

ANTECEDENTS OF EMPLOYEE BRAND EQUITY IN FMCG ORGANIZATION

M. Preetha¹, G. Murugesan²

¹Research Scholar, Vinayaka Missions Research Foundation, Salem.

Assistant Professor, SRM Institute of Science and Technology, Kattankulathur.

²Professor, VMKV Engineering College, Vinayaka Missions Research Foundation, Salem.

Received: 27.12.2019

Revised: 30.01.2020

Accepted: 06.02.2020

Abstract

Source of competitive advantage differs from one industry to the another. In order to achieve a sustainable competitive advantage the most promising strategy is the human resource portfolio of the organization. The image of the organization in the minds of the employees is transcended in to the stakeholders of the organization. This paper deals with the employee based brand equity factors that can be exploited by the organization in order have a sustainable profitability for the organization.

Keywords: FMCG Organization, Brand Equity, Employee.

© 2019 by Advance Scientific Research. This is an open-access article under the CC BY license (<http://creativecommons.org/licenses/by/4.0/>)
DOI: <http://dx.doi.org/10.31838/jcr.07.04.159>

INTRODUCTION

The success of the organization is dependent on the performance of the employees in the organization. Organization nowadays has to carry a sense of pride in the perception of their employees and therefore there is a need to create a branding for the organization. Employee based brand equity is the innovative concept which is cost efficient method to improve the productivity among the employees of the organization. This paper discusses the impact of the constructs that determine the implementation success of the employee based brand equity initiatives of the organization.

LITERATURE REVIEW

In the outcomes related to financial performance of organizations, brand equity perceived by the employee plays a vital role for enhancing the same. There is a considerable relevance of managerial relevance when comes to employee based brand equity (Faircloth et al., 2001). The commitment of the employee towards the brand highly correlates with the equity of the brand. It not only provides a value based on the marketing but also the indications for human resource performance enhancement. The service quality of the employee highly depends on the commitment of the individual to the organization (Kimpakorn & Tocquer, 2010). There is a need for the internal brand management in the organization to strengthen the front line employees to have a better commitment for the customers for the organization.

A sense of pride in the perception of the employees regarding the organization has a higher impact towards the motivation of the employees (King & Grace, 2010). The perception of the employee regarding the performance of the brand becomes critical in implementing brand equity parameters in an organization. Psychological states of the employee in terms of the employee brand orientation is important in establishing brand equity. Perceived knowledge about the branding initiatives by the employees is an important predictor for success of brand equity (Xiong et al., 2013). Employee identification and the training in orders to impart the values of the brand initiatives create a successful brand equity which would enhance the profitability of the organization (Tsang et al., 2011).

The employee based brand equity initiatives varies with the sector in which these initiatives are implemented and higher degree of customization is necessary for these initiatives to be

successful (Poulis & Wisker, 2016). Employer employee relationship activities creates trust in the organization and the trust would create confidence in the employees in order to create the positive branding in the minds of the customer (Alshathry et al., 2017). Employee brand equity is moderated by the relationship between the implementation of the initiatives by the employee engagement profile of the organization (Morokane et al., 2016).

RESEARCH METHODOLOGY

The research design is found to be descriptive type and the survey questionnaire is used to collect the primary data from the respondent. The sampling method employed is the purposive sampling and the data is collected based on the experience of the employees for at least two years. The sample size of the research is found to be 413.

ANALYSIS AND INTERPRETATION

The construct used in the study in order to find the Employee brand equity is the following

Brand endorsement – which is defined as the employee willingness to be a part of the organization as a brand.
Brand Consumer behaviour – which can be defined as the behaviour of the consumer towards the organization as a brand
Brand Allegiance – refers to the commitment of the employee towards the brand.

These three constructs are found to impact the Brand equity among the employees of the organization.

Constructs	Cronbach's Alpha
BA	0.746
BC	0.796
BE	0.746
EB	0.773

The constructs of the Brand equity are found reliable as the Cronbach Alpha values are found to be above 0.7.

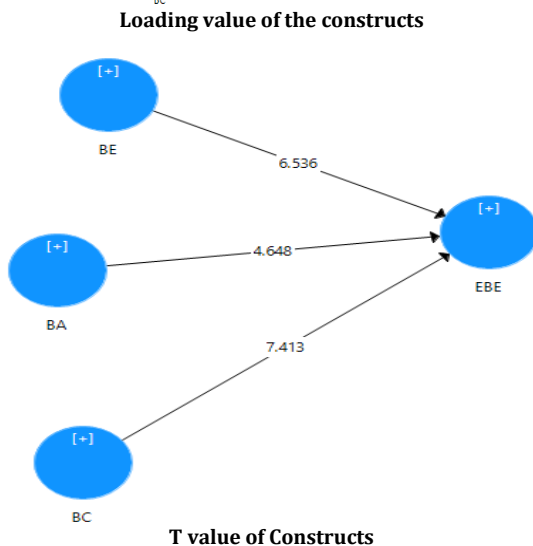
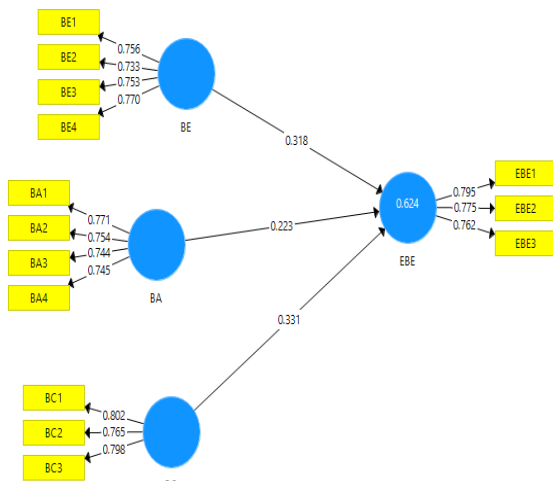
Constructs	Average Variance Extracted (AVE)
BA	0.568
BC	0.622
BE	0.567

EB	0.604
----	-------

The AVE values have to be above 0.5 for performing the structural equation modelling among the constructs

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
BA -> EBE	0.223	0.22	0.048	4.648	0
BC -> EBE	0.331	0.333	0.045	7.413	0
BE -> EBE	0.318	0.318	0.049	6.536	0

The T Value of the constructs are found to be above 2 which signifies that all the paths are found to have a positive influence towards the brand equity. The Brand consumer behaviour is found to have a higher impact towards Brand Equity.



CONCLUSION

It is found that the brand consumer behaviour Brand endorsement has a higher influence towards the brand equity of the employees in an organization. There is a higher investment of resources to be channelized towards the creating the prestige for associating with the brand in the minds of the employee as well as the consumers. Organizations must help the employees as

their brand ambassadors which in turn enhances the image of the organization in the minds of the customer upon undertaking transactions with them.

REFERENCES

- Alshathry, S., Clarke, M., & Goodman, S. (2017). The role of employer brand equity in employee attraction and retention: a unified framework. *International Journal of Organizational Analysis*. <https://doi.org/10.1108/IJOA-05-2016-1025>
- Berger-Remy, F., & Michel, G. (2015). How brand gives employees meaning: Towards an extended view of brand equity. *Recherche et Applications En Marketing*. <https://doi.org/10.1177/2051570715579651>
- Femenía, F., Arce, M., Arrieta, M., Baranchuk, A. Surface fragmented QRS in a patient with hypertrophic cardiomyopathy and malignant arrhythmias: Is there an association(2012) *Journal of Cardiovascular Disease Research*, 3 (1), pp. 32-35. DOI: 10.4103/0975-3583.91602
- DOI: 10.4103/0975-3583.91602
- Erkmen, E. (2018). Managing Your Brand for Employees: Understanding the Role of Organizational Processes in Cultivating Employee Brand Equity. *Administrative Sciences*. <https://doi.org/10.3390/admsci8030052>
- Faircloth, J. B., Capella, L. M., & Alford, B. L. (2001). The Effect of Brand Attitude and Brand Image on Brand Equity. *Journal of Marketing Theory and Practice*. <https://doi.org/10.1080/10696679.2001.11501897>
- Kimpakorn, N., & Tocquer, G. (2010). Service brand equity and employee brand commitment. *Journal of Services Marketing*. <https://doi.org/10.1108/08876041011060486>
- King, C., & Grace, D. (2010). Building and measuring employee-based brand equity. *European Journal of Marketing*. <https://doi.org/10.1108/03090561011047472>
- Chavda HV, Patel CN, Anand IS. "Biopharmaceutics Classification System." *Systematic Reviews in Pharmacy* 1.1 (2010), 62-69. Print. [doi:10.4103/0975-8453.59514](https://doi.org/10.4103/0975-8453.59514)
- Poulis, A., & Wisker, Z. (2016). Modeling employee-based brand equity (EBBE) and perceived environmental uncertainty (PEU) on a firm's performance. *Journal of Product and Brand Management*. <https://doi.org/10.1108/JPBM-04-2015-0852>
- Tavassoli, N. T., Sorescu, A., & Chandy, R. (2014). Employee-based brand equity: Why firms with strong brands pay their executives less. *Journal of Marketing Research*. <https://doi.org/10.1509/jmr.13.0435>
- Tsang, N. K. F., Lee, L. Y. S., & Li, F. X. H. (2011). An examination of the relationship between employee perception and hotel brand equity. *Journal of Travel and Tourism Marketing*. <https://doi.org/10.1080/10548408.2011.588108>
- Xiong, L., King, C., & Piehler, R. (2013). "That's not my job": Exploring the employee perspective in the development of brand ambassadors. *International Journal of Hospitality Management*. <https://doi.org/10.1016/j.ijhm.2013.07.009>
- Yang, J., & Basile, K. (2019). The impact of corporate social responsibility on brand equity. *Marketing Intelligence and Planning*. <https://doi.org/10.1108/MIP-02-2018-0051>