

# EFFECT OF BRAND IMAGE ON CONSUMER PURCHASE BEHAVIOUR: INTERNATIONAL FOOTWEAR MARKET COMPARISON

**Master Thesis** 

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### **EXECUTIVE SUMMARY**

Nowadays brand image is a powerful tool to entice new customers by influencing their behaviour with various strategies that would make them loyal to one brand. Research shows that the European footwear market is the second biggest in the world in terms of purchase power (CBI, 2010). To add, it is expected that footwear market in Europe will grow in the period of five years 2012 - 2017 (CBI, 2010). This indicates that competition would become fiercer among footwear manufactures and retailers. In this research the effect of brand image on consumer purchase behaviour is examined. Two countries, namely Lithuania and Denmark are selected to investigate brand equity and customer consumption values in order to compare different purchase behaviours.

In the first part of this thesis the Methodology chapter is being presented where the investigation's methodological process is explained. The valid argumentation of chosen methods is introduced. Additionally, the description of data collection and expected process of investigation with reasoning of techniques used in the investigation is presented.

In the Theory chapter the Brand Equity (D. Aaker, 1991, and K. Keller, 2003) is introduced in order to elaborate upon four elements (brand awareness, perceived quality, brand association, brand loyalty) which contribute in brand image creation. The Theory of Consumption Values (J. Sheth et al., 1991) is introduced in order to collect meaningful findings and solve risen assumptions. Approaches of Consumer Behaviour are used as an additional tool to prove insights made during the investigation. Each of the theoretical resources is applied in final part of the thesis.

In the Results of Empirical Investigation part of the thesis the assumptions about the effect of brand image on consumer purchase behaviour are analysed in the context theoretical substantiation. The interviews were conducted with eight respondents who have experience and knowledge about footwear purchase activities. During the information collection process some meaningful findings are discovered.

Lastly, in Conclusions chapter the findings of the investigation are presented. The discussion about theories chosen and limitations which appeared during the process of the investigation are introduced. Suggestions for further investigation are presented as well.

3

# Table of Contents

List of Acronyms.	7
List of Figures	7
List of Tables	7
1. Introduction	8
1.1. The Brand Image in European Footwear Market	8
1.2. Problem Formulation	10
1.2.1. Lithuania and Denmark Comparison	10
1.2.2. Lithuanian Footwear Market	11
1.2.3. Prices in Lithuanian Footwear Market	12
1.2.4. Danish Footwear Market	13
1.2.5. Prices in Danish Footwear Market	14
1.3. Thoretical Framework	14
1.4. Objectives of the Thesis	16
2. Methodology	
2.1. Introduction	
2.2. Thoretical Background	
2.3. Methodological Approach	19
2.4. Research Method	19
2.4.1. The Investigation	20
2.4.2. Data Collection	20
2.4.3. The Interview	21
2.4.4. Grounded Theory	23
2.4.5. Within-case and Cross-case Analysis	24
2.4.6. Validity of the Investigation	25
3. Thories	27
3.1. Justification of the Theory and Framework chosen	27
3.2. Brand Equity	28
3.2.1. Brand Awareness	29
3.2.2. Brand Loyalty	
3.2.3. Perceived Quality	
3.2.4. Brand Association	

3.3. Approaches of Consumer Behavior	35
3.3.1. Economic Man	35
3.3.2. Psychodynamic Approach	36
3.3.3. Behaviourist Approach	36
3.3.4. Cognitive Approach	37
3.3.5. Humanistic Approach	
3.4. Theory of Consumption Values	
3.4.1. Functional Value	39
3.4.2. Social Value	40
3.4.3. Emotional Value	40
3.4.4. Epistemic Value	41
3.4.5. Conditional Value	42
4. Results of Empirical Investigation	43
4.1. Introduction	43
4.2. Background of Respondents	43
4.3. Customer Approaches and Consumption Values	47
4.4. International Customer Perception about Brand Image	54
5. Conclusions	61
5.1. Introduction	61
5.2. Conclusions	61
5.2.1. General Insights about Danish and Lithuanian Consumers	61
5.2.2. Brand Awareness	62
5.2.3. Perceived Quality	62
5.2.4. Brand Loyalty	63
5.2.5. Brand Association	63
5.2.6. Danish and Lithuanian Consumption Values	64
5.3. Discussion about Theories Chosen and Limitations	65
5.4. Implications	66
5.5. Recommendations for Future Research	67
5.5.1. Samples	67
5.5.2. Theories	67

References

Appendixes

## List of Acronyms

TCV - Theory of Consumption Values CSR – Corporate Social Responsibility BEC – Brand Equity Concept EU – European Union LT – Lithuania DK – Denmark

# List of Figures

Figure 1. Within-case and Cross-case analysis

# List of Tables

- Table 1. The attributes for footwear purchase (Lithuanian respondents' opinion)
- Table 2. The attributes for footwear purchase (Danish respondents' opinion)
- Table 3. Consumer purchase behaviour in decision making (Lithuanian respondents)
- Table 4. Consumer purchase behaviour in decision making (Danish respondents)
- Table 5. Effective determinants for Lithuanian customers
- Table 6. Effective determinants for Danish customers

### 1. INTRODUCTION

## 1.1. The Brand Image in European Footwear Market

The footwear market during the early centuries has been constantly evolving while adapting consumers' needs. In the past shoes were used for functional purposes, their purpose in the modern society has changed. The esthetical style of shoes has taken the equal share of consumer interest as functionality that was a predominant factor for the choice of shoes. European countries such as Italy, Spain, and France dictate the fashion trends of the European footwear market thus creating specific shoe brand image for consumers. The main buyers in the European footwear market are the teens, young people and young professionals/graduates both men and women<sup>1</sup>. Consumers are more aware of the brand image the producers create in these segments. Shoes became self-identification tool that helps individuals to distinguish themselves form the masses. Shoes can represent an individual's lifestyle, habits or profession.

An analysis of the initial need for shoes in daily life in the European footwear market demonstrates that the total revenues have increased by 1.7% between the year 2008 and 2012. Analytics expect that during the five-year period 2012 - 2017 the footwear market in Europe will continue to grow more and it will reach 81.11bn Euros by the end of 2017<sup>2</sup>. These numbers prove the fact that nowadays modern society perceives shoes not only as 'feet protection' but also as tool for presenting one's personality and individuality. Therefore, shoe stores offer a wide variety of shoe brands. The EU is the second largest market for footwear and represents one third of the global market value (CBI, 2010). In 2008 the European spent approximately 49 Euros per pair of shoes and bought 4.2 pairs (CBI, 2010). European customers are supplied with myriad of well-known or unknown shoe brands. Thus, when buying footwear the brand name and image play a role in customer decision making. During purchasing process a specific brand each individual wants or has

<sup>&</sup>lt;sup>1</sup> CBI, (2010). *CBI Market Survey: the Footwear Market in EU*. Available on: <u>http://www.cbi.eu/marketintel/The-footwear-market-in-the-EU/160450</u>

<sup>&</sup>lt;sup>2</sup> ReportLinker.com. (2013). *Footwear in Europe*. Available on: <u>http://www.reportlinker.com/p0114835-summary/Footwear-Market-in-Europe.html</u>

unconscious need to have social ties with a specific brand community or cultural group (A. Muniz and T. O'Guinn, 2001).

According to J. Rayport and B. Jaworski (2003), the process of purchase could be divided into three sections: pre-purchase, purchase and post-purchase. Authors claim that every part of purchase process is important because it is a complex action. Firstly, when a decision to buy a product is made, personal evaluation of product purchase process begins. Consumer starts collecting information regarding the criteria that determines the choice of the product and the location where the purchase is to be made. The question about loyalty to the brand is raised as well when it comes to utility of the product and service that the customer receives on purchase day. According to D. Schultz (2005), a satisfied customer will demonstrate the loyalty to the brand in a way that shows the willingness to repeat the purchase and provide positive comments to the social groups using word-of-mouth technique. The product brand itself and its importance to the client is included in purchase decision making as well.

The purchase decision, according to M. Delong (2004), can be stimulated by the knowledge about brand and customers tend to rely on the brand image they know already. Thus, marketers have an initial goal to construct the brand image that would entice consumers to purchase that particular brand. The brand image is constructed through advertising, word-of-mouth, reference groups, celebrities, and media (R. Mihalcea and I. Catoiu, 2008). Creating a specific meaning of the brand through media, celebrities and reference groups encourage customers to deem themselves as a part of the same cultural environment as well as a certain social group (A. Muniz and T. O'Guinn, 2001). Most known marketers D. Aaker (1991) and K. Keller (2003) began to investigate the concept of 'brand equity' which described as "value of the brand in marketplace" (K. Keller, 2003). This means that a brand is differed from other brands and it is easily recognized by customers. As a result, customers are ready to pay extra money for the branded items (C. Pullig, 2008). Loyal clients recommend certain brands to their family members, friends and other social groups.

Customers' purchasing behaviour could be described by different purchasing approaches. Each customer has an individual understanding about purchase. Purchase approach is formed and developed during the lifetime since childhood of the customer, or can be spontaneous and based on emotions. The purchase approach the customer demonstrates has different usage purposes. Purchase decision making is also affected by customer consumption values. The consumption values explain why a customer chooses one brand over another, which type of the product is more suitable and adaptable for him or her, and why they choose to purchase the product they use in their daily routine. There are multiple values which explain the purchase decision making: functional, social, emotional, epistemic, and conditional (J. Sheth, B. Newman, B. Gross, 1991). Purchase decision making depends on consumer approach to the product and what consumption values he or she possesses. Therefore, in this paper, the brand equity will be adapted and analysed through theoretical perspective. Furthermore, consumption values will be theoretically examined and illustrated in later thesis chapters in order to investigate the effect of brand image on customer purchase making.

## 1.2. Problem Formulation

Considering the fact that European footwear market is expected to grow for the period of five years (2012 to 2017)<sup>3</sup> the interest in purchasing shoes by European customers will increase accordingly. Thus, two European countries were selected to analyse consumer purchase behaviour which is influenced by shoe brand image. The selected countries are Lithuania and Denmark since both of them are in similar geographical and climate region, however, with expected different consumer attitude and buying habits.

### 1.2.1. Lithuania and Denmark Comparison

According to Official Lithuanian Statistics Portal (2014)<sup>4</sup> there are 2.95 million inhabitants in Lithuania. In comparison, according Official Danish Statistics Portal (2014)<sup>5</sup> Denmark's population is 5.6mln. The above mentioned statistics illustrate the difference between two analysed countries in terms of population. According latest statistical data, the consumer price index in Lithuania is 66.34<sup>6</sup> while in Denmark is almost twice bigger 129.7 in 2014<sup>7</sup>. In

<sup>&</sup>lt;sup>3</sup> CBI, (2010). *CBI Market Survey: the Footwear Market in EU*. Available on: <u>www.cbi.eu/marketintel/The-footwear-market-in-the-EU/160450</u>

<sup>&</sup>lt;sup>4</sup> Statistics Lithuania. (2014). *Bendroji informacija*. Available on: <u>http://osvp.stat.go.lt/</u>

<sup>&</sup>lt;sup>5</sup> Statistics Denmark. (2014). *General Information*. Available on: <u>https://www.dst.dk/en</u>

<sup>&</sup>lt;sup>6</sup> Statistics Lithuania. (2014). *Pragyvenimo lygis Lietuvoje*. Available on: http://osp.stat.gov.lt/temines-lenteles12

addition, the local purchasing power in Lithuania is 41.80<sup>8</sup> whereas in Denmark it reaches 93.69<sup>9</sup>. These indexes show great difference in economic aspects of consumer lives in the two countries. Having this in mind, a question about the effect of brand image on consumer behaviour in purchase decision making is taken into consideration. Consumers in different countries have diverse preferences and they are also affected by the brand image to different extent. Consequently, an analysis of both countries' footwear market ought to be conducted.

#### 1.2.2. Lithuanian Footwear Market

According the 2008 year report, the footwear market in the Baltic States was valued for 308mln Euros. Lithuania is the largest country among the Baltic States and it is the market leader with the market share amounting to 163mln Euros<sup>10</sup>. Lithuanian inhabitants bought 9mln pairs of shoes in 2008 which equals 2.9 pairs per capita and on average spent 48Euros per year on shoes<sup>12</sup>. However, regardless of the Lithuania's dominant market position among the Baltic States, according to I. Blaziene, Institute of Labour and Social Research, "based on the information available, it appears that the footwear industry differs little from other economic sectors with a relatively low level of employee representation organisations"<sup>11</sup>. There are only three Lithuanian social partner organisations which would protect the workers in footwear market from a total collapse knowing that one of main footwear manufactures AB Elnias went bankrupt several years ago<sup>11</sup>. This indicates that the situation in the footwear market is not competitive. Consequently, as in other manufacturing sectors, foreign footwear brands are occupying a dominant position in Lithuanian footwear market. After joining the EU Lithuanian shoe market began to grow significantly before the financial crisis in 2009. Moreover, after the economic stagnation, the general perspectives in European footwear market also brought positive changes in

<sup>7</sup> Statistics Denmark. (2014). *Consumer Prices.* Available on:

http://www.dst.dk/en/Statistik/emner/forbrugerpriser.aspx

<sup>&</sup>lt;sup>8</sup> Numbeo. (2013). *Cost of Living in Lithuania*. Available on: <u>http://www.numbeo.com/cost-of-living/country\_result.jsp?country=Lithuania</u>

<sup>&</sup>lt;sup>9</sup> Numbeo. (2013). *Cost of Living in Denmark*. Available on: <u>http://www.numbeo.com/cost-of-living/country\_result.jsp?country=Denmark</u>

<sup>&</sup>lt;sup>10</sup> CBI, (2010). *CBI Market Survey: the Footwear Market in the Baltic States*. Available on: www.cbi.eu/.../marketintel/201020-20footwear20-20Baltic20States1.pdf

<sup>&</sup>lt;sup>11</sup> <u>http://www.eurofound.europa.eu/eiro/studies/tn0907017s/lt0907019g.htm</u>

analysed market. The volume of footwear sales continued to grow indicating a trend towards purchasing lower priced shoes<sup>12</sup>. In the period of between 2012 and 2017 the Lithuanian footwear market is expected to expand<sup>13</sup>.

The main segments in Lithuanian footwear market as indicated in CBI report (2010) are economical and luxury footwear. The luxury segment represents the interest in international brand names, the newest fashion trends and styles from European countries such as Italy and Germany. The economical segment represents customers who are purchasing a lower quality footwear Asian and Easter European states. This can be explained by economic crisis and the recession. Luxury and economic segments, which are representing different styles of shoes, the sport footwear is most common. This phenomenon can be explained by lifestyle intensity, popularity and demand for the sport tourism activities, and a new interest in the concept of "comfortable walking" shoes.

The opportunities offered by Lithuanian footwear market generate certain adverse effects. Due to the recession, many Eastern European shoe manufacturers have suffered from Asian footwear market competition<sup>15</sup>. Mostly the Lithuanian footwear market was supported by EU plan and encouraged to devote duties on imports from China and Vietnam. Recently, there have been signs that shoe production are recovering in the analysed country<sup>14</sup>. The three Baltic countries including Lithuania are in development stage of retail infrastructure, and Lithuania's progress in this respect in the slowest speed. In Lithuania the street markets are still important outlets for purchasing footwear in comparison to other European countries.

### 1.2.3. Prices in Lithuanian Footwear Market

The footwear prices in Lithuania are lower than the EU average. The Lithuanian footwear market can be described as *"large volumes of low-priced accessories such as sports footwear* 

<sup>&</sup>lt;sup>12</sup> CBI, (2010). *CBI Market Survey: the Footwear Market in the Baltic States*. Available on: www.cbi.eu/.../marketintel/201020-20footwear20-20Baltic20States1.pdf

<sup>&</sup>lt;sup>13</sup> CBI, (2010). *CBI Market Survey: the Footwear Market in EU*. Available on: www.cbi.eu/marketintel/The-footwear-market-in-the-EU/160450

*black and brown shoes, sold by street vendors*"<sup>14</sup>. However, the middle and higher-priced segments, as previously referred to as "luxury segment", are developing and adoption of the European fashion and price standards is rapidly occurring.

Due to high inflation in the period of between 2008 and 2009, the consumer prices have increased by 12.3% in 2008, and by 2.6% in 2009<sup>16</sup>. The consumer prices were higher than the European average at that period. In contrast, the prices in the footwear market have increased at a lower rate. This was mainly because the economic crisis resulted in the 4.7% decrease in footwear prices in Lithuania. According to a report by the European Commission the footwear market is expected to recover and prices whereby leading to an increase in prices<sup>15</sup>.

### 1.2.4. Danish Footwear Market

During the period from 2008 to 2012, the Danish footwear market increased total revenues by more than 1.9% and reached 1.3bn Euros revenues. The positive performance of the footwear market is expected to demonstrate the growth between 2012 and 2017, which is as forseen to drive the market to a value of 1.4bn Euros by the end of 2017<sup>16</sup>. In 2008 there were 38 registered footwear companies. However, 2004 there were 45 companies producing footwear. This situation can be explained by the fact that most of the companies have outsourced their factories and production centres to other countries where production costs are lower. "Much of their production is now outsourced to lower cost centres in China, Vietnam and Thailand. Their growth is now primarily driven by exports"<sup>17</sup>.

Within the European Union boarders the Danish footwear market is mature. This could be explained by a long period of growing demand and revenues in the footwear market. Market growth is mainly induced by technical and technological improvements in the shoe quality rather than enlargement of production volume. This could be explained by the most common segments of the Danish footwear market.

<sup>&</sup>lt;sup>14</sup> CBI, (2010). *CBI Market Survey: the Footwear Market in the Baltic States*. Available on: www.cbi.eu/.../marketintel/201020-20footwear20-20Baltic20States1.pdf

<sup>&</sup>lt;sup>15</sup> CBI, (2010). *CBI Market Survey: the Footwear Market in Denmark*. Available on: http://www.cbi.nl/system/files/marketintel/201020-20footwear20-20Denmark1.pdf

<sup>&</sup>lt;sup>16</sup> MarketLine. (2012). *Denmark - Footwear*. Available on:

http://store.marketline.com/Product/denmark\_footwear?productid=MLIP0948-0008

The luxury segment comprises the largest share in footwear market. A significant proportion of women work in the sectors where the incomes are relatively high. This could exemplified by statistical data. In the period of between 2004 and 2008 the ratio of working women in Denmark has increased from 71.6% to 74.3% whereas in EU the ratio of working woman is 59.1%. The trend of footwear in Denmark is adapted to women who are wearing and searching for environmentally-friendly, comfortable and fashionable footwear<sup>17</sup>.

In comparison with other European Union countries, the Danes are interested in the country of origin, material used and recycling in the production process<sup>19</sup>. There is a common tendency in Denmark that shoes which are produced with eco-friendly material are displayed in better and more visible parts of a store. What is more, the greater interest has been shown in smaller suppliers from different countries around the world are relatively unknown in the European footwear market.

### 1.2.5. Prices in Danish Footwear Market

In Denmark, in comparison with other European countries, the average shoe prices higher than the average in Europe. However, the footwear prices are not as high as in other Scandinavian countries. Leather-made shoes are more popular in Denmark, which indicates a preference for a better quality footwear. This could be explained why the prices are higher than the average European footwear prices. In Denmark consumer prices have increased more than 3.6% in year of 2008. In following year, the consumer prices have increased by another 1.1%<sup>19</sup>.

The prices for footwear rose by more than 6.7% in 2009. This could be explained by the economic crisis which affected most of the sectors. The number of this ratio was higher than the equivalent European footwear prices. The ratio increase was only 0.3% in 2009<sup>19</sup>.

## 1.3. Theoretical Framework

To investigate the assumptions presented in this thesis the appropriate theoretical framework shall be introduced. Prior to selecting the most suitable theories for this

<sup>&</sup>lt;sup>17</sup> CBI, (2010). *CBI Market Survey: the Footwear Market in Denmark*. Available on: <u>http://www.cbi.nl/system/files/marketintel/201020-20footwear20-20Denmark1.pdf</u>

research, some alternative theories ought to be discussed. At first Utility and Congruity theories are considered.

The Utility theory assists to make ranking of the alternatives accordingly to the rational preferences of the customer. Each of the purchase choice is made by the ratio of price of the product and incomes of the customer. In this theory the Economic Man approach is partly included because the utility and price of the product are the main factors for the purchase preference. However, this theory will not be selected and analysed further in this thesis. The rational explanation about consumer behaviour which is effected by the brand image could not be given since purchasing manner of customer may change at different situations.

Congruity theory is oriented to communication and persuasion of the information flow to the individual. This theory predicts the attitude of the customer which is being provoked by the source. It was believed that using this theory would be useful for the investigation of individual's attitude affected by the social groups. It must be stressed that, however, that consumer's purchase behaviour is not described only by the influence of the information provided by the social groups. Thus, Congruity theory will not be included in this thesis.

Customers are more likely to pay a higher price for a well-known brand as opposite to a product which is not known to them. According to D. Bello and M. Holbrook (1995), customers tend to buy brand-name products where the quality of the product is important determinant as well. This could be explained by the Brand Equity concept described by D. Aaker (1991). Brand Equity consists of four elements:

- Brand awareness;
- Brand loyalty;
- Perceived brand equity;
- Brand associations.

In this thesis the brand image is considered as a factor which influences a consumer to make purchase. The Brand Equity concept will be analysed through the perspective of purchase decision making that is influenced by consumer behaviour.

To analyse the intentions of consumers while buying certain product, the theory of Consumption Values will be presented. According to J. N. Sheth et al. (1991), this theory is mostly used for predicting consumption behaviour as it describes and explains this purchase

phenomenon. In later chapters when analysing consumer approach this theory will be explained in more detail. To add, approaches of consumer behaviour will be discussed as an additional tool. It is believed, it would be useful to know what approaches consumers have when applying the consumption criteria to make purchase.

These theories can be used separately to investigate brand image and consumer behaviour. To sum up the Brand Equity concept, theory of Consumption Values and approaches of consumer behaviour is expected to improve the deeper understanding about consumer's purchase behaviour effected by the brand image.

## 1.4. Objectives of the Thesis

The aim of this thesis is to investigate and analyse the impact of brand image on consumer purchasing behaviour in footwear market. The analysis takes to compare two countries' markets – Lithuanian and Danish. Exploring the relation between brand image and consumer behaviour in purchasing the product, footwear companies' marketers could create effective strategies which would help to increase sales for certain footwear brand.

The Lithuanian and Danish markets will be chosen and compared in this research since both countries are footwear producers and have similar tendencies and fashion trends in footwear market. Both countries' footwear markets are expected to grow in the period of five years<sup>18</sup>. Lithuanian footwear producers export most of its production to other European countries and Danish footwear producers are doing the same. Danish footwear market is already well known for the footwear brand ECCO (www.ecco.com) and it is considered to be a mature market<sup>19</sup>. Although Lithuanian footwear market is successfully emerging in parallel with private and non-private companies. However, most of footwear brands are not fully developed.

In the thesis two assumptions were introduced and will be analysed in discussion chapter. Firstly, the brand image could have an effect on consumer purchase behaviour in shoe

<sup>&</sup>lt;sup>18</sup> CBI, (2010). *CBI Market Survey: the Footwear Market in EU*. Available on: www.cbi.eu/marketintel/The-footwear-market-in-the-EU/160450

<sup>&</sup>lt;sup>19</sup> CBI, (2010). *CBI Market Survey: the Footwear Market in Denmark*. Available on: <u>http://www.cbi.nl/system/files/marketintel/201020-20footwear20-20Denmark1.pdf</u>

market. Secondly, there are differences in consumer purchasing behaviour in Lithuania and Denmark.

### 2. METHODOLOGY

### 2.1. Introduction

In order to understand and find out the elements influencing a certain phenomenon, an investigation is needed. In this thesis, the consumer behaviour research will be organized by collecting, analysing and summarizing data needed for investigation. As the purpose of this thesis is to investigate the effect of brand image on consumer purchase behaviour while buying shoes, it is important to explain the methodology chapter. In order to present the thesis, the methods will be introduced and justified. It is expected to bring stability through the whole investigation and would create certain outcomes and conclusions of the thesis.

## 2.2. Theoretical Background

In order to complete the investigation successfully, the theoretical background has to be chosen correctly and appropriately. *"In the social sciences there are number of various views which share a similar or close to the same understanding about social sciences depending on subjective-objective debate"* (J. Kuada, 2012, p.74). However, it is decided to use a single view which would assist in explaining the criteria of the methodological approach chosen and to investigate assumptions made in the beginning of the thesis. Regarding the two assumptions made and objectives formulated the adaptation of the view is based on I. Arbnor and B. Bjerke (2009). The chosen scientists have indicated three methodological views: analytical, systems and actors. The aim of this thesis is to investigate the effect of brand image on consumer purchase behaviour, thus, the analysis of chosen methodological approach in this thesis. Interpretative paradigm claims that the knowledge of social network is gained through the subjective individuals' experiences and personal perceptions about the world. Regards to the study area of the thesis, customers are connected with footwear brands; in this way their experience creates the specific reality researched by the investigator.

## 2.3. Methodological Approach

In this thesis, the main focus is being put on the effect of brand image on consumer purchase behaviour when buying footwear. In order to collect meaningful information and get a better understanding about the analysed situation, interviews are held with customers who have various approaches for footwear purchase activities. Furthermore, the interviewees' experience which relates to purchasing footwear experience would assist in answering the assumptions presented in the beginning of the thesis.

The process of purchasing the exact footwear brand depends on consumer' behaviour. This can be claimed that decisions made during the process of purchase are based on actors' previous experiences. According to I. Arbnor and B. Bjerke, (2009), the most suitable method for investigation is the qualitative data research which creates "*authentic totalities*" and "*the meaningful context*" while creating direct-interpersonal communication with the chosen interviewees.

The concept of reality creation in this thesis brings to the notion that the universal truth cannot be investigated, because customers' experience purchasing footwear varies greatly. The customers and their environment create a social networking-space with different actors' knowledge which helps to communicate and create the understanding of the purchasing process based on footwear brand image.

## 2.4. Research Method

According to J. Kuada (2011), descriptive and normative are the two research types. The descriptive research attempts to describe an analysed situation, while identifying the issue through information provided recently or directly. In comparison to this, in the normative research, the guidelines are involved and needed to be followed for decision making.

In this thesis, the descriptive research type has been chosen. The main and core discussion of this decision emerges when the specific information related to the thesis investigation is needed to be collected. The information which is collected during the interview process and used to investigate the assumptions risen in the thesis later will be presented as findings in the conclusion chapter. It can be argued that selecting the Actors view (I. Abnor and B. Bjerke, 2009) and qualifying descriptive type of the research the qualitative data collection brings more information needed for the investigation.

#### 2.4.1. The Investigation

Author of the thesis aims to investigate the effect of brand image on consumer purchase behaviour in relation to while buying footwear. It is essential to investigate the study area properly in order to create full-fledged comprehension of the assumptions which may have arisen. Since the descriptive research method has been chosen, the qualitative data collection is assumed as suitable for investigation. Moreover, the Brand Equity concept by D. Aaker (1991) has been chosen to analyse the brand image effect on consumer purchase behaviour and on what aspects are most critical and sensitive to consumers while making purchases. It is believed that brand equity brings not only financial benefits to the company but also to the customers' loyalty which has become very difficult to maintain. Additionally, the theory of Consumption Values is being included to describe the values which lead customer to purchase footwear. Consumers have different behavioural values influencing decision making which is affected by past experience, rational thinking or spontaneous action. The statistical information as the proper method will not be exposed and included in the investigation results' generalization (R. Yin, 2003) as data from interviews will be collected.

#### 2.4.2. Data Collection

The qualitative data research puts the focus on analysing meaning which allows the attitudes, feelings or even motivations of individuals to be examined (E. Babbie, 2004). Qualitative research usually consists of more than two interviews. It could be assumed that qualitative research is counted as minor methodology and the data collected can lead to valid and valuable social facts. According to D. Silverman (2000), the qualitative research is used more in the exploratory stage of the study. While having the direct conversation with individuals, the comprehension and knowledge about the current situation is being improved. Qualitative data collection focuses on describing the process of how the variables are being measured (D. Silverman, 2000). It is expected during the qualitative data collection to obtain more detailed and specific information from the questions given during the interviews. It is believed that giving additional questions, which would not be able to be

included in quantitative data collection process, would make the investigation more profound. *"The truth is that qualitative research can accomplish research objectives quantitative data cannot"* (Zikmund et al. 2010, p.133). The qualitative research in this investigation will be unstructured to avoid the gap between investigators' subjective comprehension before the data collection and the data analysis. The information of data collected is provided in the Appendixes 2, 3, 4, 5, 6, 7, 8, 9.

The primary data in this investigation has been gathered from interviews with customers from two different countries – Denmark and Lithuania. Based on scientists I. Abnor and B. Bjerke (2009), *"the dialogue leads to a more intensive interaction than, for instance, questionnaires with their prepared questions"* (I. Abnor and B. Bjerke, 2009, p.136). Thus, to investigate the assumptions presented in the beginning of the thesis, the primary data collection is used while conducting face-to-face interviews. To investigate from deeper perspective the assumptions risen, secondary information is collected from books and scientific papers to prove or disprove findings which have been gathered. To have a broader view and maintain deeper knowledge about the effect of brand image on consumer purchase behaviour, some articles as secondary data were chosen as well. As it was indicated in a previous chapter, proving the investigation. The statistical data is provided to ground the current situation in the Danish and Lithuanian footwear markets.

#### 2.4.3. The Interview

There were eight interviews conducted to collect and investigate individuals' comprehension about the effect of brand image on their purchase behaviour. There are two types of interviews focused on Danish and Lithuanian consumers. Important to mention, due to having geographical distance with Danish interviewees, the research was held via Skype conference call. Interviews with Lithuanian respondents were carried out by face-to-face conversation. Both of the types were held in English language in order to avoid mistranslation after the interviews. All interviewees were not selected randomly. The non-probability sampling is chosen for this investigation because this type of sampling seeks participants on purpose to extract more accurate information (E. Babbie, 2004). All interviewees are regular buyers of footwear and have different knowledge about shoe

brands. As it was mentioned before, there are segments which are expected to be more sensitive to the brand image then other segments in the European footwear market. The interviewees will be from the young professionals or graduates group in the interval of 24 to 29 years old. It is believed that by selecting this type of sampling, it will be satisfactory for the data collection process. To avoid misunderstanding in the data analysis process, the same questions are asked to the individuals. This decision was made in order to have the opportunity to collect answers and create understanding about the effect of brand image on consumer purchase behaviour and present insights which will lead to a successful investigation. The interview structure is made as simple as possible to avoid the negative effect on the investigation and conclusions preparation. The questionnaire consists of the questions which uncover the information about brand equity and the consumption values. The questionnaire consists of 10 questions with possibility to ask additional questions if needed, with the hope to collect the information required.

In the first stage of the questionnaire, the interviewees are asked general questions related to their spending habits on shoes. It is expected that asking "ice-breaking" questions would prepare the individual for further questions. According to J. Smith and V. Eatough (2006), in order to have a successful interview the questions have to be both general and specific. In this first stage, it is expected to collect information which would describe the spending habits.

In the second stage of the interview, the individuals are asked about their purchasing behaviour and consumption values. It is important to know the reasons why and by which values the customer is lead to the purchase process. It is believed that it is important to know which consumption values the customer has, as the importance of brand image will be in the mirroring effect. Since in this investigation the effect of brand image is analysed, additional questions may be asked to individuals if they mention about specific shoe brands.

In the third stage, the questions are provided to the interviewees about their perception about footwear brand image. Connecting theory chapter and the answers received from interviewees explain if the brand is an important criterion in purchasing process in footwear market and what additional criteria they choose in order to buy a pair of shoes. In order not to miss any information needed for the investigation and conclusions making process, the interview is recorded by the recorder. The transcript of all records is attached in the Appendixes 2, 3, 4, 5, 6, 7, 8, 9. Furthermore, while recording the interview, the researcher was able to focus more on the procedure of questioning and was able to ask additional questions for the individuals involved.

### 2.4.4. Grounded Theory

It is believed that the Grounded theory is an important conceptual tool which suggests to the investigator how to make data conduction. This theory presented by B. Glaser and A. Strauss (1967), helps investigators to combine information needed for the analysis into specific themes or similar categories (E. Babbie, 2004). This theory is used as an additional tool for improving methodological skills from handling and analysing unstructured data or even assisting in interpretation of data collected. According to A. Strauss and J. Corbin (1990), it helps the researcher to be *both scientific and creative*. The three rules are presented by them. They suggest to ask repeatedly, maintain the sceptic attitude, and follow the guidelines of the research.

As qualitative research is chosen in this thesis, the Grounded theory has a positive impact on the content of this investigation. The unstructured qualitative data is being analysed by themes, later put into categories to finish the analysis (M. Easterby-Smith, 2002). In addition, using the Grounded theory the creative approach is being maintained while combining various theories and methods into social investigation (K. Henwood and N. Pidgeon, 2006).

Improving reliability and validity can help to assure the Grounded theory by using the systemic coding (E. Babbie, 2004). According to M. Easterby-Smith (2002), the analysis of Grounded theory is divided into seven stages:

- Familiarization
- Reflection
- Conceptualization
- Cataloguing Concepts
- Re-Coding

• Linking

Source: Naresh, R. P. (1996), <u>http://www.nova.edu/ssss/QR/QR2-4/pandit.html/pandit.html</u>

This structured system of the analysis is based on the Grounded theory which brings relevance when interpreting the data collected and puts the basics for analysis of the eight interviews conducted with the purpose of this thesis.

### 2.4.5. Within-case and Cross-case Analysis

According to M. Miles and A. Huberman (1994), the investigation of the interview can be done by Within-case and Cross-case analysis. In this thesis, the data is collected while doing interviews and two approaches are used. The description of the two approaches is provided below.





Source: created according B. Miles and M. Huberman (1994). Qualitative data analysis: An expanded sourcebook <u>http://vivauniversity.files.wordpress.com/2013/11/milesandhuberman1994.pdf</u>

Firstly, after each interview, the transcript from the tape with specific and useful information is made. Later, while collecting the data, the special coding for better

understanding and specific quotes are extracted. Quotes which are believed to be needed for this analysis are provided next to coding tables.

Secondly, the similarities and differences between customers' answers are being put into tables. All answers are analysed and put into patterns in the same way with no other exception.

#### 2.4.6. Validity of the Investigation

The methodological approach which is chosen and described in previous chapters brings to the subjective perspective, thus, validation of the investigation based on objectiveness is invalid. To prove the subjective perspective, D. Silverman (2000), claims that validity of the research cannot be valid as long as there are only few examples of the study area provided and there are no original form of study area available. This means that the lack of similar studies made bring the investigator to the subjective comprehension about study area. Therefore, to avoid invalid information, specific actions are made during the investigation process to maintain validity. According to D. Silverman (2000), the validity concerns about the truth, the interview is relied on trustworthiness of interviewees and their answers. The investigator, during the research, aims to combine primary data with secondary data collected from scientific articles and books to demonstrate the validity of information provided. To prove reliability and validity of the information combined in this thesis, the theoretical perspective is included in order to come to purposeful and reliable conclusions.

Moreover, the transcripts of records of interviews are made and are found in the Appendixes 2, 3, 4, 5, 6, 7, 8, and 9 in this thesis. By providing transcripts of records and answered questionnaires, the evaluator and investigator would be able to gather the findings provided in the thesis and the whole content of interviews made for this investigation. It is believed that by combining the information in the investigation section and record made by several interviews, the evaluator of this thesis is able gain better knowledge and comprehension of this thesis as a complete work. To prove the validity and reliability of this thesis, the interviews are being quoted in analysis part and analysed very much in detail to improve the trustworthiness of the investigator and findings given in the thesis.

Additionally, as in previous chapter was indicated, the questions provided in questionnaire are set in the same order and none of the questions have been taken out. To avoid misinformation, the substance of the questionnaire has not been altered in order to make 'convenient' information available to the investigator. To prove validity of answers from the interviews made, both Grounded theory (see p. 22) and Within-case and Cross-case analysis approaches (see p. 23) are being described in methodology of this thesis. It is believed that using the mentioned method improves the quality and validity of insights of the investigation.

The information given before allows the investigator to have a deeper understanding and knowledge about the valid and reliable information collection in order to investigate the effect of brand image on consumer purchase behaviour on shoes. The adequate manner with truthful treatment during the analysis of the investigation is maintained to collect unique information needed to come to versatile conclusions. The findings are suggested to the companies which work in the Lithuanian and Danish footwear markets in order to understand consumer purchase behaviour affected by brand image.

### THEORIES

### 3.1. Justification of the Theory and Framework Chosen

The aim and matter of the investigation is initiated by the present situation in the European footwear market where there is a lack of information about how different countries' inhabitants react to brand image while making purchases and what the main purchase criteria are for them. It is believed that this investigation is essential to analyse the European footwear market through the specific view of Danish and Lithuanian customers purchase preference on shoe brand that is distributed in most of well-known street-shops and shopping malls. According to D. Blackwell et al. (2001), consumer behaviour is based on the activities which are included in product or service consumption or deposition. During the decades, more researchers investigate this question in order to conduct information about customer purchase behaviour affected by the brand image. However, the crosscountry comparison is not considered to be included in researches. This innovative idea brought to the investigation development and implementation to get a deeper comprehension about fast-changing consumer behaviour and habits towards footwear brands in two different countries. Referring to information mentioned previously, it was decided to choose Brand Equity concept as theoretical framework and theory of Consumption Values to investigate consumer behaviour towards brand image. Moreover, to have a full-edged understanding, the approaches of consumer behaviour are analysed in order to widen the comprehension about consumer purchase behaviour.

Firstly, in the theoretical part of the thesis, Brand Equity concept (D. Aaker, 1991) will be presented and this is used as a tool to specify how a successful brand is supposed to look like in the eye of the consumer. The four main areas will be analysed, brand awareness, brand loyalty, perceived quality and brand associations (D. Aaker, 1991; K. Keller, 2003), in order to understand which subdivision/s is/are most influential for footwear brand images to create and maintain.

Secondly, the consumer purchase behaviour will be investigated through approaches customers have. Five consumer approaches presented in the scientific article "Consumer Behaviour Theory: Approaches and Models" by J. Bray (2008) will be analysed. It is believed

that knowledge gained using this information as an additional tool would help to see a possible distinction between Danish and Lithuanian consumers in a clearer view.

Thirdly, to examine consumers' choices in purchasing activities in regards to footwear, the theory of Consumption Values (J. Sheth et al., 1991) will be presented. According to the authors, this theory is assumed to be a tool for explaining consumer consumption intentions, needs and purposes. Applying the theory of Consumption Values allows one to maintain a successful investigation in comparing Danish and Lithuanian consumers' purchasing habits and behaviour towards footwear brands.

By applying the theory and the concept presented in earlier paragraphs, the deeper comprehension about footwear brands and consumer purchase behaviour will increase. As a result of having the knowledge about an effect of brand image on consumer behaviour when purchasing a shoe pair, the assumptions presented in the previous chapter would be explained in detail. In order to achieve a successful investigation, Consumption Values theory (J. Sheth et al., 1991) and Brand Equity concept (D. Aaker, 1991; K. Keller, 2003) have to be presented exhaustively.

### 3.2. Brand Equity

It has been discussed that a brand can last for decades and be lucrative capital in condition with keeping it in the right manner which would satisfy customer's needs and expectations. According to D. Bello and M. Holbrook (1995), customers tend to pay more for the branded product instead of a not well-known brand due to its established attractiveness of brand equity. However, the brand equity could be easily damaged if it is not managed properly. As an example, poor customer service and quality of the product can affect the intensity and size of the sales. According to D. Aaker (1991), brand equity is dependent on the number of customers who make regular purchases.

Brand equity brings benefits to the consumer as well as the company. In relation to the consumer, the brand equity brings the feeling of confidence about the brand to the purchase process. It is believed that there is a greater chance to repeat the purchase in the same place with good perception rather than in the place where the negative reviews are actively spread. The generated perceptions can be created by familiarity with the brand and

having purchase experience with the same brand (D. Aaker, 1991). Brand equity can also bring benefits for the company. Firstly, in the form of stable and intensive financial incomes. Secondly, brand equity can allow higher margins through reductions or premium pricing systems within promotional activities period (D. Aaker, 1991). Having the positive brand image of the product, consumers tend to focus on repetitive purchase rather than one-time purchase on promotion period.

According to D. Aaker (1991) and K. Keller (2003), brand equity is a broad term and a concept, thus, four main sections (brand awareness, perceived quality, brand associations, and brand loyalty) will be discussed in later subchapters.

#### 3.2.1. Brand Awareness

Brand awareness refers to the ability of a potential customer to recognize the brand while categorising the brand to a specific class (D. Aaker, 1991). It is believed that brand awareness is one of the main subjects to pay attention to in brand equity. To second, according to T. Shimp (2010), from the consumer's point, a brand has no equity unless customer is at least aware of the brand. The recall of brand awareness is based on a continuum where the brand recognition is in the lowest level and the highest level where the named brand is going along with unaided cancellation.

As for the product, it is important to be recognized and reach awareness level among other similar or identical items while the potential consumer is making purchase decisions. According to D. Blackwell et al. (2001), the product needs to be in the set of awareness before the consideration stage is being reached. It is believed that brands with a higher level of recognition would be more likely purchased than the ones with no recognition. Moreover, brand awareness is an initial goal for new brands. Based on W. Hoyer (1990), this is an explanation why customers buy well-known brands rather than unknown ones.

D. Aaker (1991) has presented The Brand Awareness Pyramid (T. Shimp, 2010, p. 38) where four levels of brand awareness are introduced. First level is *brand unawareness*. Customers do not recognise the brand and have no initial interest to become loyal to the brand that is not known. Second level is *brand recognition*. Brand recognition represents relatively casual level of awareness. Customer is able to recognize the brand unless hints are been given about the brand. However, there are customer who are able to retrieve the brand with no

direct reminders. *Brand recall* indicating a deeper form of brand awareness follows next. This level is a goal which is strived by majorities of marketers. Customers are able to recall a brand with no additional effort. In *brand recall* level only well-known brands are present. Lastly, D. Aaker (1991), has introduced the top level of brand awareness. The *Top of Mind* level is the brand awareness stage where company's brand is the first brand that consumers recall.

The level of brand awareness can be affected by some factors. Taking the chosen countries, Denmark and Lithuania, geographical location is an influential indicator for consumer brand awareness. Having geographical differences and distance from the so call "fashion dictator" countries may have effect on consumer awareness on certain brands. As the Danish footwear market is already mature (CBI, Denmark, 2010), it indicates more successful footwear market development rather than the Lithuanian footwear market. Furthermore, Denmark has its own national brands such as "Ecco" which is well known in Europe and other continents. The Lithuanian footwear market has national brands as well, however, most of production is being exported (CBI, Lithuania, 2010). This could be assumed that Lithuanian consumer knowledge and awareness about foreign brands is better developed rather than national brands such as "Tauras" or "Lituanica".

To maximize the distinction of brand awareness mentioned before there is the way of increasing it. As K. Keller (2003) suggests brand awareness can be increased through repeated exposition. This means that product's brand identity and attribution to certain class company will succeed in achieving brand awareness in the market. Creating advertisements and including celebrities' performance are believed to be useful strategies for increasing brand awareness. The exposure of advertising campaigns with celebrities has increased rapidly during recent decades. It is assumed that celebrity reinforcement could give great input into the creation of product attractiveness to customers and increasing brand awareness.

#### 3.2.2. Brand Loyalty

According to D. Aaker (1991), consumers tend to continue to purchase the same brand despite the demonstrated benefits (including better features, lower price or convenience) by competitors' products. Brand loyalty is believed to be one of the main components of

30

brand equity. The more loyal customers there are the stronger position the brand has in the market and there are less vulnerable clients who would be willing to change brand they regularly purchase products from. However, K. Keller (2003) highlights the fact that repeated purchase does not signalize brand loyalty itself. He points out that customers make repeated purchase actions towards the same brand as they have specific habits which do not change or they are being affected by sales or other promotions.

D. Aaker (1991), has introduced the Brad Loyalty Pyramid. The pyramid represents five levels of brand loyalty. The first basic stage is customers are do not question brand loyalty. The *switchers* do not look at the brand name and they tend to purchase brand in the sales. D. Aaker (1991), suggests that the most effective marketing strategy would be increasing brand awareness. Habitual buyers follow next. These are the customers who purchase a brand out of the habitude and do not see a need to change a brand. However, these buyers may change a brand if they face some troubles. The buyer would relatively purchase another brand instead of solving additional problems stopping from purchasing a regular brand. Higher level of customers are satisfied buyers with switching costs in the pyramid. These customers are satisfied clients who tend to switch to another brand due to thresholds risen (i.e. distance, additional costs, time consumption, etc.). In order to retain clients and attract new buyers marketers are encouraged to create strategy based on increasing perceived quality. Brand likers follow next. D. Aaker (1991) names this level as true brand enthusiasts. Customers' preference is mostly based on experience which brings emotional benefits. The most loyal customers are *committed buyers*. The brand plays important role in their lives and they do not raise question about switching the brand. Committed buyers purchase the brand due to ties closely related between brand and personal values. The best marketing strategy retaining this customer segment that D. Aaker (1991) suggests is loyalty programs. This could be done by providing loyalty cards, loyalty points program, and etc.

Each company's desire is to have a loyal customer base. Brand loyalty is believed to be a hugely important asset to the company. According to D. Aaker (1991), brand loyalty could help to reduce some marketing costs, because loyal customers tend to repeat purchase and it costs less to the company than attracting new clients to purchase the same product. Also, the influence that loyal customers have in their social class and family members is strong. Loyal customers may encourage other customers to buy the same brand and loyal clients

31

do. This helps brands which are risky at some point – newly introduced to the market, unknown to the mass, etc. At this point, P. Voyer (2000) argues that the suggesting communication tool as word-of-mouth is the most powerful and successful strategy that company can use. To continue the author's idea, customers tend to depend more on informal communication sources, such as friends and family, rather than rely on formal advertising campaigns. Lastly, it is believed that brand loyalty can be very useful as a protection for newly launched competitors' production. A company with loyal customers may have more time to develop new products and respond by competing with rivals.

There are many strategies which could be used to increase brand loyalty depending on which market the company is placed in and what values the firm maintains. D. Aaker (1991) claims, that in order to have loyal customers, companies should treat their clients with respect. Brand loyalty is directly connected with client satisfaction which could be maintained by collecting information through customer researches. Companies creating the loyalty system for the brand attract more clients with long-term collaboration as does the Danish shoe brand "Ecco" (www.ecco.com) whereas with Lithuanian footwear manufacturing companies, the loyalty system is relatively unknown. The loyalty systems are developed by foreign footwear companies in Lithuania.

#### 3.2.3. Perceived Quality

The third important attribute of brand equity is perceived quality. According to D. Aaker (1991), perceived quality is the customer's perception about the overall quality of the product. The perception about the product quality is subjective and it is constructed by different knowledge of the same product specification. Based on A. Kirmani and V. Zeithaml (1993), while building brand equity managers attempt to influence customers' perception about quality. By doing this managers develop a positive brand image. Perceived quality can demonstrate better position in the market and create for the customer a reason to buy while extra price would not be considered as negative factor. According to M. Delong et al. (2004), perceived quality can be counted as a determinant for brand loyalty and repeatedly made purchases.

Perceived quality could be specified and classified into two factors – product quality and service quality. Product quality is divided into seven dimensions, which as believed by D.

Aaker (1991), may affect consumer's perception about the product's quality. In regards with a product, quality dimensions are performance, reliability, conformance with specifications, features, service ability, perfect fit and finish. On the other hand, service perceived quality could be described by five dimensions such as tangibles, competence, responsiveness, empathy and reliability (D. Aaker, 1991). What is important to mention, the country-oforigin affect exists when it comes to product quality perception. Customers tend to make purchases according to their beliefs formed by stereotypes. This means that customers choose one product over another when they are informed by where this product is made from (N. Papadopoulos et al. 1991). What is more, according to D. Aaker (1991), perceived quality could be evaluated by the price of the product. It has been investigated that a customer with a lack of knowledge about the brand has a different perception about the quality when the two different prices were indicated. Based on A. Kirmani and V. Zeithaml (1993) perceived quality model, the perceived quality is defined as the customer's overall evaluation of the utility of a product combining perception what is received (e.g. satisfaction, etc.) and what is given (e.g. costs, price, etc.).

Since the Danish brand "Ecco" is well known world-wide, the perception about the quality is different than the unknown Lithuanian footwear brands. The Danish brands are considered as "Scandinavian quality" which are highly respected by consumers in Europe. However, Lithuanian footwear quality is unknown. The footwear quality can be perceived if it is a foreign brand in Lithuania.

#### 3.2.4. Brand Association

The fourth dimension of brand equity is association of the brand. According to D. Aaker (1991), brand association is considered to be as a link between a customer's memory and the brand. K. Keller (2003) adds that, brand equity is supported by the client's association towards the brand which creates a specific and unique brand image. As for products, considered as tangible items, the intangible specialties (for example, innovativeness and etc.) are included in brand association.

According to K. Keller (2003), brand association could be divided into three sections such as attributes, benefits and attitudes. Attribute is the category where specific characteristics of the product are shown. Attributes could be categorized into product-related and non-

product-related attributes. Product-related attributes are considered as general features of the product (i.e. physical make-up of particular good) whereas non-product-related attributes are the ones which are considered as packaging, price and etc. Benefits are the second category of the brand association. Recent category could be classified into functional – the physical advantages, experimental – related to consumers' emotional behaviour and symbolic – how eye-catching the brand is to the customer. Lastly, the attitude category describes the overall evaluation about the brand – how customers feel about the brand in a long-term perspective evaluating from negative to positive scale (M. Gabbott and G. Hogg, 1998).

Different brands have various associations to present and potential clients. According to D. Aaker (1991), these associations are assumed to be a basis for future purchases or even as a stimulator to attract loyal customers to the brand. Associations about the brand can help to create or improve the value of the brand to the same level as loyal customers. Consumers, when faced with many brands, can forget one brand over another, but associations derived from their memories can help while they make purchasing decisions. Also, the customer having associations about the certain brand can distinguish from other ones and chose the brand which brought most positive or pleasant memories of purchasing experiences. These memory associations serve for well-positioned brands which later would be hard to replace in customers preference activities by other brands. However, this is more complicated and harder to achieve because customers habits, tastes and also needs are changing quite regularly depending on their lifestyle. Furthermore, sometimes product attributes or client benefits are included into associations about the brand sand attract customers. By attracting customers, some associations about the promotional video, etc.

When associations about the brand are combined in a pleasant manner to the customer, the right and strong image can be created. The brand image has an effect on customers' perception and purchasing behaviour. There are plenty of similar brands offering the same in terms of utilization and convenience, however, the unique brand image created specifically for the brand is expected to differentiate brand form other while demonstrating price distribution.

34

As previously stated, the Danish brands are more well-known in the European market rather than the Lithuanian brands. The associations by Lithuanian footwear producers are not created by any media, social or promotional tools. The lack of information means the consumer does not have any association with Lithuanian footwear brands since most of the production is being exported to other European countries (CBI, Baltic States, 2010). Lithuanians are provided by foreign footwear brands as are the Danish consumers.

### 3.3. Approaches of Consumer Behaviour

When scientists started to analyse decision making based on consumer behaviour many different approaches have been presented. There are many various names for consumer behaviour approaches where five main ones appear. According to G. Foxall (1990), there are different variables needed to examine these five approaches which will be presented in later subchapters.

#### 3.3.1. Economic Man

In this approach, the customer is considered as a totally rational and self-interested decision maker. The interest into product utilization and minimal additional effort making is highly expressed. The first time this term "Economic Man" was used was in 19<sup>th</sup> century by J. Persky (1995) in capitalist economic theory, where later this approach was analysed in further detail and research was carried out.

As scientists claim, when a consumer has this approach he/she considers all possible options which will be rated in the right order and the selection of the product will be made in optimal action course (L. Schiffman et al. 2007). According to H. Simon (1997), the consumer's 'perfect' decision or rational actions towards product purchase could not be formed by collecting adequate information. Their decisions are formed by the social environment where the customers are present or belong. Moreover, customers tend to seek satisfaction when purchasing a certain brand, thus, this limits the rationality of the purchase.

#### 3.3.2. Psychodynamic Approach

This approach explains that the behaviour of the customer is subjectively driven by biological expressions and drivers which are referred to as 'instincts'. These 'instincts' are influencing customers' behaviour unconsciously. This approach is determined not by objective knowledge creation or environment stimulation, but by biological drivers such as feelings and behaviour which depend only on human being. This approach claims that each of the customer's action does have meaning. In addition, it is assumed that most of the features of the behaviour of the customer were already formed in the early days of the childhood (S. McLeod, 2007). For example, people tend to choose comfortable shoes rather than uncomfortable.

#### 3.3.3. Behaviourist Approach

According to J. Bray (2008), the behaviourist approach is described as the behaviour which was learned by the external events, and customers actions are partly based on biological unconscious drivers. In this approach, it is believed that behaviour is a response to an external and internal stimulus. Customers react to the environment they are in by the already learned ways from the past. What is more, the behaviour which is expressed by the customer is learned also from the environment he/she is in (A. Sammons, 2013).

Behaviourist approach can be described by classical and operant conditioning (A. Sammons, 2013). Classical conditioning claims that customers, when purchasing, tend to combine two stimuli at once when they occur together at the same time. In this way, the response would be given to both of the stimuli. For example, a customer is trying new sport shoes with the "Adidas" brand because he was stimulated by the feeling of admiration about another individual having this brand. After trying the shoes on, the customer feels comfortable. By this experience, the customer will recall the feeling when later he/she will see "Adidas" sport shoes and there is a great chance that the customer will try on or even buy the sport shoes again.

The operating behaviour explains that customers tend to learn new behaviour through the purchasing consequences (A. Sammons, 2013). The repeated behaviour which later is expected to be repeated is strengthened by two types of experiences: positive and negative.
It is expected that positive experience would increase the chance for repeated purchases whereas negative experience would minimize the customer's intentions to purchase the product brand he/she had negative feelings towards. The difference between these two behaviourist approaches is that in classical conditioning customers are able to give existing responses to new stimuli whereas operant conditioning allows customers to gain new responses to the positive or negative experiences.

# 3.3.4. Cognitive Approach

The cognitive approach converts the experienced action into personal cognition. Taking P. Ribeaux et al. (1978) description, the customer is seen as an *"information processor"* in cognitive approach. Customers are actively searching and gaining a lot environmental as well as social stimulus for achieving knowledge needed for future purchase decisions. Cognitive approach is defined as mediation between understanding and responses are given after purchase (J. Bray, 2013). Nowadays, scientists assume that the customer is a living organism whose experience gained in the past would influence information processing. This means that a customer would collect information about the specific brand of the pair of shoe he is not familiar with. After information gathering and extracting specific information is searched for, the purchase is expected to be made.

Cognitive approach is able to explain complex behaviours and responses given after the action made and experience gained. In addition, this approach believes that the customer is active in making rational decisions based on information collected (J. Bray, 2013).

Cognitive approach has cognitive consumer behaviour models which are divided into analytic and perspective (J. Bray, 2013). Analytic models give the framework to analyse consumer behaviour through influential factors perspective. This means that most of the "grand models" include five step classification which describes problem recognition, information search, additional evaluation, choice made and results of an evaluation (L. Schiffman et al., 2007). Perspective models usually describe how consumer behaviour is formed and constructed (M. Moital, 2007). These models explain which elements should be investigated in order to gain understanding about the outcomes of the actions made. Models are usually applied to measure certain customer responses about experience they have gained. However, some "grand models" have been criticised for the last two decades. Scientists J. Engel et al. (1995), have claimed that variables are just described and put into unrelated order where no connection between them could be found. Additionally, many models have been introduced in late 60's where a lack of theoretical and practical background was found. What is more, research of consumer behaviour had not been investigated properly, thus, many scientists had different assumptions about stimuli and factors influencing consumer behaviour (J. Bray, 2013).

## 3.3.5. Humanistic Approach

Despite the fact that cognitive approaches are widely used and adapted to the daily marketing activities the humanistic approach is getting more and more known among today's scientists (J. Bray, 2013). Humanistic approach supporters want to explore individual customer's experiences and behaviour rather than come to general conclusions.

Humanistic approach focuses on customers' emotions when the decision is being made. It is believed that marketing the decision towards customers would be better applied and adaptive in the market (J. Bray, 2013). In addition, the gap between customer's intended purchase and outcomes of the purchase is investigated through behaviour perspective. Lastly, the customer's egoism behaviour is being analysed whereas the altruism has not been extensively researched (J. Bray, 2013).

There are many different approaches to model consumer behaviour in purchase decision making. It is important to find out about customer behaviour in order to select the approach needed for the investigation. Using the models adapted to the specific approach would bring valuable benefits to the marketers who intend to investigate consumer behaviour which is not an easy task to complete, because consumer's behaviour is constantly changing. In order to understand why customers make purchases and why they choose one brand over another, the theory of Consumption Values will be analysed in a later chapter.

# 3.4. Theory of Consumption Values

Every customer who has the intention to purchase a product has to make a decision of which brand to buy. Every decision is led by their own personal experiences, expectations and values. The theory of Consumption Values presents five consumption values which influence consumer behaviour while making choices. These values explain why customers make choices and buy one product brand rather other ones and it is applicable for every type of product (J. Sheth et al. 1991).

The theory is consisted of five values (J. Sheth et al. 1991, p. 160):

- Functional
- Conditional
- Social
- Emotional
- Epistemic

The theory claims that decision making could be influenced by all five values or only one or two of them, etc. Each of the components are partly connected to A. Maslow's (1943) the Pyramid of Human Needs or J. Hanna's (1980) a typology of Consumer Needs. In later subchapters, the five values will be presented and applicability to research needed to investigate consumer behaviour will be discussed.

## 3.4.1. Functional Value

According to J. Sheth et al. (1991), "the perceived utility acquired from an alternative's capacity for functional, utilitarian, or physical performance. An alternative acquires functional value through the possession of salient functional, utilitarian, or physical attributes. Functional value is measured on a profile of choice attributes" (J. Sheth et al., 1991, p. 160).

The functional value is assumed usually to be the main and primary factor of consumer purchase decision making. This functional value reflects the theory of Economic Utility and is well combined with customer "Economic man" purchase approach (J. Sheth et al., 1991). Functional value is based on products' reliability, price and utility. According to J. Sheth et al. (1991), functional value is more often related with monetary value or superiority while comparing other alternatives. In this case, shoes are seen as items used for practical needs (i.e. utility and convenience) for reasonable price in comprehension of consumer – to protect feet and be used daily or occasionally depending on the situation.

# 3.4.2. Social Value

The social value can be defined as: "the perceived utility acquired from an alternative's association with one or more specific social groups. An alternative acquires social value through association with positively or negatively stereotyped demographic, socioeconomic, and cultural-ethnic groups. Social value is measured on a profile of choice imagery" (J. Sheth et al., 1991, p. 161).

Social value is related to social approval and reinforcement of self-image among other individuals. According to J. Sheth et al. (1991), social value is the mostly expressed by products which are being shared with other people. Production such as clothing or shoes and etc. are easily visible to the customers, therefore, when purchasing a certain brand of the product, the customer is put into a certain social group. Some products which are even to be used for general needs (in this case - shoes) are being chosen for the social image rather than for its utility and practical appliance.

To reflect the consumer approaches listed in previous chapter, the cognitive or humanistic approaches would be better explained through social value perspective. Products are believed to show and indicate the social class of the customer while putting them into functional utility (J. Sheth et al., 1991). What is more, individual behaviour is influenced by the social groups. According J. Escalas and J. Bettman (2005), consumers tend to construct themselves as an original self-identity tool, through brand choices based on brand usage and self-image expectations. *"Brands are symbols whose meaning is used to create and define a consumer's self-concept"* (R. Mihalcea and I. Catoiu, 2008, p. 1). Moreover, opinion leadership effect exists in consumer preference which results in specific communication with other individuals in the same social environment.

## 3.4.3. Emotional Value

According to J. Sheth et al. (1991), "the perceived utility acquired from an alternative's capacity to arouse feelings or affective states. An alternative acquires emotional value when associated with specific feelings or when precipitating or perpetuating those feelings. Emotional value is measured on a profile of feelings associated with the alternative" (J. Sheth et al., 1991, p. 161).

Products are usually connected with perceived feelings the customer is expected to have, for example, training shoes and the running track. Emotional value is partly dependent on aesthetic alternatives (for example, religion) and even for the tangible goods the feelings can be influential part when making purchase (J. Sheth et al., 1991, p. 161). Most of the emotions come from customers' childhood where the strongest attachment to the brand or certain type of good is. For example, having one brand of shoes in early days may recall customer to purchase the brand in later days or to buy the same brand for their own children.

The reflections about emotional value could be found in some theoretical frameworks and theories. When it comes to advertising and promotional strategies, the marketing mix variables could be connected with emotional customers' evocation by making them loyal to the brand (P. Kotler, 1974). This means that other theories including human brain activity theories could be included to indicate customer's reaction to certain brand. This could be related to the psychodynamic or humanistic approaches as well.

## 3.4.4. Epistemic Value

Epistemic Value could be described as "the perceived utility acquired from an alternative's capacity to arouse curiosity, provide novelty, and/or satisfy a desire for knowledge. An alternative acquires epistemic value by questionnaire items referring to curiosity, novelty, and knowledge" (J. Sheth et al., 1991, p. 162).

Epistemic value discusses the new experiences explored by the customers. This value is described as a new proficiency search led by customers' curiosity to try new brands or desire to learn new subjects. At this point, to agree with the idea mentioned before by M. Delong (2004), that not well-known brands stimulates customers' curiosity and the tendency to purchase brand which is unknown for the mass is growing.

Epistemic value could be analysed or combined with behaviourist approach since the customer is encouraged by the unconscious feelings to gain new experience where later this could be repeated or, because of negative feelings, suspended.

## 3.4.5. Conditional Value

The last conditional value, according to J. Sheth et al. (1991) could be explained as "the perceived utility acquired by an alternative as the result of the specific situation or set of circumstances facing the choice maker. An alternative acquires conditional value in the presence of antecedent physical or social contingencies that enhance its functional or social value. Conditional value is measured on a profile of choice contingencies" (J. Sheth et al., 1991, p. 162).

Depending on the situation, the types and number of alternatives can vary. As an example, sandals could be used only during warm periods of the year or classical shoes could be worn to official meetings, etc.

Conditional value is connected with experience in a given situation. Buyer's preference model was developed by J. Sheth (1974) where attitude-behaviour relationship was analysed in unexpected situations. This model in contribution with conditional value explained that behaviour cannot be foreseen and attitude expected. Additionally, psychodynamic and behaviourist approaches could be combined in order to analyse the consumer behaviour who practices conditional value in making purchase.

These five consumption values are used in different contexts of purchase choices. Each of the consumer has different preferences and purchase decision could be based on various combinations of these named values. The customer may be driven by different consumption values when purchasing different brands, products depending on separate classes, utilization perspectives and etc. This theory is constructed in the way so that it would be possible to evaluate empirically the values which the customer uses while making purchase choice (J. Sheth et al., 1991).

# 4. RESULTS OF EMPIRICAL INVESTIGATION

# 4.1. Introduction

In this chapter, the results and findings which were collected through the interviewing process are presented. The results present the discussion about the effect of brand image on consumer purchase behaviour in international perspective when analysing Danish and Lithuanian footwear markets. As it was mentioned before in the Methodology chapter, eight interviews were conducted. An equal number of Danish and Lithuanian respondents were chosen and the age group chosen was between 24 to 29 years old. The majority of the respondents are recent graduates from university. All interviews are recorded and the specific quotations needed for the investigation are presented in this chapter.

Qualitative research is being chosen for this investigation. The clear and trustworthy attitude needs to be demonstrated and connected to the findings with the topic of the thesis. Accordingly, specific structure of the investigation is presented thus the reader can be easily introduced to answers of the interviewees and the findings of the investigation. It is believed that the findings presented in the chapter will lead to fruitful conclusions and it will be useful for the Danish and Lithuanian marketers when creating productive strategies to attract new customers and to increase loyalty among customers.

The Finding chapter is divided into three parts representing international consumer purchasing habits, criteria and values used to purchase certain footwear brand, and footwear brand image importance in the perspective of consumer. All these findings are presented and compared.

# 4.2. Background of respondents

In first part of the questionnaire, the respondents are asked about their purchasing habits including the frequency of going shopping, financial capability for the pair of shoes and what style of shoes the respondents usually buy. From the beginning, it is expected that some respondents would mention specific footwear brands in order to analyse concrete aspects of the brand image and how it effects customers' purchasing behaviour.

The majority of respondents revealed that they purchase footwear mainly once per 3-4 months. It was shown that two respondents purchase shoes more often than others. The first male respondent purchases shoes two times per season and other female interviewee buys shoes every month. Both of them are Lithuanian. Half of the interviewees indicate that the footwear purchase activity is based on emotions. As it was mentioned in Theory chapter (p.26), the customer emotions could be argued as an indicator for making purchases. However, the main reasons why respondents buy footwear in mentioned interval is the need to change old shoes and the seasoning. This could be explained by the basic need that customers have – functionality of the pair of shoes, which is analysed in the theory of Consumption Values (chapter 3.4., p. 37). The deeper comprehension about purchase values of Danish and Lithuanian customers will be gained in further chapter 4.3. (p.46).

"I have mainly two reasons – I need new shoes and I want new shoes".

Martina, 24, Danish

"It might be because my old shoes are not usable anymore or if the seasons change".

Samantha, 26, Lithuanian living in Denmark for 6 years

"I walk a lot that is why I need new shoes".

Laurynas, 24, Lithuanian

"<...> It depends on season and shoes I need".

Marius, 28, Lithuanian

What is more, Lithuanian respondents revealed that they tend to divide footwear into specific categories. These categories have different purpose of utility. While Danish respondents answer to the question "*What type of shoes do you usually buy?*" do not indicate for what purposes this type of footwear will be used. This could be assumed that having bigger variety of footwear brands Danish respondents do not divide shoes into *casual, sport, occasional* and etc. categories. There is only one Danish respondent (Samantha) who indicates seasoning as main factor of choosing specific type of footwear.

The question "How much money do you spend on shoes per one time?" is expected to uncover the financial possibilities of respondents. It is noticed that Danish respondents are

keener on revealing the exact or approximate sum of money they spend on shoes. Lithuanian respondents have indicated financial capacity on pair of shoes only after asking additional question. It was revealed that there is no significant difference between money spent between genders and both nationalities. However, according to the literature by R. Dholakia (1999) it was expected that females tend to go shopping more often than males. All respondents claim that amount of money spent depends on what type of shoes they buy for a season and for an occasion.

"200-600 litas (red. 400-1200 DDK) it depends on discounts and what shoes I need".

Egle, 25, Lithuanian

"That depends on many things...yesterday I have bought pair of shoe for 30 Euros but sometimes I buy shoes for 200 Euros (red. 240-1400 DDK)".

Marius, 28, Lithuanian

"It depends on what kind of shoes I need".

Martina, 24, Danish

"Actually it depends on purpose of the shoes. <...> The most expensive would be hiking or sport ones".

Laurynas, 24, Lithuanian

The majority of respondents indicate that they tend to pay more for the branded shoes and what function the specific shoes represent. However, the brand just as a name tag of the footwear does not influence interviewees to make a purchase. As many respondents argue, brand is another asset from many other determinants which stimulate purchase activities. Most of them revealed the fact that shoes must fit the personal style of the interviewee.

"I prefer shoes which match my style but not the brand. <...> Of course, brand is very strong motivator but it is not main reason I buy pair of shoes".

Marius, 28, Lithuanian

"Not really. Not only the brand. It depends on the style <...>. If I do not find them comfortable I would definitely not buy them".

Samatha, 26, Lithuanian living in Denmark for 6 years

"On one hand brand does not matter <...>. Well, first of all shoes have to fit my clothes that I have".

Martina, 24, Danish

These answers are not satisfying for the researcher of this investigation as it is expected to reveal the fact that - "Brand matters". Majority of respondents only in the end of interview indicate how meaningful the brand and brand image is. These answers can be seen in the subsection 4.4. (p.53).

The difference between Danish and Lithuanian respondents can be noticed after questions about the brands they usually buy. Most of all Danish respondents mention Danish "Ecco" footwear brand. Lithuanians claim that they hardly remember Lithuanian shoe brands and they do not purchase any Lithuanian footwear brands. Lithuanian respondents have mentioned "Inkaras" sport shoes which recall the "Converse. All Stars" shoes. This could be explained that well-known international brands create the strategies where brand awareness and brand association are one of the main tools to be used in order to increase purchase and strengthen the brand equity (see 3.2.1. Brand Awareness p.27).

"Yes, "Inkaras". Because they recall me "Convers. All Stars" shoes. <...> Also shoe company "Elnias", but Lithuanian shoe brands go bankruptcy".

Marius, 28, Lithuanian

"I just remember old style sport shoes "Inkaras", but other ones I really do not remember. I never had Lithuanian brad shoes".

Laurynas, 24, Lithuanian

"I am really bad in brands. Especially in Lithuanians. Really do not know any."

Egle, 25, Lithuanian

An indicator which affects Lithuanians' purchasing behaviour is national brands awareness. It can be argued that lack of information about Lithuanian brands creates insensitivity and rejection affect. As the report made by CBI, Baltic States (2010) reveals that Lithuanian footwear market is the least competitive among other markets in this country. Thus, the Lithuanian footwear brand awareness is assumed to be at low level. The majority of Lithuanian respondents are naming foreign brands with ease whereas Lithuanian brands are forgotten. This can be assumed that having national brand footwear customer may be perceived as "not fashionable" and will not be accepted by social groups. However, some similarities among respondents are being noticed. Both Lithuanian and Danish respondents have mentioned Nike brand as a shoes suited for running and doing sports. This information will be discussed in detail in subchapter 4.4. (p.53).

# 4.3. Consumption Values and Customer Approaches

In this chapter the brand image affecting consumer purchasing behaviour will be investigated in further detail. As was mentioned in the Theory chapter, the brand could be assumed as effective factor on decision making by customer (see 3.2. Brand Equity p.27). It will be attempted to investigate the importance of brand image on consumption values respondents have. As an additional tool, consumer approaches will be used in this stage of the questionnaire. It is believed to find the meaningful differences between Danish and Lithuanian consumers in purchase activities

Interviewees are asked about the type and style of shoes they usually purchase. The majority indicate that they prefer shoes which are adapted to active lifestyles and which daily activities they do. This proves information provided by CBI (2010), that most common type of footwear is sportswear. Comfort is indicated as the main reason of all respondents why purchase specific type of shoes. As was presented in the Theory chapter (p. 26), the psychodynamic approach claims that customers make decisions based on biological 'instincts'. The feeling of comfort brings customer to the decision whether to buy or not the pair of shoe. This information could mean that biological factors such as needing to feel comfortable are stronger indicators than the footwear brand.

"Mostly I buy trainers".

Marius, 28, Lithuanian

"For everyday wear I usually buy trainers such as All Star Converse. Also I have Danish brand ECCO, however they are not very much for everyday".

Astrid, 24, Danish

"Most of the time I notice sneakers. <...> I do have one pair of shoe from ECCO, because they are really comfortable".

Martina, 24, Danish

"I really like comfortable shoes. I think that ECCO shoes do not look very nice but they are very very cozy".

Samantha, 26, Lithuanian living in Denmark for 6 years

All respondents were asked about what attributes of footwear they notice and would be encouraged to purchase a pair of shoe. The answers are presented in Table 1 and Table 2 below.

Reason Name	Brand	Country of origin	Quality	Style, colours	Price	Other	
Laurynas	-	-	-	+	-	Comfort	
Marius	-	-	-	+	+	Comfort	
Marija	+	-	+	+	+	Functionality, Brand image	
Egle	-	+	-	+	+	Different than other shoes	

Table 1. The attributes for footwear purchase (Lithuanian respondents' opinion)

Table 2. The attributes for footwear purchase (Danish respondents' opinion)

Reason Name	Brand	Country of origin	Quality	Style, colours	Price	Other
Samantha	-/+	-	-	+	+	Comfort
Martina	-	+	-	+	-	Different than other shoes, Comfort
Astrid	-	-	+	-	+	Comfort
Maalia	-	-	+	+	+	Convenience

As can be seen from Table 1 and Table 2, all respondents agree that the colours and style of the footwear are factors which attract respondents and encourage the purchase decision making. Additionally, most of the respondents agree that affordable price for the pair of shoe does attract them. Many of the respondents do not have very high incomes, and as result, the economic man approach (p.34) exists in this age group. Both nationalities respondents agree looking at the price despite the fact that most of the purchases are made spontaneously or based on emotions (see discussion later Table 3 and Table 4).

From the tables 1 and 2, one can notice that the Country of Origin is not the factor which influences consumer preference. However, as is mentioned in a previous subchapter, respondents do care (if not directly, then indirectly) about the country where the footwear is being made. Some inconsistency is found with some Lithuanian respondents who claim that they do not look at the country of origin, but national footwear brand is considered as unacceptable for them. Their perception about quality of footwear is affected by country of origin as well.

"I like Gino Rossi. Italian. I like quality".

Marija, 26, Lithuanian

"I prefer quality, price, style, where it is made".

#### Marius, 28, Lithuanian

It is interesting to find out, that one Lithuanian respondent reveals being affected by stereotypes when it comes to country of origin. According to D. Aaker (1991), country of origin can be effective determinant which motivates or demotivates from potential purchase and important asset for improving brand equity. Thus, it can be assumed that if country of origin is not the most important determinant at least it is one of aspects affecting customers' purchase behaviour.

"I could say yes... we all have stereotypes and we follow them, unless we have positive experience with the footwear brand".

Egle, 25, Lithuanian

Furthermore, respondents were asked in order to find out if the brand really does not matter. It was asked which pair of shoe interviewees would purchase if they would have a chance to choose between branded and non-branded footwear. Four respondents agree that they would definitely choose only branded shoes if would have financial possibilities. As the literature claims, branded products are seen as better quality and more reliable than non-branded products where the price is an indicator (D. Aaker, 1991). The higher price of the product, the better the quality is perceived. According to M. Delong et al. (2004), the quality customer perceives can be assumed as a determinant which leads to brand loyalty or repeated action of purchase.

"I guess. <...> Usually branded shoes has better quality. They are more reliable. Not branded shoes, also reliable, but mostly it is lottery".

Marius, 28, Lithuanian

"I would buy branded shoes because I consider that branded shoes have better quality".

Marija, 26, Lithuanian

"I think it is more about quality and this is unique product".

Samantha, 26, Lithuanian living in Denmark for 6 years

"<...> I would pay more if I knew that the quality was better than other brand".

Astrid, 24, Danish

However, one of the respondents claims that he is not attracted by the branded products since the style of items is more important.

"At the moment I am looking for the casual shoes like sneakers, and I know it will be not well-known brand but I will look at the model".

Laurynas, 24, Lithuanian

This information leads to the assumption that the personal identity that products create is important determinant for the customers to make a purchase. Some of the respondents argue that it is important to be recognized by others and having specific style leads to the search for the branded footwear. To be accepted by the social group is an important determinant. One respondent agreed that to be in specific age group leads to decision making formed by social environment. It is generally accepted that reference groups construct the importance of consumer decision making (W. O. Bearden and M. J. Etzel, 1982). According to J. Escalas and J. Bettman (2005), in order to be accepted, consumers tend to form themselves through brand preference and usage.

"Because at this age people care what other people would say and how they would perceive you".

#### Martina, 24, Danish

"Maybe you were right about social group. I think why I choose Nike because of the shared value and what other have in common. <...> You feel part of the movement".

#### Laurynas, 24, Lithuanian

What is more, another female respondent claims that brand is very important factor buy pair of shoe. According to D. Aaker (1991), brands could be used to form or highlight the exceptionality of individual's style. Moreover, during the interview with this respondent it was find out that brand and brand image is more important than for other respondents. This is assumed that social acceptance and social environment is influencing her purchase behaviour more than footwear attributes such as style and colours.

"For me brand is very important, I want to be recognised as a person who wears quality on her feet".

#### Marija, 26, Lithuanian

It is known that there is no significant difference between the two nationalities regarding the social group acceptance and belief that branded footwear create unique style. It is important to investigate how both Danish and Lithuanian customers make purchase activities. As it was mentioned before, costs of living in Denmark and Lithuanian differ (see chapter 1.2.1. Lithuania and Denmark Comparison, p.10). The question how both Danish and Lithuanian customers make purchase decisions is expected to highlight the significance between the two nationalities. The results are presented in Table 3 and Table 4. The answers are investigated through theory of Consumption Values in order to have theoretical reasoning for the results collected.

Values Name	Functional	Conditional- Functional	Social	Conditional- Social	Emotional	Epistemic
Laurynas	+	+	-	+	+	-
Marius	+	+	-	-	-	-
Marija	-	+	+	-	+	+
Egle	+	-	-	-	-	+

## Table 3. Consumer purchase behaviour in decision making (Lithuanian respondents)

Table 4. Consumer purchase behaviour in decision making (Danish respondents)

Values Name	Functional	Conditional- Functional	Social	Conditional- Social	Emotional	Epistemic
Samantha	+	+	-	+	+	+
Martina	+	-	+	+	+	-
Astrid	+	-	-	-	+	-
Maalia	+	-	+	+	-	-

Firstly, the majority of respondents, both Danish and Lithuanian, indicate that their purchase behaviour is based on Functional Value. The footwear purchase is based on perceived utility and acceptable physical attributes for the customer. It can be argued that the majority of customers take the economic man approach due to criterion of footwear price, durability, reliability (J. N. Sheth et al, 1991). Both Danish and Lithuanian respondents indicate the fact that while the quality and physical attributes fit the requirements of their needs, price plays a main role in making purchases. Furthermore, a similar tendency could be seen in Emotional Value section. The majority of interviewees claim that they purchase footwear not only having the need for new shoes but also to satisfy their spontaneous impulses. According to J. N. Sheth et al (1991), "more tangible and seemingly utilitarian products also have emotional value" (J. N. Sheth et al (1991, p. 161). However, Lithuanians tend to purchase shoes more accordingly to specific conditions. The reasons vary from seasoning to particular situation – work, leisure, sport activities etc. The majority of Lithuanian respondents indicated that they have footwear adapted to their lifestyle.

"I have several types of shoes. First ones – light ones, like slippers, second ones like casual shoes, those that I could wear in the office, also smart casual that I could wear with suit,

other ones would be sport shoes or leisure, and last ones would be the ones I wear for hiking and mountains."

#### Laurynas, 24, Lithuanian

"I buy trainers I could match more official occasion, sometimes I buy shoes for winter, so it depends on season and shoes I need."

#### Marius, 28, Lithuanian

It is assumed that this decision by Lithuanian respondents is being made due to lower living level rather than in Denmark. Footwear which has a purpose if utility or has several functions shows that Lithuanians tend to think about functional side of the footwear.

In comparison to the Lithuanian respondents, the Danish interviewees reveal that in particular social situations, their behaviour changes as well. According to J. N. Sheth et al. (1991), products have a symbolic meaning while functional attributes are being used. The ajority of Danish respondents claim that the decisions are being affected by other people in specific occasions. In addition to this, interviewees indicate that symbolic significance of the footwear brand is an important factor among the social environment to which they are present.

"So when I see so many shoes around I would say that Nike shoes are good for doing sports. That encourages me to try them too."

#### Martina, 24, Danish

"I discuss it with my mother because she's good in shopping. Most probably she the only one with whom I talk about it".

#### Samantha, 26, Lithuanian living in Denmark for 6 years

The research of CBI (2010) has revealed that the footwear in Denmark is mostly represents luxury segment. This can be assumed that Danish customers tend to be more "*close to fashion*" in order to be accepted by society and by having the financial means, it is easier to do so than it is for Lithuanians.

From Table 3 and Table 4, it can be seen that the majority of respondents agree with the fact that purchasing behaviour can be formed by the social groups or opinion leaders.

However, it does not mean that social acceptance is the main reason to purchase an exact type footwear or footwear brand. Moreover, customers who tend to base their behaviour on Social or Conditional-Social value dimensions satisfy their emotional well-being more frequently. From information given above, the Functional Value representing utility, quality and price is one of the main values forming customer's purchase behaviour according to a particular situation. Furthermore, despite the customers' claims on being neutral about country of origin, the research reveals that costumers do care about this determinant while creating their perception about quality of the footwear.

# 4.4. International Customer Perception about Brand Image

The Danish footwear market has matured (CBI, Denmark, 2010), while the Lithuanian footwear market exists only with the help of exporting production to other European countries (CBI, Baltic States, 2010). It is assumed that Danish and Lithuanian consumers' awareness relating to footwear brands and brand image may differ. Having different buying approaches and consumption values, the experience of purchasing footwear can be argued to be varying as well. As in literature mentioned by J. Bray (2008), the Behaviourist approach is learned by the external events such as a purchase of a new pair of shoe. After making the purchase, customers gain positive or negative experience with the particular footwear brand. To add, the cognitive aspect with the product leads to the brand image creation in consumer's mind and potential brand loyalty (D. Aaker, 1991). The repeated action is expected to be made by the positive experience gained from the first time purchase.

Both Danish and Lithuanian respondents indicate an importance of experience they gained after purchasing footwear. However, opinions differ in terms of loyalty to one brand and to the loyalty programmes footwear retailers provide. The majority of Danish respondents claim that positive past experiences encourage them to make repeat purchases and maintain a positive brand image in their perception.

"Once you know it, for example the Sketches, if you have good experience with them I would repeat purchase".

Samantha, 26, Lithuanian living in Denmark for 6 years

"I would buy the same brand shoes if I feel comfortable and have a good experience".

Martina, 24, Danish

"It's easier to buy shoes from the brands you are familiar with".

Astrid, 24, Danish

Moreover, they indicate that loyalty to one brand can be kept by having loyalty or discount cards. Financial benefits such as saving money for Danish customers are more attractive rather than for Lithuanians. This can be assumed due to the high price of goods in Denmark.

"Yes I think I would, especially if it means that I'm able to save a lot of money".

Astrid, 24, Danish

"Yes, I would go only there, firstly, and buy shoes from the store I have a discount".

Martina, 24, Danish

"Yes, I would definitely. I would, firstly, check the shoes in that store where I have a discount".

Samantha, 26, Lithuanian living in Denmark for 6 years

However, the Lithuanian respondents argue that they buy lower price footwear instead of using discount cards for higher price shoes. This could be explained by the fact that in the Lithuanian market, there is a lower quality of footwear found (CBI, Baltic States, 2010) unlike in the Danish footwear market.

"Well, don't know... Usually these loyalty cards is true headache for me".

Egle, 25, Lithuanian

"No, I would not. The loyalty cards do not affect me".

Laurynas, 24, Lithuanian

"The discount or loyalty cards do not affect me at all. I have too many of them, I just forget I have them".

Marija, 26, Lithuanian

It could mean that Lithuanians are more reluctant in accepting the discounts or loyalty programmes offered by footwear brand retailers. This distinction in purchase behaviour between Danish and Lithuanians can be seen more easily when one Lithuanian interviewee explained subjective opinion about a recent situation in the Lithuanian footwear market. Having less retailers, Lithuanians do not let themselves choose discounted footwear for fear of being perceived as one having not trendy shoes. The trend in Lithuania is created by a few retailers who decide what quality, style and brands Lithuanian customers will wear. As a result, it can be assumed that a monopoly exists in the Lithuanian footwear market.

"Lithuanians rely and depend a lot on few retailers, which means that there are 10 people who decide what 90 proc. of Lithuanians will wear next season".

#### Marius, 28, Lithuanian

Additionally, from the tables 3 and 4, it can be seen that Lithuanians tend to try new footwear styles, brands etc. It can be assumed, that as there is a monopoly in the market. Lithuanians are more curious about new arrivals in the stores in order to be "different than others" or to "follow fashion trends".

Depending on the footwear trends in Denmark and Lithuania, specific brand awareness and brand association are formed in the analysed countries. According to D. Aaker (1991), brand awareness provides the ability to recognize the brand and assigned to a particular class or group with a specific image of the consumer. The dimensions as brand awareness and brand association for brand equity are important due to consumer purchase decision making. The positive association and awareness of the brand needs to be improved before customer makes purchase decision (D. Blackwell et al., 2001). As it was indicated in a previous chapter, Danish respondents remember Danish "Ecco" footwear brand as high quality and comfort shoes. In comparison to this, Lithuanians cannot name footwear brands made in Lithuania so easily. However, the majority of Lithuanian and Danish respondents of both nationalities use this brand. As respondents claim, "Nike" shoes are suitable for running and reflect the sports-person image they wish to portray as well. According to the Theory of Consumption Values, the Social, Functional and Conditional values are also involved when the customer is making a purchase and provokes specific buying behaviour.

"The brand for me is Nike, and I do not consider any other options. I was a runner before so these shoes are the most comfortable for me. <...> The brand appearance, the style they form, and what brand credo they have. Generally speaking the brand image as a whole. <...> Yes, I think it reflects me. <...> I think why I choose Nike because of the shared value and what other people have in common".

#### Laurynas, 24, Lithuanian

"I think I have a tendency to like Nike shoes. They are practical, comfortable and have cool designs. Nevertheless, they are also very trendy now in Denmark that might also be a contributing reason."

#### Maalia, 24, Danish

"Well, if talking about Nike I have good experience with them and design of them I like. Also in Denmark there is a trend all gyms are full of people are wearing Nike shoes. So when I see so many shoes around I would say that Nike shoes are good for doing sports".

#### Martina, 24, Danish

According to K. Keller (1993), the "Nike" brand association is divided into attributes, benefits and attitudes. Attributes reflect the symbolic meaning as suitable for sports and comfort. Benefits bring the physical advantages and emotional satisfaction. As the respondents indicated, colours, style and the feeling of wearing Nike shoes bring only positive associations. Lastly, the attitude considered as overall of the "Nike" brand assists to create an image which encourages specific purchase behaviour from consumers. It can be assumed that "Nike" brand stimulates customers to use the Social, Functional and Conditional values (p. 37) which are the most common for both Danish and Lithuanian interviewees. Respondents claim that buying and wearing "Nike" brand shoes increase self-esteem. In this way, individuals are assigned into a special social group, as well as the "Nike" shoes giving comfort and quality while doing sports. Hence, they become loyal to the brand. According to D. Aaker (1991), associations are considered as stimulators used to attract customers and make him loyal to the brand. In this way, positive brand awareness is being created. Respondents are asked about additional tools footwear retailers and footwear manufactures use. The tables consist of the words and phrases used by respondents. The results are being presented in Table 5 and Table 6.

Name	Celebrity performance	Discount cards	Advertising	Other
Laurynas	-	-	+	Social group
Marius	-	-	+	Browsing on web
Marija	-	-	-	
Egle	-	-	-	

Table 5. Effective determinants for Lithuanian customers

#### Table 6. Effective determinants for Danish customers

Name	Celebrity performance	Discount cards	Advertising	Other
Samantha	-	+	-	Social group
Martina	-	+	+	Environmentally- friendly, socially responsible
Astrid	+/-	+	-	
Maalia	+	-	-	Environmentally- friendly

From tables shown above, it is indicated that a celebrity advertising the brand does not affect purchase decision making and consumer behaviour. However, many footwear companies are using celebrity footwear performance in public services to increase customer awareness. Lithuanian respondents strongly disagreed to be affected by celebrities associated with their favourite footwear brand. It is disappointing not to find out what more could increase their awareness towards a brand. One Lithuanian interviewee claims that he collects information mostly on the Internet. This fact shows that instead of following trends presented by celebrities, people search for information on websites.

"I start to feel a need of certain style of shoes, then I brow on-line, most often I buy online shoes".

Marius, 28, Lithuanian

As was mentioned before, discount cards are more effective in relation to Danish interviewees, whereas advertising campaigns can be assumed as a quite effective tool to increase brand awareness and positive associations to Lithuanians. Furthermore, three Danish respondents indicated the importance of corporate social responsibility (CSR) of the footwear manufacturers. They claim that this factor could be assumed as huge factor when choosing footwear and having positive associations towards the brand.

"I would choose from Eastern Europe. Because I think to support the shoe market there. Unless they harm workers' rights and I know it they are exploited there. I am quite sensitive to the Corporate Social Responsibility".

Martina, 24, Danish

"Yes I think so. If I knew of a specific brand which put a lot of focus on these specific areas I would probably buy them more often".

#### Astrid, 23, Danish

"Yes, I like animal friendly products and products that are responsible. If a brand is known to have an 'ethical' dimension to it, I might be inclined to favour it over others".

Maalia, 24, Danish

This information is extracted when additional question was asked. It is assumed that Danish customers are more aware of being "green". According to the CBI (2010) research, the Danes are aware of what materials are being used for the production and eco-friendly footwear is exhibited in better placement rather than regular shoes. This information seconds the findings of this research. It is being noticed that being "green" and socially accepted is highly expressed in Denmark whereas in Lithuania functional utility takes main role in customer purchase behaviour.

# Summary

In this chapter the findings of the investigation about effect of brand image on consumer purchase behaviour in international perspective were presented. There were eight interviews with Danish and Lithuanian customers. In this chapter the answers were presented in tables and quotations needed for comprehensive investigation given needed for further researches.

Firstly, the background of respondents and their buying habits were presented. The significant difference between two nationalities have not been noticed. Secondly, the consumption criteria and purchase approaches were investigated. The purchase behaviour differences between Danish and Lithuanian respondents were significant as it was expected. Moreover, the comprehension about purchasing purposes and footwear brands were expressed. This fact led to the third part of the investigation. The perception of Danish and Lithuanian respondents' about brand image was compared. These findings are expected to be used as background for further researches.

# CONCLUSIONS

# 5.1. Introduction

In this chapter, the conclusions of the investigation will be drawn by providing insights for deeper comprehension about customer purchase behaviour between Danish and Lithuanian consumers. There are several similarities and differences found during the research process in terms of purchasing behaviour towards brand equity and consumption values. It is believed these findings will be a solid foundation for further research. Furthermore, limitations and recommendations are provided in this chapter to understand the present situation of this investigation and possible prospects for following research.

# 5.2. Conclusions

Several implications for brand image development and consumer purchase behaviour are being presented in this subchapter. The findings are introduced in each of subsections.

# 5.2.1. General insights about Danish and Lithuanian customers

The factors for buying footwear and purchasing habits of both Danish and Lithuanian customers are being examined. The findings show that the majority of respondents purchase footwear every quarter of the year depending on the need of new pair of shoe. It has been revealed that Danish respondents tend to purchase footwear based more on emotional factor rather than functional (this is will be explained in a later subchapter). The financial capacity of respondents is shown to be similar. Both Danish and Lithuanian respondents indicate an interval of 400 to 1200 DDK in regards to the amount of money they tend to spend on footwear per purchase. In the age group of 24-29 years old, both Danish and Lithuanians prefer suitable for doing sports and comfortable footwear. However, Lithuanians tend to choose shoes which are semi-formal style suitable for more multiple purposes. The question in relation to footwear brands has shown differences between Danish and Lithuanian customers. The comprehension about national footwear brands is significantly different between Danish and Lithuanian respondents. The Danish customers know of local brand "Ecco" which they assume to be good quality and comfortable. Lithuanian respondents find it not so easy to recall local footwear brands and prefer to

choose foreign brands. The respondents reveal that brand as a determinant factor for purchasing is not so important. However, the inconsistency in perception about brand will be presented in a later subchapter.

#### 5.2.2. Brand awareness

Brands increasing awareness in the public become more well-known among consumers. Depending on purpose of shoes respondents do remember specific brands. However, majority of interviewees are in *brand recognition* and *brand recall* levels where additional hints have to be given or brand names are given spontaneously. Respondents put themselves in *Top of Mind* level when they are asked about sport shoes. First mentioned brand is "Nike" and barely other brands are being mentioned.

The findings show that Lithuanians tend to be affected by traditional advertisements more than Danish interviewees. However, the celebrity advertising is more influential on Danish respondents rather than Lithuanians. The celebrity performance in the public with sport, leisure, official and etc. style shoes can affect Danish customers more. What is more, one Lithuanian respondent claims that websites are effective in increasing brand awareness. To summarise, advertising methods influence brand image through a customer's perspective equally in the Danish and Lithuanian markets. It is important to mention that Danish consumers are more interested if footwear brands are portrayed as a socially responsible brand. Danish respondents claim that if a brand increases its awareness as socially responsible and/or "green" footwear brand, then they are more likely to purchase environmentally/socially-friendly. In comparison to this, Lithuanian interviewees do not indicate CSR important as do Danish respondents.

# 5.2.3. Perceived quality

The findings reveal that customers tend to judge footwear quality according to country-oforigin and if the brand is well-known. At first, both nationalities respondents claimed that country-of-origin is not important to them and during the investigation no significant difference between Danish and Lithuanian respondents was noticed. Later asking a provoking question, both nationalities claim that the country of origin is a determinant factor to indicate the footwear quality and mostly if it is well-known brand. Also, one Lithuanian respondent claims that quality is being perceived what raw-materials have been used to make footwear. However, the majority of respondents do not mention how influential the country-of-origin is as a factor affecting consumer purchase behaviour.

## 5.2.4. Brand loyalty

The brand equity can be strengthened by repeated purchases. The majority of Danish respondents claim that repeated purchases are dependant of positive past experiences. This can be assumed that majority of Danish customers are *brand likers*. After having positive experiences with the product and brand, Danes are willing to buy the same footwear brand again. In comparison to this, Lithuanians are less keen on to purchase the same brand. Therefore, Lithuanian consumers are assumed to be brand switchers – customers who do not question the brand loyalty. One Lithuanian respondent reveals that he would buy the same brand if the style and materials of shoes would be different than the pair of shoes he has already. A significant difference between Danish and Lithuanian respondents is noticed when the question regarding the discount cards and loyalty programmes was asked. The majority of Danish respondents are more positive about using discount cards on footwear brands or shoe stores than Lithuanians. As it was mentioned before, higher living costs encourage Danes to use discounts whereas Lithuanians are more insensitive and instead buy lower quality shoes. However, one important factor which unites both Danes and Lithuanians is the social environment which influences the possible repeated purchase action (this will be discussed in later subsection see 5.2.6).

# 5.2.5. Brand association

The brand association and past experience is closely related to create positive or negative brand image in consumers' memories. According to K. Keller (2003), the signal which gives a certain product (this could be tangible – colour, style, materials and etc. or intangible – prestige, price, etc.) attracts or deters the customer from purchasing. In addition, association creates perception about product's image and may influence brand loyalty (D. Aaker, 1991). In connection with the investigation, the majority of respondents, both Danish and Lithuanian, indicated "Nike" brand as suitable for doing sports and a few interviewees indicated their loyalty to this brand. In comparison from Lithuanian interviewees, Danish respondents easily recall Danish "Ecco" brand as good quality and comfortable footwear

whereas Lithuanians are almost unable to associate Lithuanian footwear brands to the current footwear market. This indicates the lack of Lithuanian footwear brand appearance in media and low performance in loyalty programmes.

#### 5.2.6. Danish and Lithuanian consumption values

During the investigation, the consumption values of Danes and Lithuanians are revealed. There are similarities and significant differences found. Both Danes and Lithuanians use economic man and psychodynamic approaches while forming their purchasing behaviour. This means that, their purchase behaviour is being formed by utility and biological 'instincts' or needs the product provokes. The majority of respondents indicated that price and comfort are the determinant indicators which finalise the purchasing decision making. However, only price and utility are not the main factors forming consumer purchase behaviour. The behaviours are being formed by Danish and Lithuanian respondents differently.

Due to maturity of the Danish market and consumption traditions, Danes revealed that social acceptance is an important factor forming purchase behaviour. According to the findings during investigation, Social and Conditional-Social values are more common among Danish respondents. They indicate that to be in a certain age group forms the priorities while choosing footwear brand and purchase behaviour. What is more, it can be assumed that social acceptance influence is a stronger factor to purchase branded footwear rather than functional determinants influencing buying the pair of shoes. Other people's opinions lead Danish respondents to that specific decision making encouraged by emotional values as well.

In comparison to this, Lithuanian interviewees claim that Functional and Conditional-Functional values are more common among recent respondents. Lithuanian respondents revealed that the utility function of the footwear is a major reason to purchase shoes. It has been shown in previous chapters that due to the lower living level of Lithuanians, the use of the product indicates different living conditions of both nationalities. The majority of respondents revealed that each pair of shoes they buy has a different purpose of wearing. Despite the fact that Lithuanian interviewees tend to be more practical, they do not refuse opportunities to try new brands and footwear styles. Epistemic value dominates among half of the Lithuanian interviewees. Curiosity and the desire to be individualistic among Lithuanian interviewees is expressed stronger than among Danish respondents.

## 5.3. Discussion about Theories Chosen and Limitations

While analysing the collected data, some inconsistencies appeared which by suggested theories could not be measured. Some interviewees mentioned the importance of countryof-origin or socially/environmentally-friendly brands. It has been attempted to analyse information received from Brand Equity concept and theory of Consumption Values perspective. However, in order to deepen comprehension about customer's purchase behaviour other frameworks or theories should be used (see 5.5.2. Theories, p. 67). Despite some difficulties analysing data, only two theories have brought beneficial insights – Brand Image and Consumption Values. The Consumer Behaviour Approaches have not brought much theoretical value for the thesis as was expected from beginning. It is noticed that the theory of Consumption Values and Consumer Approaches cover similar aspects of consumer behaviour. However, as for the first research where effect of brand image on consumer purchase behaviour was analysed, the concept and the theory presented before are assumed to be the best fit for this thesis.

During the investigation, some limitations have occurred as well. The qualitative method which has been chosen in the thesis cannot provide representative data from the target group which has been interviewed. Qualitative data represents minor problems and subjective opinions of the customer where the general tendency is hard to explore. Furthermore, the focus group represented only the certain age group with, as expected, to have different ideas, perceptions, and buying cultures than other age groups. In focus groups, there is not equal gender distribution as well. It is assumed that having equal number of male and female will bring different findings of the investigation. Due to time frame and geographical distance with some interviewees from Denmark, interviews were held by Skype call. However, all interviews were recorded and none of the questions were skipped or changed in order to receive 'convenient' answers. To add, the interviews had different time-length since there were different levels of willingness to discuss by interviewees. All interviews followed the same structure, but not all interviewees felt comfortable about the questions asked.

#### 5.4. Implications

The thesis attempts to investigate consumer purchase behaviour affected by footwear brand image. There are an infinite number of footwear brands in Europe and around the world which are considered as well-known and unknown. It depends on managers' efforts and customer' perception whether the brand is influential or not on clients' purchase decision making. The analysis made in this thesis will provide an insights for managers to develop brand image and positively influence customers' behaviour.

The four different areas of brand image are investigated and consumer purchase values analysed. Understanding how brand image components (brand awareness, perceived quality, brand loyalty, brand associations) connected together marketers are able to create strategies affecting consumer's purchase behaviour more efficiently. However, it is important to be aware of what purchase behaviour tendency dominates in certain country. To improve brand image, the brand awareness can be constructed through advertising, word-of-mouth, reference groups, celebrities, and media (R. Mihalcea and I. Catoiu, 2008). Also, new communication strategies and methods can be implemented according different age groups. Majority of respondents are satisfied buyers with switching costs. According to D. Aaker (1991), in order to retain loyal customers in this level markets should increase perceived value of the product. As findings show, customers perceive quality through country of origin and materials that shoes are made from. Thus, improving brand image by increasing elements of footwear and highlighting advantageous of manufacturer, customers will perceive exact footwear brand as sign of quality. Brand loyalty can be increased by various loyalty programmes and discounts cards in Denmark, whereas in Lithuania loyalty is expected to be maintained by providing quality footwear. As findings show, Lithuanians are brand switchers. This situation can be seen as opportunity for marketers to create marketing strategies increasing brand awareness (D. Aaker, 1991). By doing this, brand switchers will be retained for one brand. Increasing brand awareness and improving customers' perception of quality, the repeated purchase activities will be maintained as well. In addition, brand association is suggested to improve by keeping customers good perception about the brand. As findings show, Danish are attempted more about socially/environmentally-friendly brands. Thus, positive associations about footwear brands attract customers more often and possibly increases possibility of repeated purchase activities.

In this case study, it was noticed that Lithuanians tend to purchase footwear more on functional purposes whereas Danes tend to purchase footwear pushed by social acceptance or emotional needs. What is more, Lithuanian do not have any positive associations about local footwear brands. In comparison to this, Danish respondents are able to name the main Danish brand "Ecco" with positive feedback. Knowing this, marketers should put more focus on Lithuanian market while increasing awareness and positive associations of footwear brand while highlighting the functional benefits of footwear. Managers in Denmark are encouraged to create brand image where social group acceptance would be emphasised and loyalty can be increased by suggesting various loyalty programmes: discount cards, coupons, bonus-points programs.

# 5.5. Recommendations for further research

The findings and results of this investigation are considered as useful and meaningful. However, there are several suggestions for further investigation to conduct and analyse information more productively. The successful investigation would lead to more representative findings.

## 5.5.1. Samples

It is suggested to collect more samples by interviewing customers. It is expected that having more samples the greater picture about consumer purchase behaviour will appear and the comprehension about effect of brand image will be gained. What is more, in order to have greater sample size the greater amount of researches can be considered as well. The methods of research can be improved by interviewing focus groups and quantitative data can be used as additional tool to analyse study area from different perspectives.

# 5.5.2. Theories

The theories which are presented in this thesis are a foundation for making the first step analysing the effect of brand image on consumer purchase behaviour. The same theories can be used for further researches in order to prove or dis-prove the findings presented previously. To gain deeper comprehension and more representative findings, other theories can be used. Model of Consumer-Based Brand Equity can be developed in this research. To analyse brand identity, brand meaning, brand responses, and brand relationship will bring fruitful insights about brand creation (K. Keller, 2001). Quality Perception framework can be used as additional tool to analyse study area. Customers are tend to use different brands from different counties, thus user-based definition of quality is usually more subjective and quite difficult to measure. This framework suggests to analyse the products' quality by different specifications: performance, features, reliability, durability, conformance, serviceability, aesthetics, and brand image (S. Punusbordee, 2012). As additional directions of the investigation, it can be suggested to analyse advertising effect on customers' perception on country-of-origin. Recently, many footwear brands are advertised by highlighting their physical attributes. This could be useful research for developing countries where the footwear is produced and change clients' perception about quality of Asian and Eastern European manufactures.

# 5.5.3. Countries

For further research, different countries can be chosen in order to collect diverse information. It is being assumed that information collected from other countries such as Spain, France, United Kingdom, etc. excluding Denmark and Lithuania will be significantly different. Collecting information about consumers' behaviour and perception about footwear brand image will bring more meaningful findings.

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# Appendix 1. Interview Questions (Example)

Name:

Age:

Nationality:

#### Stage one (Introduction to the purchasing habits):

- 1. How often do you buy shoes?
- 1.a. What are the reasons?
- 2. How much money do you spend on shoes per one time?
- 3. What type of shoes do you usually buy? If you remember, please, name what brand?

#### Stage two (Description what criteria customer chose to purchase the certain footwear brand):

- 4. What are the attributes that catches your attention and make you buy pair of shoes?
- 5. What criteria do you use when you make shoe purchasing activities?
- 6. What encourages you to buy chosen shoe brand (if not a brand than a pair of shoe)?
- 7. What examples would encourage you to buy the same brand footwear?
- 7.a. Would you be encouraged to buy only in the store where you have the discount card?

#### Stage three (How shoe brand in the eye of customer effects his/her purchase):

- 8. Would you be affected by the celebrity appearance in public with specific footwear brand?
- 8.a. What would be other media tools affecting your perception about the brand?
- 9. Could you describe what does attract you in the brand image?

9.a. Does the right footwear company's attitude towards nature/people would affect your decision to buy the brand?

10. Would you pay more for the well-known brand?

Important: some questions may be asked additionally to have deeper and better comprehension about effect of shoe brand image on consumer purchase behaviour.

## Appendix 2.

Name: Laurynas Pranckus (male)

Age: 24

Nationality: Lithuanian

### Stage one (Introduction to the purchasing habits):

1. How often do you buy shoes?

Two time per season. Why do you buy in this interval? I wear them quite often and I walk a lot that's why I need shoes.

2. How much do you spend on shoes per one time?

Actually it depends on purpose of the shoes. I have several types of shoes. First ones – light ones, like slippers, second ones like casual shoes, those that I could wear in the office, also smart casual that I could wear with suit, other ones would be sport shoes or leisure, and last ones would be the ones I wear for hiking and mountains. The most expensive would be hiking or sport ones.

Which brand you could recall at the moment for the shoes, or sport shoes because you have them the most?

The brand for me is Nike, and I do not consider any other options. I was a runner before so these shoes are the most comfortable for me.

What would be the biggest quantity of shoes you have of the categories you have mentioned?

Well, I this I have two pairs of hiking shoes, two pairs of sport shoes, three pairs of smart-casual and one pair of slippers.

3. What type of shoes do you usually buy/What brand?

Nike is for the sport, and I am loyal only for the sport or hiking shoes.

Could you remember the brand name?

Actually I wear Magnum shoes, Timberland, but this brand is not an option. And for the other shoes I could not recall any of the brand, because I am not loyal to them at all.

Could you remember any Lithuanian brands?

I just remember old style sport shoes "Inkaras", but other ones, I really do not remember. I never had Lithuanian brand shoes. Maybe some clothes but not shoes.

### Stage two (Description what criteria customer chose to purchase the certain footwear brand):

4. What are the attributes that catches your attention that make you buy pair of shoes?

As I said I have five types of shoes, and each category has different rage of characteristics.

For example the basics which you could apply for each of the category?

I think that I could divide the specific ones – sport and hiking- has to be comfortable, and for the other category, they have to be appearance, - colours and if it's light.

5. What criteria do you use when you make shoe purchasing activities? (Spontaneously, family member/friends, info collecting etc.)

At the moment I am looking for the casual shoes, like sneekers, and I know it will be not well-known brand but I will look at the model.

I make purchase spontaneously, most of my purchases were made spontaneously. If I like I buy, if it brings some emotions I buy.

6. What encourages you to buy chosen shoe brand? Consumption values

For me social group is not very much important, if I buy pair of shoes it means I find them comfortable. I do not like New Balance shoes because firstly they are ugly, and secondly even seven people in my office have them. I like to be different than others that's why New Balance shoes are not my priority. But I am loyal to Nike, I always buy them.

7. Do you usually buy the same brand of shoes? (brand loyalty)

Why it makes you to be loyal?

The brand appearance, the style they form, and what brand credo they have. Generally speaking the brand image as a whole.

Do you admire the image of the person that the Nike created?

Yes, I think it reflects me.

#### Stage three (How shoe brand in the eye of customer effects his/her purchase):

9. Could you describe what does attract you in the brand image?

The price is not an issue for me, if I like the brand the price doesn't matter. I like visual communication the brand creates and the models they present. But if they would be presented by some celebrities, I would not be effected by it.

Maybe you were right about social group, I think why I choose Nike because of the shared value and what other people have in common. You don't feel exceptional, but you feel a part of the movement.

10. Would you pay more for the brand you have already/or well-known brand? (brand awareness; quality; country of origin)

If you would have discount card or loyalty card for other brands you do not buy, would you be affected?

No, I would not. The loyalty cards do not affect me. I am spontaneous buyer so if I like pair of shoes I buy. In general I am not loyal to any brand, but if I like pair of shoes I could buy pair of shoe which could be more expensive.

Do you agree with the fact that well-known brands can cost twice as much as un-known brands?

I would say, that maybe some people like wearing money and like to show off, but for me it doesn't make any sense.

## Appendix 3.

Name: Marija Antanaityte (female)

Age: 26

Nationality: Lithuanian

#### Stage one (Introduction to the purchasing habits):

1. How often do you buy shoes?

Once per month, I just like it

2. How much do you spend on shoes per one time?

Usually I buy them in a big discount because my father has a shoe shop.

3. What type of shoes do you usually buy/What brand?

I like high- heels and casual. Smart-casual. I like Gino Rossi. Italian. I like quality.

#### Stage two (Description what criteria customer chose to purchase the certain footwear brand):

4. What are the attributes that catches your attention that make you buy pair of shoes?

Quality, if it's leather in side, functionality, price. For me brand is very important, I want to be recognised as person who wears quality on her feet. For me past experience is very important to.

5. What criteria do you use when you make shoe purchasing activities? (Spontaneously, family member/friends, info collecting etc.)

I make only spontaneously. If I like I buy. I think before only if I buy sneakers.

6. What encourages you to buy chosen shoe brand? Consumption values

I like brand image how it will be positioned and how other people look at it.

7. Do you usually buy the same brand of shoes? (brand loyalty)

No, not really. I know that certain brand is good at different things, for example Gino Rossi is good for high heels, Nike is good for running and etc.

The discount or loyalty cards d not affect me at all. I have too many of them, I just forget I have them.

#### Stage three (How shoe brand in the eye of customer effects his/her purchase):

9. Could you describe what does attract you in the brand image?

The philosophy and style.

10. Would you pay more for the brand you have already/or well-known brand? (brand awareness; quality; country of origin)

I would by branded shoes because I consider that branded shoes have better quality.

## Appendix 4.

Name: Marius Petrauskas (male)

Age: 28

Nationality: Lithuanian

#### Stage one (Introduction to the purchasing habits):

1. How often do you buy shoes?

One a quarter I guess.

Does it depends on the season?

Mostly, my decision is based on how my shoes are worn off and I wore the a lot.

2. How much do you spend on shoes per one time?

That depends on many things... yesterday I bought pair of shoe for 30 euro, but sometimes I buy shoes for 200euros.

So does it depend on the type or the brands?

I prefer shoes which match my style but not the brand. I have my own style which is called by my friends "Marius style". Of course brand is very strong motivator but it's not main reason I buy pair of shoes.

3. What type of shoes do you usually buy/What brand?

Mostly, I buy trainers I could match more official occasion, sometimes I buy shoes for winter, so it depends on season and shoes I need.

### Stage two (Description what criteria customer chose to purchase the certain footwear brand):

4. What are the attributes that catches your attention that make you buy pair of shoes?

Colour, style, price. Brand is not the main reason to purchase shoes. I will not be effected by any of celebrity promoting shoe brand.

5. What criteria do you use when you make shoe purchasing activities? (Spontaneously, family member/friends, info collecting etc.)

First of all, I start to feel a need of certain style of shoes, then I brows on-line, most often I buy online shoes. Because I am happy with all experience I have buying online. Sometime I ask opinion for family members about their opinion about shoe, but basically I chose by myself because I am going to wear them.

- You have a chance to buy well-known and not well known shoe brand. Which pair of shoe would you buy?

I guess.. it depends on quality. Usually branded shoes has better quality. They are more reliable. Not branded shoes, also reliable, but mostly it is a lottery. Branded shoes are more stylish and makes you feel better about yourselfe. You would be noticed by others.

- So if you would go to the shoe store so you would go to the branded shoe section?

Yes. When I am looking at the pair of shoes, if I do not find anything attractive online, I go to more specific stores in Vilnius, where I know I will find shoes for me. Because there are shoes are reliable, and affordable, and stylish, and my feet feel comfortable.

7. Do you usually buy the same brand of shoes? (brand loyalty)

- Have you ever bought twice in a row the same brand shoes?

No... maybe in the childhood. I remember Kangaroos, but it was sneakers in Dania store. But I am not attached to any brand.

- So you cannot be called loyal to any brand?

Well, I would recommend and I would buy second pair of shoes, but it has to be something different from previous pair of shoes but with the same style. I have my own style so it's quite hard sometimes to fine something different but at the same time with the same style shoes. In Lithuania there are few main retailers who import shoes with certain style but they will not repeat the same style for next season.

- Could you say that Lithuanians wear the same style of shoes and they do not differ from each other?

Lithuanians rely and depend a lot on few retailers, that means that there are 10 people who decide what 90 proc. Of Lithuanians will wear next season. And there are very little people only, young people does, but general generation doesn't.

- At the moment could you remember at least one Lithuanian brand?

Yes, "Inkaras". Because they recall me "Converse All Star" shoes. They were Soviet legacy. Also shoe company "Elnias", but Lithuanian shoe brands go bankruptcy. I think there are good designer shoes, but there is no brand left which could make mass production.

### Stage three (How shoe brand in the eye of customer effects his/her purchase):

9. Could you describe what does attract you in the brand image?

It attracts me that it creates the image that I want to be myself and to be seen by others. Even if I do not have the certain brand I would remember the specific brand that stays in my mind as the image I want to be myself or to representative.

- So you think that brand image boosts customer's personality and individuality?

Yes.

10. Would you pay more for the brand you have already/or well-known brand? (brand awareness; quality; country of origin)

I would by non-branded shoes... well, brand is not in the last place, but I am aware of my financial situation and I do not see a need to buy a product that has only a name tag on it. I prefer quality, price, style, where it is made.

### Appendix 5.

Name: Samantha Gibaviciute (Female)

Age: 26

Nationality: Lithuanian living in Denmark for 6 years

#### Stage one (Introduction to the purchasing habits):

1. How often do you buy shoes?

It really depends. Most once in 3-4 months.

- What would be the reasons you are purchasing shoes?

It might be because my old shoes are usable anymore or if the seasons change. Also because I see and I like them on sales.

2. How much do you spend on shoes per one time?

It really depends, sometimes it can be 1000 DKK, sometimes more than that. It depends on occasion, season, brand and quality of the shoes.

- so it means you would pay more for the branded shoes just because it is well known?

Not really. Not only on the brand. It depends on the style if I like the style. If I find shoes which are more expensive but I really like the style. But if I do not find them comfortable I would definitely would not buy them.

3. What type of shoes do you usually buy/What brand?

- What style of shoes you usually buy? Maybe you remember some brands if you are loyal to some of them?

I really like comfortable shoes. I think that ECCO shoes do not very nice but they are very very cozy, and it really depends. If it is winter, I prefer well-known brand it is summer I buy cheap shoes.

- why do you buy branded shoes for winter but not for summer?

Because of the cold weather and cold climate. It is very important to keep your feel warm. During the summer, basically it doesn't matter. It can be cheap shoes.

#### Stage two (Description what criteria customer chose to purchase the certain footwear brand):

4. What are the attributes that catches your attention that make you buy pair of shoes?

They have to be comfortable. Sometimes I buy shoes just because price is very reasonable even though I don't need them.

- would you be then effected by the brand image of the shoes? If you have image that Nike shoes are good for running, but Adidas has better quality. Which one would you buy?

I don't know.. I do not like Nike or Adidas. I like Sketches for running. I think brand image is important. Because it represents your own image. And there some other things which you can relate to your identity this is quite important.

- if you friends would have one brand of shoes would you buy the same brand? '

No.

5. What criteria do you use when you make shoe purchasing activities? (Spontaneously, family member/friends, info collecting etc.)

I discuss it with my mother because she's good in shopping. Most probably she the only one with whom I talk about it. It really depends, if the price is very low I can make decision pretty fast, but if the price is high, I try to think about it. I do not make spontaneous decision, I try them first and look if they are comfortable. I see if they are worth of that money. I never make research before buying.

6. What encourages you to buy chosen shoe brand? Consumption values

First of all, Sketches are made only for running. So the quality if very good and they are very comfortable. Also they are very light. I love colours of them.

- so it could be said you have a good experience with them?

Even though the price is a bit too high, I just love them, and I think this brand is the best brand for running.

- could you say that you are effected by the brand image that this brand creates?

yes, I can say this. I think it's more about the quality and this is unique product. Because how they produce shoes is different than other brands.

7. Do you usually buy the same brand of shoes? (brand loyalty)

No.

- But if you would have loyalty card or a discount card would you buy that shoes?

Yes, I would definitely. I would firstly check the shoes in that store where I have a discount.

#### Stage three (How shoe brand in the eye of customer effects his/her purchase):

9. Could you describe what does attract you in the brand image?

Once you know it, for example the Sketches, if you have good experience with them I would repeat purchase. If I see Sketches shop or someone wearing Sketches I can easily recognise them.

10. Would you pay more for the brand you have already/or well-known brand? (brand awareness; quality; country of origin)

Definitely I would pay for branded shoes more.

- For example you if you would need to choose one brand from two you know already. The country of origin is different which would you chose?

I have never checked the country of origin. I never do that. I don't think I would make purchase based on that. I would buy shoes based on other constraints – comfortability, quality. I have never checked the country where the shoes are being produced.

 So the country of origin would not affect the brand image for you? No, definitely no.

## Appendix 6.

Name: Martina Degn (Female)

Age: 24

Nationality: Danish

#### Stage one (Introduction to the purchasing habits):

1. How often do you buy shoes?

I guess 3 time per year

-what is the purpose you buy shoes

I have mainly two reasons - I need new shoes and I want new shoes.

-So basically, you buy for functional and emotional purposes..?

Yes.

2. How much do you spend on shoes per one time?

Around 500DKK

3. What type of shoes do you usually buy/What brand?

It depends on what kind of shoes do I need. But most of the times I notice sneakers or more elegant shoes. I do no notice the brand at first just a shoe itself, how it looks like.

- But if you go to the store would you go to the section with branded shoes which are familiar to you?

On one had brand does not matter, but on the other if I have a good experience with the brand I would definitely go to the section where I have good experience with shoe brand. I would buy the same brand shoes if I feel comfortable and have a good experience.

- Could you tell me then what brand you have bought few times?

I have Nike and Shoe Mix. I know ECCO, but mostly it is popular among elder people. But I do have one pair of shoe from ECCO, because they are really comfortable.

#### Stage two (Description what criteria customer chose to purchase the certain footwear brand):

4. What are the attributes that catches your attention that make you buy pair of shoes?

Well, my first of all shoes have to fit my clothes that I have. With my style. Also, colours matters, and if they look different from other shoes I have. For sneakers they have to be colourful as well.

- would you say that brand is effective criteria for you to purchase shoes?

It depends. If in commercial I see them presented as "my kind of style shoes" and I see them in the store I would buy them. But quality is also important factor.

5. What criteria do you use when you make shoe purchasing activities? (Spontaneously, family member/friends, info collecting etc.)

I buy definitely spontaneously and prise is also matters.

- would you go to the special store where you would have a discount card or loyalty card?

Yes, I would go only there firstly and buy shoes from the store I have a discount.

6. What encourages you to buy chosen shoe brand?

Well, if talking about Nike. I have good experience with them and design of them I like. Also, in Denmark there is a trend that all gyms are full of people are wearing Nike shoes. So when I see so many shoes around I would say that Nike shoes are good for doing sports. That encourages me to try them too.

7. Do you usually buy the same brand of shoes?

I can say I am loyal to Nike and Nike Free.

#### Stage three (How shoe brand in the eye of customer effects his/her purchase):

9. Could you describe what does attract you in the brand image?

For me basically country of origin doesn't that matters. I would say that I would be attracted with the fact that other people are wearing it. And again, the first experience matters.

- If you would need to choose two brands you know already. One is made in France and other one would be made in Eastern Europe. Which brand would you choose?

I would choose from Eastern Europe. Because I think to support the shoe market there. Unless they harm workers' rights and I know it they are exploited there. I am quite sensitive to the Corporate Social Responsibility.

10. Would you pay more for the brand you have already/or well-known brand?

I think I would. Yes. Because of the created image, also the age that I have. Because at this age people care what other people would say and how they would perceive you.

I could say that I am quite easily effected by the brand image that shoes have.

## Appendix 7.

Name: Eglė Ragauskaitė (Female)

Age: 25

Nationality: Lithuanian

#### Stage one (Introduction to the purchasing habits):

1. How often do you buy shoes?

once per season

2. How much do you spend on shoes per one time?

200-600 litas (400-1200 DDK) it depends on discounts and what shoes I need.

3. What type of shoes do you usually buy/What brand?

Casual or high-heels

- Do you know any Lithuanian brand?

I am really bad in brands. Especially in Lithuanians. Really do not know any.

#### Stage two (Description what criteria customer chose to purchase the certain footwear brand):

4. What are the attributes that catches your attention that make you buy pair of shoes?

Firstly, they have to be different than the ones I have. It can be colour, style, fabric it's made.

5. What criteria do you use when you make shoe purchasing activities? (Spontaneously, family member/friends, info collecting etc.)

I make spontaneously, unless shoes are expensive so I discuss it with my mother.

6. What encourages you to buy chosen shoe brand? Consumption values

I am not a brand person. But if I find brand I know with good price I do consider to buy. Also, if I do not know the brand I like to experiment.. to see if this brand is good quality, so later I would know if to consider to buy next time or not.

7. Do you usually buy the same brand of shoes? (brand loyalty)

No.

- Even if you would have loyalty card?

Well, don't know.. usually these loyalty cards is true headache for me.

#### Stage three (How shoe brand in the eye of customer effects his/her purchase):

9. Could you describe what does attract you in the brand image?

If it represents my personal believes and my lifestyle. If the brand is well know, this would increase my interest to have it. Also I don't know if I have good perception about brand from Eastern Europe, usually Lithuanians Italian, and Portuguese made shoes. Where the production is cheap or they have deep shoe making traditions.

- so you say that country of origin for you is important factor in brand image?

I could say yes.. we all have stereotypes and we follow them, unless we have positive experience with the footwear brand.

10. Would you pay more for the brand you have already/or well-known brand? (brand awareness; quality; country of origin)

Hmm.. no, I do not have money for branded and expensive shoes. I prefer better quality over brand, but again.. if I am happy with experience I had – good quality, comfortable, cheap, fit my style, I would say this brand creates image of reliable footwear brand.

## Appendix 8.

Name: Astrid Gudum (Female)

Age: 23

Nationality: Danish

#### Stage one (Introduction to the purchasing habits):

1. How often do you buy shoes?

Every four months

1.a. What are the reasons?

Usually because I really need new shoes if, for instance, my old shoes are worn out. However, sometimes I do buy shoes even though I don't necessarily need them

2. How much money do you spend on shoes per one time?

Around 400-500 Danish kroner

3. What type of shoes do you usually buy? If you remember, please, name what brand?

For everyday wear I usually buy trainers such as All Star Converse. Also I have Danish brand ECCO, however they are not very much for everyday. For other purposes such as sandals I buy them from the Danish store Bianco

#### Stage two (Description what criteria customer chose to purchase the certain footwear brand):

3. What are the attributes that catches your attention and make you buy pair of shoes? (Country of origin, style, colours, quality, comfort ability, price, etc.)

The price is often important to me since I don't like buying too expensive shoes. The quality and comfort are also important attributes.

4. What criteria do you use when you make shoe purchasing activities? (Spontaneously, family member/friends, info collecting/self-satisfaction, new experience, etc.)

I usually buy shoes when I need them, however, sometimes it can also happen spontaneously.

5. What encourages you to buy chosen shoe brand (if not a brand than a pair of shoe)?

When I buy shoes from the same brand it's because I know the brand and the quality of the brand, you know what you're buying.

6. What examples would encourage you to buy the same brand footwear? (If you have any examples, please, indicate)

It's easier to buy shoes from the brands you are familiar with. For instance with All Star Converse shoes, you know what you're getting when you buy them. You know the style and the size.

7.a. Would you be encouraged to buy only in the store where you have the discount card (if you would have)? What discount cards mean to you?

Yes I think I would, especially if it means that I'm able to save a lot of money.

#### Stage three (How shoe brand in the eye of customer effects his/her purchase):

7. Would you be affected by the celebrity appearance in public with specific footwear brand?

A bit.

8. Could you describe what does attract you in the brand image? Would you like to be accepted by the specific social group (fashion/sport/leisure etc.)

Usually I just 'go with the flow' in terms of fashion, meaning that I of course am influenced by the current fashion trends. The acceptance aspect does not mean too much to me

9.a. Does the right footwear company's attitude towards nature/people would affect your decision to buy the brand? (talking about corporate social responsibility)

Yes I think so. If I knew of a specific brand which put a lot of focus on these specific areas I would probably buy them more often

9. Would you pay more for the well-known brand?

I would not pay more if it was only for the brand, however, I would pay more if I knew that the quality was better than other brands.

### Appendix 9.

Name: Maalia Lynge Christiansen (Female)

Age: 24

Nationality: Greenlandic

#### Stage one (Introduction to the purchasing habits):

1. How often do you buy shoes?

3-4 times a year

1.a. What are the reasons?

If I need them and sometimes, although not very often, cause I find a pair that I really just like.

2. How much money do you spend on shoes per one time?

From 500 – 1000 kroners

3. What type of shoes do you usually buy?

If you remember, please, name what brand? Different kind of shoes. I don't really have a preferred shoe brand.

#### Stage two (Description what criteria customer chose to purchase the certain footwear brand):

4. What are the attributes that catches your attention and make you buy pair of shoes? (Country of origin, style, colours, quality, comfort ability, price, etc.)

Usually earthy colours. Practical but still smart shoes. I want good quality and am therefore willing to buy shoes that are not the cheapest.

5. What criteria do you use when you make shoe purchasing activities? (Spontaneously, family member/friends, info collecting/self-satisfaction, new experience, etc.)

Usually I'll buy shoes after having thought about it for a while. I don't make many spontaneous purchases.

6. What encourages you to buy chosen shoe brand (if not a brand than a pair of shoe)?

A good price for a nice pair of shoes

7. What examples would encourage you to buy the same brand footwear? (If you have any examples, please, indicate)

If I really like them and they last for a while

7.a. Would you be encouraged to buy only in the store where you have the discount card (if you would have)? What discount cards mean to you?

I don't really use discount cards, but if I had one favourite, I would go to the shop where I have a discount

#### Stage three (How shoe brand in the eye of customer effects his/her purchase):

7. Would you be affected by the celebrity appearance in public with specific footwear brand?

I suppose I do not really know If I am subconsciously are affected by what celebrities wear, but I do not intentionally buy shoes based on what celebrities wear.

8. Could you describe what does attract you in the brand image? Would you like to be accepted by the specific social group (fashion/sport/leisure etc.)

I think I have a tendency to like Nike shoes. They are practical, comfortable and have cool designs. Nevertheless, they are also very trendy now in Denmark that might also be a contributing reason.

9.a. Does the right footwear company's attitude towards nature/people would affect your decision to buy the brand? (talking about corporate social responsibility)

Yes, I like animal friendly products and products that are responsible. If a brand is known to have an 'ethical' dimension to it, I might be inclined to favour it over others.

9. Would you pay more for the well-known brand?

Both yes and no. I have done so in the past and will probably in the future. But I don't obsess about brands and it is not the first criteria I have when I shop for shoes.