orientation was measured using the instrument developed by (Kohli, Jaworski, and Kumar 1993). Pertaining to this, it reflected three basic elements of market orientation: intelligence generation, intelligence dissemination, and responsiveness. 20 items were proposed in measuring the three elements of market orientation (Kohli, Jaworski, Kumar 1993). However, as this present study is focused on dealer’s perspective, thus, only 18 items were selected as two other items were more applicable to be used in the context of supplier (Siguaw, Simpson, and Baker 1998). All 18 items were used with minor modification on the wording for the appropriateness with the study context. Besides, as dealer’s market orientation in this study was posited to improve the company performance, the overall market orientation was used to represent the independent variable (Jaworski and Kohli 1993).

(iii) Relationship Marketing:

In this present study, relationship marketing represented the mediator variable. Relationship marketing instrument was measured using the original scale developed by Morgan and Hunt (1994) with minor modification on wording to ensure the appropriateness with the study context. Hence, relationship marketing in this study is refers to all marketing activities directed towards establishing, developing, and maintaining successful relational exchange (Morgan and Hunt 1994).

Also, as suggested by Morgan and Hunt (1994), in addition to trust and commitment variables, other variables of relationship marketing need to be explored as well for further replication, extension, application and critical evaluation in marketing disciplines and practices. Thus, the variables satisfaction is added to the work of Morgan and Hunt (1994).

Based on the pilot test, the inclusion of satisfaction variable is crucially important for the authorized independent automobile dealers as for them, the satisfaction variable is able to signify the important benchmark of how far the support from the firm extends to the dealer’s market orientation activities. This will signify their successful relationship with the firms.

Pertaining to this, relationship marketing dimensions in this study was operationalized in terms of three important behaviour components, which refer to relationship commitment, trust, and satisfaction. Nine items were proposed in measuring these three variables of relationship marketing.

Analysis and Result:

The result of sample characteristics showed that most of the firms have operated for more than six years with the number of workers being more than 15 people. The majority of sales managers had experience with the brand carried by their firm for more than 6 years. Also, the majority of them had working experience of more than 6 years. As expected, the majority (58.1%) of the dealers are located in the Selangor (37.5%) and Kuala Lumpur (21.1%) area, which are the most modern and advanced region in Malaysia both economically and socially. Indeed, in Malaysia, these areas are where most organizations are located. In terms of firm’s location, most of the firms are located in shop lot areas, followed by stand-alone and business lot areas representing 41.9%, 25.0%, and 21.0%, respectively.

In terms of reliability test, the finding demonstrated sufficient value for further analysis to be conducted. The reliability test for each of market orientation, relationship marketing and brand equity, which was represented by Cronbach Alpha ranging from 0.80 to 0.91, explained that the scales were relatively reliable and generally considered sufficient for research purpose (Nunally 1978).

Hypotheses Testing:

In order to test the hypotheses, regression analysis was used. As this study concerns the mediator analysis, the procedure based on Baron and Kenney (1986) was followed.

The results are shown in Table 1. It can be seen that the relationship marketing component, which refers to satisfaction, becomes a full mediator in the relationship between market orientation and overall brand equity. The result shows that without the inclusion of satisfaction, the relationship between market orientation and overall brand equity is significant with β=0.42. However, with the inclusion of satisfaction (β=0.40), the effect of market orientation on overall brand equity was insignificant and reduced by β=0.20.

In addition, the variables trust and commitment partially mediated the relationship between market orientation and overall brand equity. With the inclusion of trust (β=0.55) and commitment (β=0.25), the effect of market orientation on the overall brand equity was reduced by β=0.18 and β=0.36 respectively. However, the
relationship was still significant at p<0.05. Overall, all of these findings substantively support hypotheses H1, H2, and H3.

Table 1: Mediating Effect of Relationship Marketing Components on Relationship between Market Orientation and Overall Brand Equity

<table>
<thead>
<tr>
<th>Independent Variable (IV)</th>
<th>Mediating Variable (MV)</th>
<th>Model 1 (IV and DV without MV) Std Beta</th>
<th>Model 2 (IV and DV with MV) Std Beta</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Orientation</td>
<td>Trust</td>
<td>0.42*</td>
<td>0.18*</td>
<td>Partial</td>
</tr>
<tr>
<td></td>
<td>Commitment</td>
<td>0.42*</td>
<td>0.36*</td>
<td>Partial</td>
</tr>
<tr>
<td></td>
<td>Satisfaction</td>
<td>0.42*</td>
<td>0.20</td>
<td>Full med.</td>
</tr>
</tbody>
</table>

Note: * p<0.05, dependent variable (DV) is refers to overall brand equity.

Discussion and Conclusion:

This study examined the role of relationship marketing as mediator in developing brand equity. Difference from previous studies where majority of brand equity studies dominance in consumer-based brand equity, this study focus on dealer-based brand equity, among of importance business customers that received less research attention including in brand equity development context (Baldauf, Cravens, and Binder 2003).

Particularly, in this study, the role of relationship marketing as mediator towards relationship between market orientation and brand equity is investigated. The study focused on automobile authorized independent sales dealer, which is among of importance automobile sales networks in Malaysia. These dealers are firm’s appointed dealers that exclusively carrying and selling the automobile firm’s brand to customers.

Meanwhile, majority of relationship marketing and market orientation past studies have focused in western, but, this study expand the role of relationship marketing and market orientation in Asia where limited research exists, particularly in its contribution to dealer-based brand equity.

Based on the findings, relationship marketing is found to mediate the relationship between market orientation and brand equity. This means that, from the context of authorized independent sales dealer market orientation is not the only important strategy that is able to develop the brand equity. However, in certain circumstances the significant of this relationship is by a function of the relationship marketing. Or in other words, the mediator variables of relationship marketing help to conceptualize and explain how market orientation brings about the development of brand equity.

The result showed that relationship marketing components, which refer to trust, commitment and satisfaction, mediate the relationship between market orientation and brand equity. Among all, satisfaction is found to be fully mediators toward the relationship between market orientation and brand equity. Means that, the successfully of market orientation in developing brand equity is depends on the satisfaction element. This exciting finding increased the important role of satisfaction in dealer context. Moreover, the result further supports the significant of satisfaction in developing the firm’s value by past researchers. For example, the findings support the explanations by Kyung et al. (2008) for satisfaction in relation to brand loyalty, image, and awareness; Leonidou and Kaleka (1998) in relation to export involvement; and Gruen (1995) in terms of employees’ qualitative outcome.

Meanwhile, for the element of trust and commitment, the result showed that both of the elements partially mediate the relationship. Partial mediation means that the mediating variables account for some of the relationships between independent variable and dependent variable. Therefore, the ability of market orientation in developing brand equity is not solely by the role of market orientation. However, in circumstances, trust and commitment have to appear to successfully build brand equity. Hence, other than full mediator, the result of partial mediator also demonstrates the critical role in explaining the source of brand equity. In addition, the finding also increased the empirical generalization in retailers within the dealer’s branding and market orientation context, which has received little research attention previously (Kyung et al. 2008; Siguaw, Simpson, and Baker 1998) including in Asia context.

In relation to firm context, this finding suggests that firms’ encouragement of their dealers to be market-oriented companies is vital as this approach enables the dealers to increase their market knowledge, which influences the formation of brand equity for the brand they carry. However, it is important to note that the effectiveness of dealers’ market orientation in developing the brand equity only occurs through the presence of strong dealers’ satisfaction, trust and commitment towards their firm. Without successful relationship marketing components such as satisfaction, trust, and commitment, the strength of the brand from the dealers’ perspective, particularly for authorized independent dealers, cannot be achieved.

Hence, For Malaysian automobile firms as well as other firms, the concerning of relationship marketing as well as market orientation towards their dealers are really means for sustaining strong brands in the market. The moved taking by Proton automobile in applying of relationship marketing activities is not only able to create stronger bonds with the customer and achieving the customer loyalty. Besides, Proton’s relationship marketing activities are also able to improve Proton’s market position. For example, in 2011, the Proton’s market position is only 5.2 percent behind Perodua, the Malaysia automobile leader (Keller 2013). Therefore, Malaysian firms should apply relationship marketing as their important strategy in developing brand equity. Several of
relationship marketing activities as well as market orientation activities have to be developed and implemented. Further, to increase the staff understanding, the training in relation to both strategies needs to be developed. Unless, for those companies that only produced the product once-in-a-lifetime purchase, customer do not show loyalty, and the unit sale is very small then the implementation of relationship marketing is not valid (Kotler et al., 2012). Overall, although this study has provided relevant and interesting insights into the understanding of brand equity development, it is important to deals with its limitations. Particularly, the data in this study was obtained from the independent authorized dealers in Malaysia context. Hence, it would be useful to investigate in other countries for the purpose of generalization. Others, more future research directions are valuable in further explained the role of market orientation and relationship marketing especially in branding context. For example, it would be useful to assess the generalization of relationship marketing dimensions, such as in different dimension and measurement of brand equity, as well as market orientation perspective. With more replicative and creative research, it is expected that a more comprehensive conceptual framework related to the role of market orientation and relationship marketing in branding perspective can be developed in future.

REFERENCES


Appendix 1:
Measure Items in the Questionnaire

<table>
<thead>
<tr>
<th>Measure Items/Source</th>
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<tbody>
<tr>
<td>Relationship Marketing (Adapted from Morgan and Hunt, 1994)</td>
<td></td>
</tr>
<tr>
<td>Commitment:</td>
<td>The relationship activity or orientation that our company have with manufacturer including in support our market orientation activities (e.g. customer information gathering and dissemination response on it),</td>
</tr>
<tr>
<td></td>
<td>(a) is something our company very committed to</td>
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<tr>
<td></td>
<td>(b) is something our company intends to maintain indefinitely</td>
</tr>
<tr>
<td></td>
<td>(a) deserves our company’s maximum effort to maintain</td>
</tr>
<tr>
<td>Trust:</td>
<td>In our relationship activity or orientation, including in support our market orientation activities (e.g. customer information gathering and dissemination response on it),</td>
</tr>
<tr>
<td></td>
<td>(a) our manufacturer can be trusted over times</td>
</tr>
<tr>
<td></td>
<td>(b) our manufacturer can be counted on to do what is right</td>
</tr>
<tr>
<td></td>
<td>(c) our manufacturer have high integrity (or honest)</td>
</tr>
<tr>
<td>Brand Equity Assets</td>
<td></td>
</tr>
<tr>
<td>Perceived Quality</td>
<td>The likely that X will be satisfactory is very high</td>
</tr>
<tr>
<td></td>
<td>The likely that X is reliable is very high</td>
</tr>
<tr>
<td></td>
<td>The likely quality of X is extremely high</td>
</tr>
<tr>
<td>Brand Image</td>
<td>X is a very nice brand</td>
</tr>
<tr>
<td></td>
<td>X is a very good brand</td>
</tr>
<tr>
<td></td>
<td>X is a very attractive brand</td>
</tr>
<tr>
<td></td>
<td>X has a strong personality</td>
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</tbody>
</table>
X has a strong image

<table>
<thead>
<tr>
<th>Brand Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>The X brand to be a leading brand in its category is very high</td>
</tr>
<tr>
<td>The X brand to be respected for innovation is much appreciated</td>
</tr>
<tr>
<td>Compared to its competitors, the X brand to become popular is very high</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Brand Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>The return on investment for carrying X brand is satisfactory</td>
</tr>
<tr>
<td>The margin for carrying X brand is satisfactory</td>
</tr>
<tr>
<td>The profitability for carrying X brand is satisfactory</td>
</tr>
<tr>
<td>The sales volume for carrying X brand is satisfactory</td>
</tr>
<tr>
<td>The market share for carrying X brand is satisfactory</td>
</tr>
<tr>
<td>The sales growth for carrying X brand is satisfactory</td>
</tr>
</tbody>
</table>