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A Revisit into the Concepts, Measurements and Valuation of Customer Based Brand Equity and Financial Based Brand Equity

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Abstract

Since 1980s studies on brand equity have been focused mainly from financial viewpoint, emphasizing on impact of financial indicators on the brand. However, from early 1990s, the studies of brand equity have concentrated on customer's perspectives, thereby contributing to Customer-based brand equity models and theories. The objective of this paper is to do systematic review of literature on both Financial-based brand equity and Customer-based brand equity in order to identify the pattern of changes in brand equity research with respect to evolution of conceptual models and measurements. Review of all major studies have contributed that evaluation of brand equity faces several challenges, primarily due to the lack of a universal definition and methodology, which results in a diversity of valuation outcomes. The durability and longevity of brands add another layer of complexity to their assessment. The absence of a robust market for brands prevents real-world testing of valuation models, while confidentiality around these models hampers academic progress. Price-based measurements may fail to capture a brand's entire value, and financial metrics often neglect the non-financial contributions to brand equity. Different measures, methods, and models have been used to examine the age between Customer-based brand equity and Financial-based brand equity, and have found varying results depending on the sample, context, time frame, and model parameters. However, a single specific methodology has not been able to gauge the impact of Financial based brand equity till date.

Keywords: Customer based brand equity, Financial based brand equity, Brand valuation

1. Introduction

Brand equity is one of the most important concepts in marketing, as it reflects how consumers perceive and value a product or service. According to American Marketing Association (1960), a brand can be defined as "a name, term, sign, symbol or design, or combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors". Brand equity is the added value that a brand provides to a product or service beyond its functional attributes. It may be reflected in a way consumers think, feel, and act with respect to a brand, as well as in the prices, market share, and profitability the brand commands (Kotler, 2009).

During the 1980s, the studies on brand equity had focussed predominantly from financial viewpoint, emphasizing mainly on financial indicators. In the early 1990s, the studies of brand equity concentrated on customer's perspectives, thereby contributing to customer-based brand equity models and theories.

Since then both financial-based brand equity and brand customer-based brand equity are considered by the researchers as the main approaches for measuring brand equity (Tasci, 2019, Oliveira et al 2023).
The objective of this paper is to do systematic review of literatures on both financial-based brand equity and customer-based brand equity; explore the evolution of models and measures of both financial-based brand equity and customer-based brand equity since later part of 20th century. For ease of the study, literatures have been divided into two periods: 1980-2000, 2000-till date. For each period, the study would try to map the major contributions on brand equity research in both international and national level studies and identifying the pattern of changes in brand equity research with the inclusions of newer dimensions.

2. Concept of Customer-Based Brand Equity (CBBE)

Brand equity in the first period, 1980-2000

Since 1980, the pioneering works of Aaker (1989, 1991) and Keller (1993) have been found to dominate brand equity research. Their researches have made the grounded theory of customer-based brand equity and have contributed models which have been later on extensively studied by researchers in order to establish relationships among the dimensions measuring customer-based brand equity with specific product/market.
The extensive research studies on the dimensions on measurements of brand equity, have highlighted the following dimensions- *perceived quality* (Aaker, 1992, 1996), which has shown to be associated with price premium, brand usage; *association* (Aaker, 1991, 1996, Yasin, 2007); *loyalty* (Aaker, 1991,Tong, 2009, Goi, 2011); *awareness* (Aaker, 1991, Keller, 1993); *image* (Aaker, 1992, Keller, 1993); *personality* (Aaker, 1997, Keller, 2003); *attitude* (Blackstone, 2000, Park, 2010, Norberg, 2011); *trust* (Blackstone, 2000, Keller, 2009), *satisfaction* (Blackstone, 2000, Kotler, 2009); *esteem* (Aaker, 1991, Lebar, 2005); *attachment* (Park et al., 2005).
The exponents of customer-based brand equity mainly examined how customers' responses to different branding elements help in adding value to a brand and thereby increasing the brand equity. The following paragraphs highlight the various studies on customer-based brand equity sequentially since 1980s.
Leuthesser (1988) introduces the concept of brand equity for the first time from a customer-based perspective. It emphasizes the importance of consumer perceptions in determining the value of a brand. Customer-based brand equity is a widely used perspective among researchers and practitioners, as it focuses on the consumer's response to the brand name. Aaker (1989) proposes that customer-based brand equity can be conceptualized as a multidimensional construct that consists of various components, such as brand awareness, brand loyalty, perceived quality and brand associations. In Brand Equity Ten (Aaker 1991), he expands on his framework, introducing the "Brand Equity Ten," a set of measures to assess brand equity, refining the multidimensional construct of customer-based brand equity. As published in the Journal of Marketing, Keller (1993) introduces a comprehensive model of brand equity from the perspective of the individual consumer, emphasizing the differential effect of brand knowledge on consumer response to the marketing of the brand.
The Young and Rubicam (2000) 'BAV Brand Asset Valuator' presents a comprehensive framework for evaluating brand equity. The BAV model conceptualizes brand value as a multidimensional construct, encompassing four key dimensions: differentiation, relevance, esteem, and knowledge.

3. Empirical Research on Brand Equity

Except a few studies (Farquhar 1989, Cobb-Walgren et. al 1995) most of the studies on brand equity since 2001 to 2010, mainly focusses on development and validation of scales for measuring customer-based brand equity; examining customer-based brand equity relationships with various products in different markets; relationships between marketing mix and elements of brand equity. These studies collect primary data through structured questionnaire and use many bivariate and multivariate techniques (regression, SEM) for their findings.

Since 2001, researchers have begun to incorporate newer concepts like brand personality, brand experience, brand emotion, brand love, brand engagement in their studies. Most of these studies evaluate these newer using the earlier developed brand models (Aaker, Keller).

In the following section the literatures of few important studies have been discussed.

Farquhar (1989) conceptualizes brand equity as the “added value” a brand name gives to a product beyond its functional benefits. This added value can manifest in various ways, such as increased consumer recognition, loyalty, and the ability to charge premium prices. Farquhar's contribution lays the groundwork for subsequent research into how brands create value for both companies and consumers, influencing the strategic management of brands in the marketplace. His perspective is pivotal in shifting the focus from tangible assets to the intangible value held in a brand’s equity.

Cobb-Walgren, Ruble, & Donthu (1995) conduct an empirical study that supports the multidimensional nature of customer-based brand equity, reinforcing the frameworks established by Aaker (1991) and Keller (1993).

Among the various studies carried out by the researchers, contribution of Yoo & Donthu (2001) is remarkable. The study tries to develop and validate a scale for measuring customer-based brand equity, which includes dimensions such as brand loyalty, awareness, perceived quality, and brand associations.

Washburn & Plank (2002) studies the validity of customer-based brand equity models and measurement scales, focusing on the dimensions of brand awareness, brand associations, perceived quality, and brand loyalty.

Kamakura and Russell’s (2003) introduce a method to measure brand equity using household scanner data, revealing the impact of marketing activities on brand value. They develop measures for perceived quality and intangible brand value, which reflect consumer behaviour and brand perception. Considering the significance of brand equity, researchers like Netemeyer et al. (2004) develop and validate a scale to measure different facets of customer-based brand equity. The study focuses on the dimensions of brand equity, particularly in the context of global brands, emphasizing on the importance of brand trust as a dimension of brand equity. Pappu, Quester, & Cooksey (2005) validate the customer-based brand equity scale across different national contexts, demonstrating the scale’s applicability across diverse consumer markets.

Villarejo-Ramos and Sánchez-Franco (2007) explore the realm of brand equity, examining the influence of marketing communication and price promotion. Their research, grounded in both theoretical and empirical analysis, demonstrates that strategic marketing communications significantly bolster various facets of brand equity, including perceived quality, loyalty, awareness, and image.

The 2010study by Christodoulides and de Chernatony provides a comprehensive literature review on customer-based brand equity conceptualization and measurement. The authors classify measures of customer-based brand equity as either direct or indirect, with indirect measures customer-based brand equity through its demonstrable dimensions, which they argue are superior from a diagnostic perspective. Another study by Tolba & Hassan (2009) introduces a model that establishes a link between customer-Based Brand Equity and the performance of a brand in the market. The study seeks to fill a void in existing research by detailing and putting into practice certain constructs of brand equity and examining how they relate to brand market performance. The results of the study indicate a connection between customer-based brand equity constructs and brand market performance, providing significant contributions to scholarly research and the practice of brand management.

Buil et al. (2013) analyse the impact of advertising and sales promotions on brand equity. The study addresses the limitations in customer-based brand equity measurement, such as the conflation of brand awareness and brand associations, and the use of non-discriminant indicators in research. The study introduces brand personality measures into the customer-based brand equity scale and validates a four-dimension model of customer-based brand equity that includes brand awareness, brand associations, perceived quality, and brand loyalty.

Steenkamp's 4V model (2014) explains how global brands boost company value. It focuses on building a valued brand with strong assets, effectively communicating its worth to global customers, and achieving positive outcomes like higher profits and market share.

Cleff et al. (2014) measures the influence of five different types of experience-sensory, affective, cognitive, behavioural and relational on brand equity for the products Starbucks carried at Taiwan. The results conform a large positive impact of brand experience on brand image, and somewhat slighter experience on brand awareness. Customer experience management is also be an evolving concept and a prominent dimension of customer-based brand equity (Homburg et al., 2015).

Keller (2016) revisits his seminal 1993 paper. This paper offers a look back at the evolution of the Customer-Based Brand Equity framework, examining its influence and the strides achieved in branding. Keller emphasizes the foundational work's major impacts and charts out areas for future inquiry, particularly emphasizing the digital realm's emerging challenges and prospects. Among the various works in the field of customer-based brand equity, the study of Baalbaki & Guzman (2016) is prominent. This study proposes a brand equity conceptualization and scale based on consumer perceptions. The resulting consumer-perceived customer-based brand equity scale consists of four dimensions: quality, preference, social influence, and sustainability. Jeon (2017) investigates the empirical relationships between various brand concepts and their effect on brand equity. The study reveals that the aesthetic, functional, and symbolic advantages linked to brand concepts play a significant role in enhancing brand equity, with emotional attachment and customer commitment being essential conduits for this effect. Iglesias, Markovic & Rialp (2019) tries to provide a new dimension to brand equity measurement. They examine the impact of sensory brand experience on brand equity, considering the roles of customer satisfaction, customer affective commitment, and employee empathy.

Pina & Dias (2021) underscores the beneficial influence of brand experiences on a range of brand-related factors and their subsequent effect on Customer-Based Brand Equity. It emphasizes the importance of brand experiences in enhancing brand equity and suggests that this relationship warrants deeper exploration. Cambra et al. (2021) analyse the links between customer-based brand equity and customer engagement in experiential services, highlighting the role of satisfaction and customer reputation. Customer-Based Brand Equity has a direct, positive impact on both customer satisfaction and reputation. The research highlights the importance of marketing activities that provide customized experiences to enhance customer-based brand equity and customer satisfaction. Qiao, Yin & Xing

(2022) investigate into how customers' perception of a product's value influences their brand equity from a customer's perspective, brand resonance, and affective commitment.

Table 1: Studies showing Evolution of Customer-Based Brand Equity (CBBE)

Area	Year	Authors	Contribution
Foundational Concepts	1988	Leuthesser	Introduced the concept of CBBE, emphasizing consumer perceptions
	1989	Aaker	Proposed CBBE as a multidimensional construct
	1991	Aaker	Introduced "Brand Equity Ten" measures
	1993	Keller	Comprehensive model of CBBE, focusing on brand knowledge
	2000	Young & Rubicam	Introduced Brand Asset Valuator model with differentiation, relevance, esteem and knowledge
Empirical Support and Scale Development	1995	Cobb-Walgren, Ruble, & Donthu; Lassar et al.	Supported multidimensionality of CBBE and developed scales.
	2001	Yoo & Donthu	Developed a robust scale for measuring CBBE
	2002	Washburn & Plank	Studied the validity of CBBE models and scales
	2004	Netemeyer et al.	Validated CBBE scales in global contexts, emphasizing brand trust.
	2005	Pappu, Quester, & Cooksey	Validated CBBE scales across national contexts.
	2007	Villarejo-Ramos & Sánchez-Franco	Strategic marketing communication strengthens brand equity (perceived quality, loyalty, awareness, image)
	2009	Tolba & Hassan	Established a model linking customer-based brand equity to brand market performance
	2010	Christodoulides & de Chernatony	Categorized customer-based brand equity measures as direct or indirect (indirect measures preferred)
Contemporary Perspectives and New Dimensions	2013	Buil et al.	Analyzed the impact of advertising on CBBE, integrating brand personality measures
	2014	Steenkamp	Explored the relationship between CBBE and market performance, and how brands create value.
	2014	Cleff et al.	Examined the impact of brand experiences on CBBE

	2015	Homburg et al.	Customer experience management as an evolving concept and a prominent dimension of customer-based brand equity
	2016	Keller	Revisited his 1993 paper, examining the framework's influence and future areas of inquiry (digital realm)
	2016	Baalbaki & Guzman	Developed a consumer-perceived customer-based brand equity scale with four dimensions: quality, preference, social influence, and sustainability
	2017	Jeon	Investigated brand concepts' effects on brand equity
	2019	Iglesias, Markovic & Rialp	Investigated the sensory brand experience's impact on CBBE
	2021	Pina & Dias	Highlighted the influence of brand experiences on CBBE
	2021	Cambra et al.	Analyzed links between CBBE and customer engagement.
	2022	Qiao, Yin; Xing	Investigated value perception's influence on brand equity

4. Concept of Financial-Based Brand Equity (FBBE)

The critics of Customer-Based Brand Equity models suggest that meaningful measure of brand equity need to incorporate the impact of the brand name on future profitability. The aspect of quantifying the returns to a brand in financial terms has been the greatest challenge for all marketers. A general agreement among researchers suggest that brands with high brand equity enjoy a sustained competitive advantage in terms of market shares, price premiums, ongoing and prospective revenues, cash flows, price elasticities, shareholder values, and profits (Blackett 1989; Blattberg & Wisniewski 1989; Christodoulides & de Chernatony 2010; Cobb-Walgren et al. 1995; Doyle 2001; Dyson et al. 1996; Keller & Lehmann 2003; Murphy 1990; Simon & Sullivan 1993; Stobart 1989; Swait et al. 1993; Vazquez et al. 2002; Yovovich 1988).

Though studies on brand equity have been done to examine the financial implication, but a handful of studies from 1990s onwards have given the framework for measuring the financial implications on brand.

Following are the reviews of few major studies which have been done exclusively on the issue of Financial-Based Brand Equity:

The pioneering work of Simon and Sullivan (1993) presents a financial approach to measuring brand equity. They define brand equity as the incremental cash flows that accrue to branded products over unbranded products. The innovative method estimates a firm's brand equity based on the financial market value of the firm and extracting the value of brand equity from the firm's other assets. Their method involves using stock market data to measure brand equity, highlighting its significant contribution to shareholder value. This method, however, faces criticisms like that it reflects not only brand assets but the brand value gets affected by macro-economic factors which otherwise do not directly impact brand equity. Another prominent financial brand valuation method is employed by Financial World in their annually published global brand value rankings (Ourusoff, 1992). This methodology involves isolating brand-specific profits and then incorporating a brand strength multiplier. Brand strengthen comprises factors such as leadership, stability, market presence, and legal protections. In the study of Park and Srinivasan (1994), they provide a way to quantify the impact of brand equity on market share and profit margins. The study shows that strong brand equity can lead to substantial market share premiums and the ability to charge higher prices, thus directly affecting a company's financial performance. The method developed by Park and Srinivasan offers a reliable and valid approach to measure brand equity's influence on consumer behaviour and its subsequent financial implications.

Fan & Leng (2000) method for calculation of brand value for brands with short life spans and frequent purchase is based on multiplies of theoretical target customer base by a loyalty factor, the cycle purchase frequency, the price difference between branded and unbranded products, and the number of purchase cycles within a specific timeframe. Lu (2002) has put forward his method which is flexible and works across product categories and brands. It is particularly valuable for understanding market events like acquisitions, mergers, and leasing. Ailawadi et al. (2003) study highlights that revenue premium a brand generates for a private label product can be useful as a product-market measure of brand equity. The authors defend it as conceptually grounded, stable over time and correlates reasonably with other product-market measures. Furthermore, the association of revenue premium with marketing actions, category characteristics, price elasticities (both up and down) aligns with established theoretical expectations. Another study by Radawiecka (2008) emphasizes that brand value is estimated using historical or reconstructed data on expenses incurred to create the brand. These expenses include marketing, research, development, and employee salaries. Alternatively, the approach considers the hypothetical cost of building a new brand with equivalent sales and profit generation potential. The key limitation identified is the challenge in establishing a direct link between past brand-building costs and future profitability. Anderson (2011) introduces a brand as a perpetual asset. The study gives the concept of brand perpetual value, which is calculated as the total revenue earned by a brand in a period minus the total marketing costs spent on the brand in the period, divided by the firm's weighted average cost of capital. It defines brand equity as the financial value that a firm derives from customer response to the marketing of a brand. Huang (2015) puts forward the price premium method to calculate brand value, by multiplying the price premium a brand commands over generic products with the brand's sales, divided by the average profit margin. It is particularly well-suited for familiar products.

Table 2: Studies related to Evolution of Financial-Based Brand Equity (FBBE)

Year	Authors	Contribution
1989	Blackett et al.	Link between brand equity and financial performance metrics (market share, price premiums, etc.)
1992	Ourusoff	Isolating brand-specific profits and incorporating a brand strength score, used by The Financial World
1993	Simon & Sullivan	Estimating brand equity based on stock market data

1994	Park & Srinivasan	Quantified the impact of brand equity on market share and profit margins
2000	Fan & Leng	Brand value for frequently repurchased products considering loyalty and purchase cycles
2002	Lu	Discussed Interbrand's method, The Financial World's method, Cited Aaker's ten elements model of brand equity, with mathematical formulae
2003	Ailawadi et al.	Revenue premium over private label products as a brand equity metric
2008	Radawiecka	Estimating brand value based on historical or hypothetical brand building costs
2011	Anderson	Brand perpetual value based on revenue minus marketing costs
2015	Huang	Discussed several brand valuation methods from financial perspective

5. Inter-Linkages between Customer-Based Brand Equity and Financial-Based Brand Equity

From a financial-based brand equity perspective, Aaker's studies (1989, 1991) discuss how the value a brand adds to a company beyond the tangible products or services it sells. The studies identify several dimensions like brand loyalty, awareness, perceived quality, and brand association which collectively enhance the financial performance of a company by allowing it to command premium prices, ensuring customer loyalty, and providing a competitive edge. Studies from 1995's onwards have used different measures, methods, and models to examine the link between customer-based brand equity and financial-based brand equity, and have found varying results depending on the sample, context, time frame, and model parameters. Moreover, these studies have also identified and tested various moderators and mediators that influence the relationship, such as customer behaviour, competitive activities, and market conditions. A brief review of some of the important studies has been discussed in the following paragraphs:

Kamakura and Russell (1993) develop a novel approach to quantifying brand equity through the use of scanner data. This model is significant because it establishes a more direct link between marketing efforts and financial outcomes. Their methodology stands out for its ability to directly correlate marketing initiatives with financial performance.

The study by Aaker and Jacobson (1994) explores the financial implications of perceived quality, a key element of brand equity. The research underscores the substantial influence that consumer perceptions of quality have on a firm's financial performance, particularly stock prices. Lassar et. al (1995) study is noteworthy for creating a scale that assesses brand equity through the lens of the consumer. This scale is built upon five fundamental dimensions: performance, value, social image, trustworthiness, and commitment. The findings reveal that brands with higher scores on this scale tend to have higher market prices, showcasing the real-world influence of these dimensions on a brand's equity. This research continues to play a pivotal role in shaping scholarly study and real-world brand management practices. The study suggests that strong customer-based brand equity can significantly contribute to a firm's financial performance by allowing it to charge premium prices for its products.

Agarwal and Rao (1996) conduct a comprehensive analysis from a financial perspective on brand equity. They scrutinize various consumer-based measures of brand equity and assess their effectiveness in reflecting the financial value of a brand. The study examines the convergence among eleven different

customer-based brand equity measures, offering insights into their consistency and reliability. The study also evaluates the predictive validity of these measures, affirming their capability to forecast consumer behaviour and financial outcomes. Chaudhuri (1999) develops a model that explores the impact of brand attitudes and brand loyalty on brand equity outcomes, such as market share, pricing, and shelf spacing.
Chaudhuri and Holbrook (2001) operationalize brand market performance in terms of price premium and market share. Yoo and Donthu (2001) examine the interaction between global brand customer-based brand equity and financial-based brand equity and discover that customer-based brand equity positively impacts financial-based brand equity. The importance of brand equity continues to grow. Srivastava et al. (2001) discuss how market-based assets like brand equity contribute to a firm's competitive advantage. In another insightful study, Keller and Lehmann (2003) articulate a model that elucidates the sequential process through which brands create value. The model delineates four key stages: starting with the firm's marketing program investments; these activities shape the customer mindset, which in turn influences the brand's market performance. This performance is ultimately captured in the brand's financial valuation, demonstrating a clear trajectory from marketing efforts to financial returns. Baldauf et al. (2003) examine the effects of brand equity on profitability, market performance, customer value, and purchase intention. Work of Keller and Lehmann (2006) also discusses how brands serve as valuable intangible assets and are crucial for the financial market. It highlights the importance of brand equity, which reflects the value accrued by the benefits that brands provide at the customer market, product market, and financial market levels. Mizik and Jacobson (2008) focus on the five pillars (differentiation, relevance, esteem, knowledge and energy) of Young & Rubicam Brand Asset Valuator (BAV) model. Their study investigates how perceived brand relevance and energy provide additional information beyond accounting measures in explaining stock returns, which is often used as a measure of financial brand equity. Srinivasan et al. (2009) explores how marketing activities influence a company's financial worth. The study analyzes metrics to quantify this impact, assess effective marketing strategies, and explore how factors like brand equity and customer satisfactions contribute to a firm's value. Recognizing that investor response to marketing can be complex; the study also highlights areas where further research is necessary to solidify the understanding of this evolving relationship between marketing and a company's financial health
Tasci (2020) primarily focuses on clarifying and redefining the concept of Customer-Based Brand Equity. While it does not directly establish a linkage between Customer-Based Brand Equity and Financial-Based Brand Equity, it lays the groundwork for understanding the perceptual components of brand equity, which can indirectly inform and influence financial valuations. The study's comprehensive review and proposed model serve as a platform for future research that may explore the connections between Customer-Based Brand Equity and Financial-Based Brand Equity more explicitly.

Table 3: Studies related to inter linkages between Customer-Based Brand Equity (CBBE) and Financial-Based Brand Equity (FBBE)

Year	Authors	Contribution
1993	Kamakura & Russell	Introduced a model using scanner data to connect marketing efforts with brand value
1995	Lassar et al.	Developed a scale to measure CBBE based on 5 dimensions (performance, value, image, trust, commitment) Higher scores linked to higher market prices

1996	Agarwal & Rao	Examined various CBBE measures and their effectiveness in reflecting financial value
1999	Chaudhuri	Developed a model showing brand attitudes and loyalty impact brand equity outcomes (market share, pricing, shelf space)
2001	Chaudhuri & Holbrook	Defined brand market performance using price premium and market share
2001	Yoo & Donthu	Found a positive impact of CBBE on FBBE for global brands
2001	Srivastava et. al.	Discussed market-based assets like brand equity contribute to a firm's competitive advantage
2003	Keller & Lehmann	Articulated a model that elucidates the process of brand value creation Discussed brands as intangible assets and highlighted the importance of FBBE
2003	Baldauf et al.	Examined the effects of brand equity on profitability, market performance, customer value, and purchase intention
2003	Ailawadi et al.	Introduced revenue premium as a financial measure of CBBE
2004	Aaker & Jacobson	Explored the financial implications of perceived quality (a key CBBE element) on stock prices
2008	Mizik & Jacobson	Examined the role of perceived brand relevance and energy in explaining stock returns (financial brand equity measure)
2009	Srinivasan et al.	Conducted a meta-analysis showing a positive but nuanced relationship between CBBE & FBBE, influenced by various factors

6. Challenges in Brand Equity Evaluation

Though research has been done thoroughly with model development, measurement concepts, and product–market intricacies linked to Customer-Based Brand Equity and finally a good number of studies have tried to contribute towards financial brand valuation; but a number of challenges have been identified by researchers; some of which are discussed below:

The evaluation of brand equity faces several challenges, primarily due to the lack of a universal definition and methodology, which results in a diversity of valuation outcomes. The durability and longevity of brands add another layer of complexity to their assessment. The absence of a robust market for brands prevents real-world testing of valuation models, while confidentiality around these models stagnate academic progress. The misconception that brand names are the sole differentiators overlooks other influential factors such as quality and service. Price-based measurements may fail to capture a brand's entire value, and financial metrics often neglect the non-financial contributions to brand equity. The complexity of Customer-Based Brand Equity models, due to their multifaceted nature, complicates their application and interpretation. Integrating Customer-Based Brand Equity into Financial-Based Brand Equity presents its own set of challenges, and separating brand equity from other intangibles like goodwill further complicates the valuation process. These issues highlight the need for a more standardized and transparent approach to brand equity evaluation.

Table 4: Studies indicating challenges in Brand Equity Evaluation

Lack of Universal Definition and Methodology	There is no universally accepted definition or method for brand equity evaluation, leading to a variety of approaches that yield significantly different results (Robbin, 1991).
Durability and Longevity Concerns	Determining the lifespan of a brand is complex, adding to the difficulty of accurate brand equity evaluation (Robbin, 1991).
Market for Brands	The absence of a vibrant market for brands means there is no opportunity to test valuation model estimates in a real-world context (Barwise et al., 1989).
Confidentiality of Valuation Models	Many practitioners are reluctant to publish their models for public scrutiny, which hinders academic discussion and advancement in the field (Barwise et al., 1989).
Differentiation Beyond Brand Name	The assumption that the brand name is the sole source of differentiation is often not valid, as other factors like quality, design, and service also play a role (Simon & Sullivan, 1993; Barwise et al., 1990).
Price as a Sole Indicator	Relying on price alone to measure brand equity may not capture the full value of the brand, as prices can vary widely based on distribution channels, promotion strategies, and customer segments (Kamakura & Russell, 1993).
Financial Metrics Limitations	Financial indicators may not fully reflect the relationship between brand equity and business success, as they can overlook non-financial aspects of brand equity value (Azam, 2010).
Complexity of CBBE Models	Customer-based brand equity (CBBE) models involve multiple dimensions and facets, making them complex to apply and interpret (Pappu et al., 2005; Baalbaki, 2016; Yoo & Donthu, 2001; Netemeyer et al., 2004; Christodoulides et al., 2006).
Integration of CBBE in FBBE	While financial-based brand equity (FBBE) methods incorporate aspects of CBBE, the integration of these dimensions can be challenging and may not always be clear-cut (Lehmann et al., 2008).
Separation from Other Intangibles	Distinguishing brand equity from other intangible assets like goodwill is a significant challenge, further complicating the valuation process (Barwise et al., 1989).

7. Brand Equity Studies from Indian Perspective

Though the Indian market is characterised by brands of national and international repute, comprehensive studies understanding brand equity through the viewpoint of Indian market seems to be lacking. Empirical studies assessing or evaluating brand equity from Indian perspective started mainly after 2010, where most of the researchers tries to evaluate brands based on the earlier theories or models. Literatures on development of foundational concepts or new models from Indian perspective are rare, and is a gap for further research. Following are few of the prominent works from Indian perspective on Brand equity.

Early research on brand equity from Indian perspective focuses on adapting established models to the domestic market. A key example is the study Kakati and Choudhury (2013) which evaluates both global and Indian brands in the consumer durables sector. Utilizing Keller's customer-based brand equity model, the study identifies six key brand building blocks: Brand Salience, Brand Imagery, Brand Performance, Brand Judgment, Brand Feelings, and Brand Resonance (Kakati & Choudhury, 2013). The research finds that global brands exhibit higher overall brand strength than Indian brands, with Indian brands scoring lower specifically in 'Brand Preference'. This suggests a potential area for improvement for domestic brands in the consumer durables sector. The study also emphasizes the importance of building strong brand resonance, which fosters deeper customer connections and ultimately leads to loyalty and success in this competitive market.

A number of studies on the impact of brand equity on customer behaviour can be seen (Lee et al. 2010; Panda et al. 2014; Sandhe 2016; Jain et al. 2019; Hussain et al. 2022). Most of the studies try to verify the well-established theories on brand with specific product-market data. Recent research, like the 2020 study by Mallikraj and Alagarsamy, explores the applicability of established frameworks. Their research evaluates the applicability of Aaker's brand equity framework to frequently used product categories in India. The study confirms the enduring importance of core brand equity components like brand awareness, perceived quality, brand associations, and brand loyalty for Indian audiences.

The most recent research gaps in Indian brand equity research focus on the rapidly evolving digital landscape. While studies like Jayswal and Vora's (2019) address brand associations in a general sense, a deeper dive into how social media platforms and influencer marketing uniquely shape brand equity for Indian consumers is needed (Jayswal & Vora, 2019). Exploring the effectiveness of vernacular content, user-generated reviews, and brand interactions on social media can provide valuable insights for marketers navigating the digital space. Additionally, research on the impact of mobile marketing strategies tailored to the Indian market would be beneficial.

There's a limited amount of research that explores how brand equity works in the Indian context. Most studies rely on concepts developed elsewhere, which might not fully capture the unique cultural aspects of Indian consumers. By incorporating region specific unique cultural elements, investigating the interplay of price sensitivity and brand equity, and delving into the evolving digital space with its emphasis on social media and mobile marketing, Indian brand equity research can provide a more comprehensive understanding of building strong brands in the Indian market.

8. Conclusion

It is widely assumed that Customer-based brand equity is the primary driver of Financial-based brand equity, as a strong brand can generate higher customer satisfaction, loyalty, and willingness to pay, which in turn can lead to higher market share, price premium, and profitability. However, empirical evidence for this relationship is scarce and inconsistent in the literature. Different studies have used different measures, methods, and models to examine the link between Customer-based brand equity and Financial-based brand equity, and have found varying results depending on the sample, context, time frame, and model parameters. Moreover, there may be other factors that affect the relationship, such as customer behaviour, competitive activities, and market conditions. A single specific methodology has not been able to gauge the impact of Financial based brand equity till date. Therefore, more research is needed to understand the dynamics and mechanisms underlying the relationship between Customer-Based Brand Equity and Financial-Based Brand Equity and to provide useful implications for marketers and brand managers.

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