Brand Equity and its Relationship with (charitable) donations.
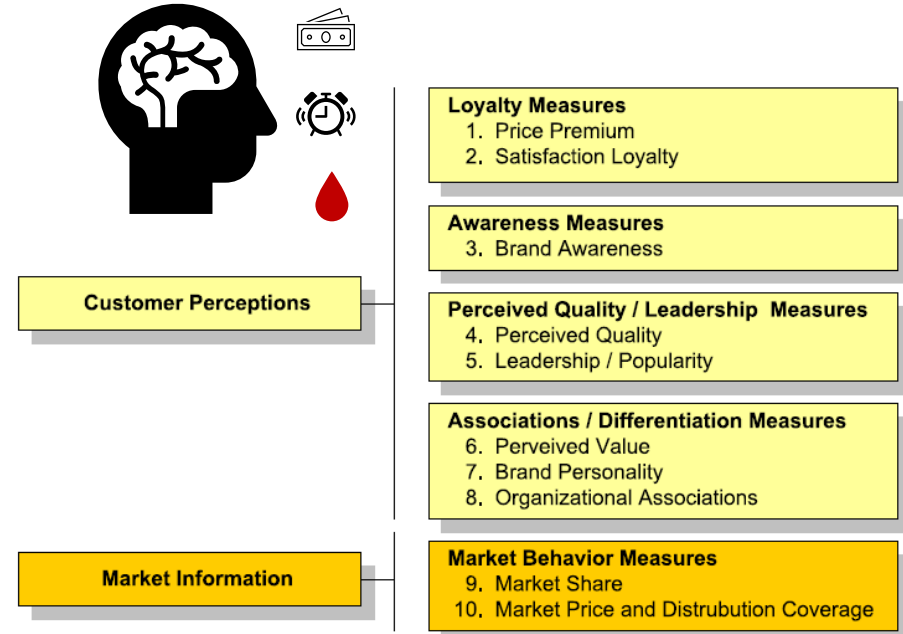
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Brand Equity?

- A **brand** is a mental representation of the rational or emotional characteristics of a product or service that distinguish it from other brands. (Aaker, 1991; Keller, 1999)

- **Brand equity*** is the discounted future profit generated by branding compared to a non-branded product. (Aaker, 1991)

- **Consumer based brand equity (CBBE)** can be measured indirectly with surveys. (Keller, 1999)

* Causal claim in theory -> decausalisation in my paper

Customer Perceptions

Loyalty Measures
1. Price Premium
2. Satisfaction Loyalty

Awareness Measures
3. Brand Awareness

Perceived Quality / Leadership Measures
4. Perceived Quality
5. Leadership / Popularity

Associations / Differentiation Measures
6. Perveived Value
7. Brand Personality
8. Organizational Associations

Market Information

Market Behavior Measures
9. Market Share
10. Market Price and Distrubution Coverage

Brand Equity Ten (Aaker, 1996)

Brand and Donations?

Hypotheses

- There is a relationship between Brand Equity and (charitable) donations.

- Brand Equity relates to the fact a recipient donates and to the amount donated.

- Different existing Non-Profit-Frameworks explain this relations with different predictive validity

A triple replication of existing models with recent Austrian data will prove the given evidence.
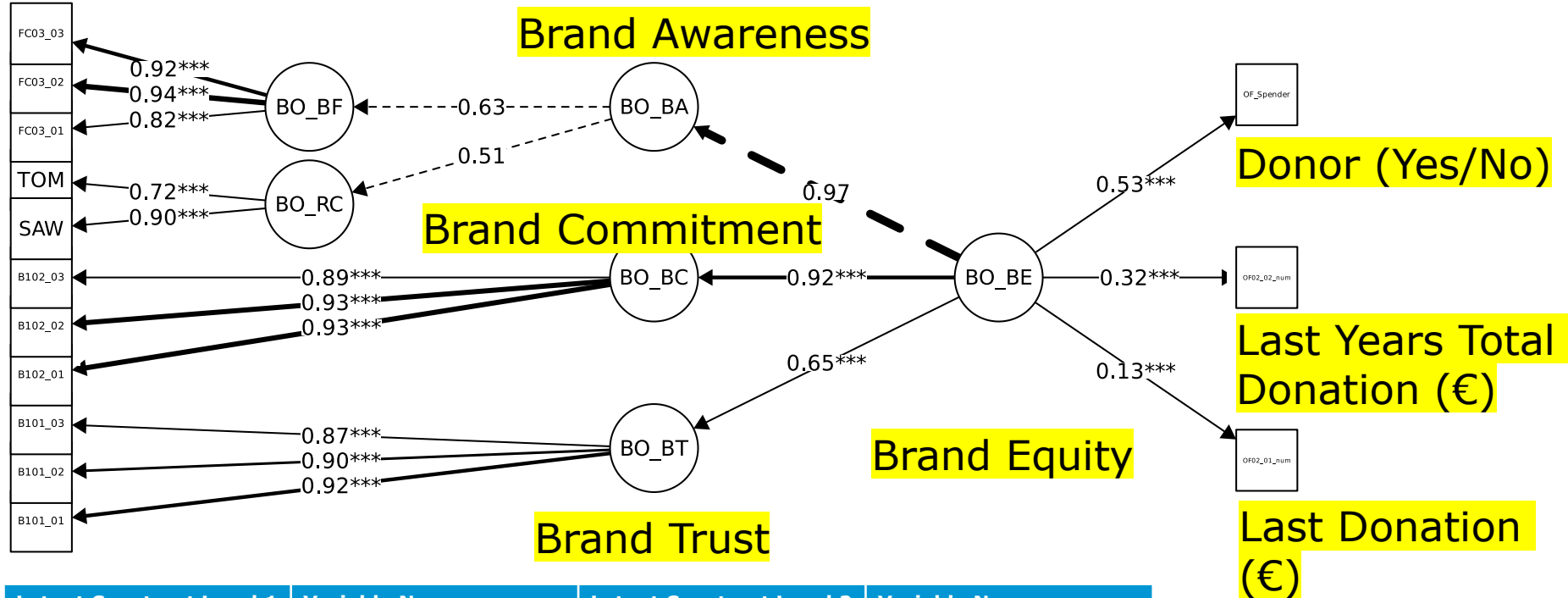
Nonprofit-Frameworks for Brand Equity

Authors	Dimensions			
Faircloth (2005)	awareness	image	personality	
Boenigk and Becker (2016)	awareness	trust	commitment	
Romero, Abril and Urquia-Grande (2023)	awareness	identification	commitment	personality

Test these latent Brand Equity constructs against (a) last donation amount, (b) total donations in 2024, (c) donor status with Austrian donor data.

Sample (Median Categories)

	n	male	female	diverse	age	education	occupation	monthly income in €
Licht für die Welt	135	**66%**	34%	0%	**74+**	University	employee	2500 - 3000
Missio	117	39%	**62%**	0%	60-64	Matura	employee	1200-2000
Nachbar in Not	96	**60%**	40%	0%	65-70	University	employee	2500-3000
Rotes Kreuz	553	47%	52%	1%	65-70	Matura	employee	1200-2000
SOS Kinderdorf	7	**71%**	29%	0%	65-70	Doctorate	Student	**3000-3500**
Vier Pfoten	81	19%	**78%**	4%	60-64	School	employee	n.a.
WWF	2	100%	0%	0%	65-70	Matura	School	1200-2000
NA	96	34%	**66%**	0%	50-55	University	employee	**3000-3500**
total	**1.087**	**47%**	**53%**	**1%**	**65-70**	**University**	**employee**	**2000-2500**

Model Boenigk&Becker (2016)

Latent Construct Level 1	Variable Name	Latent Construct Level 2	Variable Name
Brand Recall	BO_RC	**Brand Awareness**	BO_BA
Brand Familiarity	BO_BF		
		Brand Commitment	BO_BC
		Brand Trust	BO_BT

Complete dataset

My findings (complete dataset)

Study	Sample strenght	Fit Indices source	Austrian sample	remarks
Faircloth (2005)	N = 677	RMSEA = 0.072, CFI = 0.98,	RMSEA = 0.078, CFI = 0.901,	Generably stable, one latent factor weak. Brand Strength (FC_BS) unreliable/low AVE, Predictive validity for Donation and amounts
Boenigk & Becker (2016)	N = 1.236	Index-based; CR > 0.90	Index-based; CR = 0.95; 0.80; 0.93; 0.92	Best model in all dimensions, best predictive validity for donations
Romero et al. (2023)	N = 848	CR > 0.90, AVE > 0.65	CR > 0.86, AVE > 0.48	one latent construct fail internal consistency and two the discriminant validity , predictive validity only for the status „Donor (boolean)", generally misfit/over-parameterised

Predictive validity of the models (complete dataset)

Model	Last Donation	2024 Donation	Donor Status	Interpretation
Faircloth	0.097 (p = .015)	0.236 (p < .001)	0.443 (p < .001)	Strong effect on donor classification
Boenigk	0.128 (p < .001)	0.324 (p < .001)	0.532 (p < .001)	Best overall predictive performance
Romero	0.053 (p = .233)	0.089 (p = .029)	0.451 (p < .001)	Significant only for donor status

Three frameworks two questionnaires

FC

BO

RO

Same recipient,
same organisation,
all three
frameworks

Differences between datasets

Model	n		CFI		RMSEA		SRMR		CHI²		df	
	all	cross	all	cross	all	cross	all	cross	all	cross	all	cross
FC	2,038	332	0.868	0.887	0.073	0.070	0.068	0.070	3,393	758	287	287
BO	2,038	NA	**0.991**	NA	**0.040**	NA	**0.029**	NA	**197**	NA	**47**	NA
RO	2,008	332	0.783	0.723	0.091	0.110	0.092	0.098	15,080	4,235	850	850

Predictive validity of the models

Model	last Donation		donation 2024		Donor-Status	
	all	cross	all	cross	all	cross
FC	0.088	−0.009	0.224	0.117	0.443	0.353
BO	0.127	NA	0.315	NA	**0.515**	NA
RO	0.059	0.028	0.092	0.140	0.501	0.419

Results

- The model of Boenigk&Becker (2016) is the best fitted and has the highest prediction validity for the outcome variables in the complete dataset. A convergent model for the cross-dataset is not possible.

- Faircloth' (2005) model is acceptable but explains a lower fraction of the outcomes variances. The cross-dataset has unlogical outcomes.

- For the Austrian sample (big well known organisations), Brand Commitment is the most influential significant latent factor, Brand trust is second. A significant relationships with Brand Awareness was not found - neither in the model of Boenigk, nor with Faircloth.

Effects

- Brand Equity explains between 30% and 50% of the variability if a person is donor or not.

- Brand commitment has the highest elasticity towards Brand Equity, Brand Trust a bit lower.

Takehome-Message for marketer: brand image and trust is more important for coms as well as for campaigning than awareness.

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