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**CORRELATIONS BETWEEN BRAND EQUITY, CUSTOMER
COGNITIVE VALUE, AND CUSTOMER LOYALTY
(IN QUICK SERVICE RESTAURANT INDUSTRY)**

Quick service restaurant industry is booming in Taiwan because of rapid development of economy, quick growth of national income, change of lifestyle, increase of female employment etc., the trend to eat out is gaining its popularity. Quick service restaurant industry therefore has to continuously provide customers with multiple products to relate the restaurant service with quality and value standards in their minds. Satisfying customers is the key to successful and sustainable profit management. With random sampling to distribute and collect questionnaires on-site, consumers in PRORoyal were selected as the research subjects. Total of 300 questionnaires were distributed. 218 valid questionnaires were retrieved, with the retrieval rate 72.6%. The SPSS software was applied to factor analysis, regression analysis, and hierarchical regression analysis. The findings show that: 1) brand equity presents partially significant positive correlation with customer loyalty; 2) customer cognitive value displays partially notable positive correlation with brand equity; 3) customer cognitive value demonstrates outstandingly positive correlation with customer loyalty; and 4) customer cognitive value has moderating effect on the relation between brand equity and customer loyalty. This study is expected to provide quick service restaurants with suggestions and references on brand equity, customer cognitive value, and customer loyalty.

Keywords: brand equity; customer cognitive value; customer loyalty; brand extensivity; brand intensity; brand integrity.

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**КОРЕЛЯЦІЯ МІЖ ВАРТІСТЮ БРЕНДУ, СПРИЙНЯТТЯМ
ЦІННОСТІ СПОЖИВАЧАМИ ТА ЛОЯЛЬНІСТЮ КЛІЄНТІВ
(НА ПРИКЛАДІ РЕСТОРАНІВ ШВИДКОГО ХАРЧУВАННЯ)**

У статті показано, що сектор ресторанів швидкого харчування на Тайвані переживає стрімке зростання, пов'язане зі швидким зростанням національного доходу, зміною стилю життя, ростом працевлаштування жінок тощо — харчування поза домом набирає популярності. Ресторани швидкого харчування мають постійно забезпечувати клієнтів значною кількістю продуктів високої якості. Задоволення потреб клієнтів та закріплення в їхній свідомості високих стандартів сервісу — ключ до стійкої прибутковості бізнесу. Методом випадкової вибірки серед клієнтів ресторану швидкого харчування "Proroyal" було розповсюджено 300 анкет. 218 з них можна вважати дійсними, процент відгуку — 72,6%. Дані проаналізовано методами факторного та регресійного аналізів, а також за допомогою ієрархічної регресії. Результати аналізу виявили, що: 1) вартість бренду суттєво позитивно корелює з лояльністю клієнтів; 2) сприйняття цінності споживачами також суттєво і позитивно корелює з вартістю бренду; 3) особливо суттєва позитивна кореляція спостерігається між сприйняттям цінності споживачами та їх лояльністю; 4) сприйняття цінності має стримуючу дію на залежність між вартістю бренду та лояльністю клієнтів. Розроблено рекомендації та пропозиції для ресторанів швидкого харчування щодо вартості бренду та лояльності клієнтів.

Ключові слова: вартість бренду; сприйняття цінності споживачем; лояльність клієнтів; екстенсивність бренду; інтенсивність бренду; цілісність бренду.

Рис. 1. Табл. 6. Літ. 18.

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**КОРРЕЛЯЦИЯ МЕЖДУ СТОИМОСТЬЮ БРЕНДА,
ВОСПРИЯТИЕМ ЦЕННОСТИ ПОТРЕБИТЕЛЯМИ И
ЛОЯЛЬНОСТЬЮ КЛИЕНТОВ
(НА ПРИМЕРЕ РЕСТОРАНОВ БЫСТРОГО ПИТАНИЯ)**

В статье показано, что сектор ресторанов быстрого питания на Тайване переживает стремительный рост, который связан с быстрым ростом национального дохода, изменением стиля жизни, ростом трудоустройства женщин и т. д. — питание вне дома становится все популярней. Рестораны быстрого питания должны постоянно обеспечивать клиентов множеством продуктов высокого качества. Удовлетворение потребностей клиентов и закрепление в их сознании высокие стандарты сервиса — ключ к устойчивой прибыльности бизнеса. Методом случайной выборки среди клиентов ресторана быстрого питания "Proroyal" были распространены 300 анкет. 218 из них можно считать действительными, процент отклика — 72,6%. Данные были проанализированы методами факторного и регрессионного анализа, иерархической регрессии. Результаты анализа показали, что: 1) стоимость бренда существенно позитивно коррелирует с лояльностью клиентов; 2) восприятие ценности потребителями также существенно и позитивно коррелирует со стоимостью бренда; 3) особо существенная позитивная корреляция наблюдается между восприятием ценности потребителями и их лояльностью; 4) восприятие ценности оказывает сдерживающее влияние на зависимость между стоимостью бренда и лояльностью клиентов. Разработаны рекомендации и предложения для ресторанов быстрого питания касательно стоимости бренда и лояльности клиентов.

Ключевые слова: стоимость бренда; восприятие ценности потребителем; лояльность клиентов; экстенсивность бренда; интенсивность бренда; целостность бренда.

Introduction. With the increasingly fierce competition at the markets for catering services, catering industry plays a critical role within the economic system for economic development of many countries. This issue has extreme research value. As customers have numerous choices in catering, catering services not conforming to quality and value standards in customers' minds would soon be eliminated from a market. Brand equity therefore is becoming more important in catering. Considering the role of customers in the entire consumer economic system, they have transformed from receivers to decision-makers. Brand equity effects on organizational structure, culture, and profitability in quick service restaurant industry which has further realized in successful and sustainable management depending on customer satisfaction. Brand equity has become the basic requirement of customers for services or products. As customers are gradually paying attention to the obtained value and satisfaction by the purchased services or products, the experience evaluation after purchase is likely to affect their loyalty.

Many scholars treat brand equity as the major factor in customer loyalty; and customer cognitive value affects individual brand awareness, product classification, and purchase decision. Various brands and value demands would facilitate customers making different decisions when facing the same products. In this case, it is essential to understand customer cognitive values to achieve higher sales and better promotion of products at the diverse market with homogeneous products. How to improve brand equity to enhance customer cognitive value and further promote customer loyalty has become a crucial issue.

Literature review

I. Brand equity. Kolter (2000) considered brand as the commitment of sellers towards "consistently providing consumers with definite characteristics, profits, and services", which transmitted 6 distinct meanings to consumers. Biel (1992) indicated that brand equity is the increased cash flow after branding the same products as well as the company defining brand equity with the increment by future discounted cash flow, i.e. the effect of brand on future discounted cash flow (Simon & Sullivan, 1993). Kim (1990) considered brand equity as the combination of a brand arousing the thought, the feeling, the perception, and the association of attention shoppers, and this combination would further influence purchase. Attention shoppers are regarded as those who would pay attention to brands and routinely purchase as well as had stable demand for present products or expanded purchase because of the demand for new products.

Kim (1990) proposed 3 dimensions to measure brand equity, namely 1) brand extensivity, the total population of consumers sensing the brand name, 2) brand integrity, the general degree aroused by a brand, and 3) brand intensity, the sensing intensity of a brand. The classification proposed by Kim (1990) is applied to measure brand equity in this study.

II. Customer cognitive value. Monroe & Krishnan (1985) divided price into objective price of a product and perceived value of consumers, in which consumers tended to code prices to customer cognitive value of expensive, reasonable, or cheap for easy memory. Parasuraman and Grewal (2000) proposed a broad theoretical structure of customer cognitive value which is focused on consumer decision-making and measures multiple consumption values to understand the cognition utility and the purchase intention of consumer decision-making within different product categories and various brands. Customer cognitive value was classified into 5 dimensions, including social, emotional, functional, epistemic, and conditional factors. Parasuraman and Grewal (2000) further proposed 4 value dimensions, as below:

1. Acquisition value. Purchasers believe they could obtain benefits, mostly related to monetary costs, from products or services. 2. Transaction value. Consumers are pleased as they regard themselves acquiring favorable transactions. 3. In-use value. Consumers receive utility from the use of products or services. 4. Redemption value. It refers to redemptive benefits or the values generated from other utilizations at the end of a product life. Having referred to the literature on customer cognitive value, acquisition value, transaction value, in-use value, and redemption value are applied as value dimensions in this study.

III. Customer loyalty. Zeithaml, Berry, and Parasuraman (1996) indicated that loyalty contains behaviors to recommend and give positive evaluations, in addition to repurchase. Yu, Chang, and Huang (2006) organized customer loyalty as 1) Repurchase behavior and intention, 2) Public praise and recommendation, and 3) Price tolerance. Jones & Sasser (1995) proposed 3 dimensions to measure customer loyalty, including 1) Intent to repurchase, the intention of a customer to repurchase products or services of a company, 2) Primary behavior, including purchase times, frequency, amount, quantity, and intention, and 3) Secondary behavior, behaviors which customers are willing to introduce, recommend, and build up around reputation of a company. Singh and Sirdeshmukh (2000) measured customer loyalty by 1) Behavior, 2) Attitude, and 3) Legitimacy. Gronholdt, Martensen & Kristensen (2000) considered intent to repurchase, intention of recommending a company or a brand, price tolerance, and

cross-purchase intention as indicators to measure customer loyalty. Based on the above literature, the classification proposed by Yu, Chang, and Huang (2006) is applied to measure customer loyalty in this study.

IV. Study on correlations between brand equity, customer cognitive value, and customer loyalty. Zeithaml, Berry and Parasuraman (1996) indicated that customer loyalty could be the indicator of customer retention and customer defection. According to the past research, customer cognitive value would positively affect customer loyalty that brand equity and customer loyalty would present positively when customer cognitive value is positive (Zeithaml, 1988; Dodds et al., 1991; Frederick and Salter, 1995; Grewal et al., 2000). Bennett, Kennedy and Coote (2007) discussed, from the aspect of brand equity, that customer loyalty consists of customer support for brand equity, attitude toward the intent to repurchase a brand, and actual purchase behavior. The findings showed significantly positive effect of brand equity on customer loyalty.

Hypothesis 1: Brand equity presents outstanding positive correlation with customer loyalty.

Lee, Chou, and Lin (2006) discussed correlations between brand equity, customer cognitive value, and customer loyalty with linear structural equation model and found notable correlations between them. James and Petrick (2002) found the effect of customer cognitive value on the relation between brand equity and customer loyalty as well as advised others of positive or negative cognitive values. Customer cognitive value therefore could affect the relations between brand equity and customer loyalty. Apparently, there are remarkable correlations between brand equity, customer cognitive value, and customer loyalty. Based on the research objectives and literature review, this study further infers the following hypotheses.

Hypothesis 2: Customer cognitive value shows remarkably positive correlation with brand equity

Hypothesis 3: Customer cognitive value presents outstanding positive correlation with customer loyalty.

Hypothesis 4: Customer cognitive value appears to have moderating effect on the relations between brand equity and customer loyalty.

Research method

1. Research framework

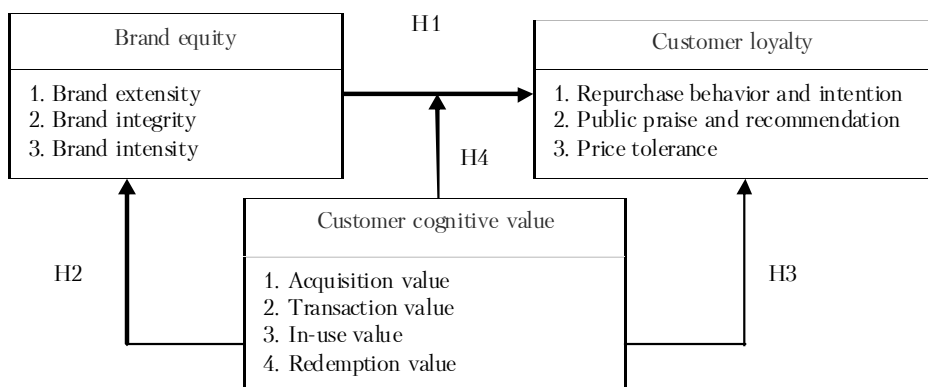


Figure 1. Research framework

II. Research sample. With random sampling to distribute and collect questionnaires on-site, consumers in PROROYAL were selected as the research subjects. Customer orientation has been the management philosophy in PROROYAL, humanistic culture is particularly emphasized. Innovative and high quality catering services are the objectives of PROROYAL; and promotion of customer loyalty is the guideline for management. It tends to play an excellent role in service industry and takes responsibilities as an entrepreneur. Total 300 questionnaires were distributed. Within the retrieved 251 copies, 33 invalid ones were eliminated. Total 218 valid questionnaires were retrieved, with the retrieval rate 72.6%.

III. Measures of variables. With questionnaire survey, the variables in the research framework were designed for the questionnaire. Based on domestic and foreign research scales, brand equity, referring to Kim (1990), contains the dimensions of brand extensity, brand integrity, and brand intensity; customer cognitive value, according to Feng (1996), is classified to acquisition value, transaction value, in-use value, and redemption value; and customer loyalty, referring to Yu, Chang, and Huang (2006), is divided into repurchase behavior and intention, public praise and recommendation, and price tolerance. All are measured by Likert's 5-point scale.

Research outcomes

I. Analyses of reliability and validity

1. Brand equity scale

With factor analysis, 3 factors are abstracted from brand equity, namely brand extensity (eigen value = 3.109, $\alpha = 0.84$), brand integrity (eigen value = 2.446, $\alpha = 0.86$), and brand intensity (eigen value = 1.739, $\alpha = 0.88$). The cumulated explained variance achieve 81.294%.

2. Customer loyalty scale

With factor analysis, 3 factors are selected in customer loyalty, as repurchase behavior and intention (eigen value = 2.634, $\alpha = 0.85$), public praise and recommendation (eigen value = 2.127, $\alpha = 0.82$), and price tolerance (eigen value = 1.367, $\alpha = 0.80$). The cumulated explained variance reaches 78.682%.

3. Customer cognitive value scale

With factor analysis, 4 factors are extracted from customer cognitive value, including acquisition value (eigen value = 2.837, $\alpha = 0.87$), transaction value (eigen value = 2.226, $\alpha = 0.81$), in-use value (eigen value = 1.637, $\alpha = 0.84$), and redemption value (eigen value = 1.135, $\alpha = 0.89$). The cumulated explained variance is up to 84.652%.

From the above analyses, the cumulated variance of brand equity, customer cognitive value, and customer loyalty approaches 80%, and the Cronbach's α achieves 0.8, showing that the factors have favorable reliability. Moreover, the dimensions extracted from brand equity, customer cognitive value, and customer loyalty present consistency with operational definitions that the scale is with appropriately constructive validity.

II. Regression relations between variables

In terms of multiple regression analyses of brand equity and customer loyalty, Table 1 regards brand extensity, brand integrity, and brand intensity in brand equity as independent variables, while repurchase behavior and intention, public praise and recommendation, and price tolerance in customer loyalty are dependent variables, see Table 1.

Table 1. Multiple regression analyses of brand equity and customer loyalty

		Customer loyalty (dependent variable)		
		Repurchase behavior and intention	Public praise and recommendation	Price tolerance
Brand equity (independent variable)	Brand extensity	0.155*	0.106	0.136
	Brand Integrity	0.173*	0.237**	0.169*
	Brand Intensity	0.113	0.214**	0.177*
F		4.382	4.159	4.674
Significance		0.000***	0.000***	0.000***
R2		0.315	0.352	0.348
Adjusted R2		0.046	0.056	0.061
*p<0.05 **p<0.01 ***p<0.001				

Source: sorted in this study

With multiple regression analyses of brand equity and customer loyalty, brand extensity, brand integrity, and brand intensity display partially notable correlation with repurchase behavior and intention, public praise and recommendation, and price tolerance. H1 is therefore partially agreed.

In regard to the multiple regression analyses of customer cognitive value and brand equity, in Table 2 acquisition value, transaction value, in-use value, and redemption value in customer cognitive value are considered as independent variables, while brand extensity, brand integrity, and brand intensity in brand equity are dependent variables as shown in Table 2.

Table 2. Multiple regression analyses of customer cognitive value and brand equity

		Brand equity (dependent variable)		
		Brand extensity	Brand Integrity	Brand Intensity
Customer cognitive value (independent variable)	Acquisition value	0.161*	0.121	0.324***
	Transaction value	0.142	0.167*	0.166*
	In-use value	0.138	0.206**	0.134
	Redemption value	0.194*	0.313***	0.196*
F		5.397	5.196	5.286
Significance		0.000***	0.000***	0.000***
R2		0.275	0.305	0.334
Adjusted R2		0.062	0.059	0.066
*p<0.05 **p<0.01 ***p<0.001				

Source: sorted in this study

With multiple regression analyses, the findings show that acquisition value, transaction value, in-use value, and redemption value have partially significant positive correlation with brand extensity, brand integrity, and brand intensity. H2 is partially agreed.

Regarding the multiple regression analyses of customer cognitive value and customer loyalty (Table 3) acquisition value, transaction value, in-use value, and redemption value in customer cognitive value are independent variables, while repurchase behavior and intention, public praise and recommendation, and price tolerance in customer loyalty are dependent variables.

Table 3. Multiply regression analyses of customer cognitive value and customer loyalty

		Customer loyalty (dependent variable)		
		Repurchase behavior and intention	Public praise and recommendation	Price tolerance
Customer cognitive value (independent variable)	Acquisition value	0.178*	0.241**	0.133
	Transaction value	0.159*	0.093	0.231**
	In-use value	0.064	0.183*	0.017
	Redemption value	0.191*	0.172*	0.168*
F		5.691	5.732	5.844
Significance		0.000***	0.000***	0.000***
R ²		0.336	0.357	0.381
Adjusted R ²		0.077	0.081	0.086
*p<0.05 **p<0.01 ***p<0.001				

Source: sorted in this study

With multiple regression analyses, the findings demonstrate that acquisition value, transaction value, in-use value, and redemption value show partial positive correlation with repurchase behavior and intention, public praise and recommendation, and price tolerance. H3 is partially agreed.

III. Hierarchical regression relations between variables

The effect of interaction between brand equity and customer cognitive value on customer loyalty. With hierarchical regression analyses, we can discuss the moderating effects of 4 dimensions in customer cognitive value on the relations between 3 dimensions in brand equity and 3 dimensions in customer loyalty.

Inputting 3 variables in brand equity to Hierarchy I and the variables in customer cognitive value to Hierarchy II, the moderating effect of customer loyalty is observed.

1. The moderating effect of repurchase behavior and intention in customer loyalty on brand equity and customer cognitive value.

The effects of interaction between brand extensity, brand integrity, and brand intensity and acquisition value, transaction value, in-use value, and redemption value on repurchase behavior and intention are shown in Table 4.

Table 4. The moderating effect of repurchase behavior and intention in customer loyalty on brand equity and customer cognitive value

Hierarchical variable	Predicted variable	Hierarchy I	Hierarchy II
		β	β
Brand equity	Brand extensity	0.155*	0.212**
	Brand integrity	0.173*	0.238**
	Brand intensity	0.113	0.244**
Customer cognitive value	Acquisition value		0.179*
	Transaction value		0.223**
	In-use value		0.068
	Redemption value		0.117
Regression abstract	F	4.382	4.881
	Significance	0.000***	0.000***
	R ²	0.315	0.388
	ΔR^2	0.046	0.073
*p<0.05 **p<0.01 ***p<0.001			

Source: sorted in this study

From the above table, 3 dimensions in brand equity could explain 31.5% variance of repurchase behavior and intention before inputting the independent variables of customer cognitive value. The multiple linear regression test $F=4.382$ ($p<0.001$) achieves outstanding level, presenting the remarkable effect of brand equity on repurchase behavior and intention. Besides, the standardized regression coefficient β of brand extensity, brand integrity, and brand intensity appeared 0.155, 0.173 ($p<0.05$), and 0.113 respectively, achieving notable level. As the coefficients are positive, 3 independent variables present positive effects on repurchase behavior and intention.

Inputting the independent variables of customer cognitive value into the regression model, the entire explained variance increases 7.3% and $F=4.881$ ($p<0.001$), reaching the significant level. As a whole, brand equity and customer cognitive value show notable positive effects on repurchase behavior and intention with obviously increasing explained variance 38.8%. Notably, brand intensity does not appear to have positive effect on repurchase behavior and intention before inputting customer cognitive value; however, with the moderation of customer cognitive value, brand extensity, brand integrity, and brand intensity present outstandingly positive effects on repurchase behavior and intention ($\beta = 0.212$, $p<0.01$; $\beta = 0.238$, $p<0.01$; $\beta=0.244$, $p<0.01$), with increasing strength. H4-1 therefore was agreed.

2. The moderating effects of public praise and recommendation in customer loyalty on brand equity and customer cognitive value

The effects of interaction between brand extensity, brand integrity, and brand intensity and acquisition value, transaction value, in-use value, and redemption value on public praise and recommendation are displayed in Table 5.

Table 5. The moderating effect of public praise and recommendation in customer loyalty on brand equity and customer cognitive value

Hierarchical variable	Predicted variable	Hierarchy I	Hierarchy II
		β	β
Brand equity	Brand extensity	0.106	0.173*
	Brand integrity	0.237**	0.185*
	Brand intensity	0.214**	0.262***
Customer cognitive value	Acquisition value		0.144
	Transaction value		0.152*
	In-use value		0.164*
	Redemption value		0.098
Regression abstract	F	4.159	4.685
	Significance	0.000***	0.000***
	R^2	0.352	0.440
	ΔR^2	0.056	0.088
* $p<0.05$ ** $p<0.01$ *** $p<0.001$			

Source: sorted in this study

From the above table, 3 dimensions in brand equity could explain 35.2% variance of public praise and recommendation before inputting the independent variables of customer cognitive value. The multiple linear regression test $F=4.159$ ($p<0.001$), achieving significant level, show notable effect of brand equity on public praise and recommendation. The standardized regression coefficient β of brand extensity, brand integrity, and brand intensity are 0.106 ($p>0.05$), 0.237 ($p<0.01$), and 0.214 ($p<0.01$), respectively, reaching the outstanding level. Besides, as the

coefficients are positive, 3 independent variables show positive effects on public praise and recommendation.

Inputting customer cognitive value in the regression model, the entire explained variance increases 8.8% and $F=4.685$ ($p<0.001$), achieving the significant level. As a whole, both brand equity and customer cognitive value have significant positive effects on public praise and recommendation, with obviously increasing explained variance 44.0%. Remarkably, brand extensity does not have notably positive effect on public praise and recommendation before inputting customer cognitive value; however, with moderation of customer cognitive value, brand extensity and brand intensity show remarkably positive effects on public praise and recommendation ($\beta = 0.173$, $p<0.05$; $\beta = 0.260$, $p<0.001$), with increasing strength. Brand integrity, on the other hand, has decreased effect on public praise and recommendation ($\beta = 0.185$, $p<0.05$). H4-2 therefore was partially agreed.

3. The moderating effect of price tolerance in customer loyalty on brand equity and customer cognitive value

The effect of interaction between brand extensity, brand integrity, and brand intensity and acquisition value, transaction value, in-use value, and redemption value on price tolerance is shown in Table 6.

Table 6. The moderating effect of price tolerance in customer loyalty on brand equity and customer cognitive value

Hierarchical variable	Predicted variable	Hierarchy I	Hierarchy II
		β	β
Brand equity	Brand extensity	0.136	0.231**
	Brand integrity	0.169*	0.273***
	Brand intensity	0.177*	0.265***
Customer cognitive value	Acquisition value		0.164*
	Transaction value		0.186*
	In-use value		0.261***
	Redemption value		0.159*
Regression abstract	F	4.674	5.188
	Significance	0.000***	0.000***
	R^2	0.348	0.455
	ΔR^2	0.061	0.107
* $p<0.05$ ** $p<0.01$ *** $p<0.001$			

Source: sorted in this study

From the above table, 3 dimensions in brand equity could explain 34.8% variance of price tolerance before inputting customer cognitive value. The multiple linear regression test $F=4.674$ ($p<0.001$) achieves notable level, presenting significant effect of brand equity on price tolerance. The standardized regression coefficient β of brand extensity, brand integrity, and brand intensity is 0.136 ($p>0.05$), 0.169 ($p<0.05$), and 0.177 ($p<0.05$) respectively, reaching remarkable level. Since the coefficients were positive, the independent variables display positive effects on price tolerance.

Having input customer cognitive value in to the regression model, the entire explained variance increases 10.7% and $F=5.188$ ($p<0.001$), achieving outstanding level. As a whole, both brand equity and customer cognitive value present remarkably positive effects on price tolerance, with the obviously increasing explained variance

45.5%. Notably, brand extensity does not have significant positive effect on price tolerance before inputting customer cognitive value; however, with moderation of customer cognitive value, brand extensity, brand integrity, and brand intensity show outstandingly positive effects on price tolerance ($\beta = 0.231$, $p < 0.01$; $\beta = 0.273$, $p < 0.001$; $\beta = 0.265$, $p < 0.001$), with increasing strength. H4-3 is therefore agreed.

Conclusion and suggestions. Summing up the data analyses and the research conclusions, practical applications on brand equity, customer cognitive value, and customer loyalty as well as suggestions for further research are proposed.

1. Brand equity presents significantly positive correlation with customer loyalty. In the client-oriented and customer relationship marketing-focused new economic era, establishing customer loyalty to retain loyal customers is the key to business success; the reinforcement of brand is required. Successful brand could effectively identify products, services, groups, or distributions as well as produce unique added value by getting closer to customer demands. In this case, the competitive advantages of a company lie in high brand equity, such as the opportunities to successfully expand the market, flexibly respond to pressure from competitors, and also create obstacles for competitors.

2. Customer cognitive value has notable positive correlation with brand equity. Brand equity is considered as a critical factor in customer cognitive value, as it could bring value to customers from various aspects. First, it could help explain relevant products or services to customers to simplify the purchase decision-making. When customers are aware of a brand and have relevant knowledge, they will not need additional thinking or search information for purchase decision-making. Second, excellent brand equity could benefit customers to reduce the purchase risk as well as to enhance purchase confidence. The relation between customer cognitive value and brand equity is a kind of contract, in which customer cognitive value provides brand equity with trust and loyalty. To understand a brand requires a continuous excellent product performance, favorable prices, and perfect services.

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