Assessing the Levels of Health Consciousness and Customer Based Brand Equity in Sri Lanka

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Introduction

Carbonated Soft Drink (CSD) industry is one of the growing industries in Sri Lanka (Pamnani et al. 2004), especially among the educated youth generation. Even though it is important industry, there are, however, few published studies in the Sri Lankan context related to CSD industry, especially among the educated youth generation, and this is the main intention for conducting this empirical study mainly in this sector. Further, CSD industry in Sri Lanka is dominated by three key players namely, Elephant House, Coca Cola and Pepsi Cola (Mendis 2012).

Although CSD industry one of the significant and growing industries across the world and Sri Lanka, nowadays consumers are highly concerned about their health, which is related to the consumption of CSD (Lorinczi, Bacs & Nagy 2009), but what is the degree of youth educated consumers' Health Consciousness (HC) in the CSD industry in Sri Lanka? Previous published researches do not answer this question in the Sri Lankan context. Further, Kemp and Bui (2011) argue that, due to the HC, individuals purchase branded products and therefore, it leads to Customer Based Brand Equity (CBBE). This CBBE performs a vital role in the CSD industry (Waris 2013), but what is the degree of youth educated consumers' perceived evaluation on CBBE in the CSD industry in Sri Lanka? Extant published research does not answer this question.

Literature Review and Conceptual Framework

Health Consciousness

HC of the consumers is becoming a vital factor over the last few decades. Gould (1990) defines HC is an inner status of a person regarding the health.

In fact, consumer's HC towards the consumption of soft drinks (especially CSDs) is increased (Lorinczi et al. 2009), since CSDs consumption has a harmful dietary effect to the human body and it will lead to the risk of obesity, diabetes, cardiovascular disease, and fatty liver disease (e.g., Fung et al. 2009). In addition, Sri Lankan consumers have now rapidly become more HC towards consumption of food and beverage (e.g., Cader 2014). However, there has been no recent systematic data available that is related to the level of HC of consumers in the CSD industry in Sri Lanka, especially among the educated youth generation. In addition, generally, the HC is high degree in the CSD industry across the world and thus, the researcher assumed that the HC is high degree in the CSD industry in Sri Lanka, especially among the educated youth generation. According to the above argument the first hypothesis has been formulated.

H_1: The degree of youth educated consumers' HC is at a high level in the CSD industry in Sri Lanka.

Consumers purchase branded products since they desire to live a healthier life (Shavitt, Torelli & Wong 2009). Therefore, Kemp and Bui (2011) argue that, due to the HC, the individuals purchase branded products and therefore, it leads to CBBE.

Customer Based Brand Equity

Pappu, Quester & Cooksey (2006) defines CBBE as 'the value consumers associate with a brand, as reflected in the dimensions of brand awareness, brand associations, perceived quality and brand loyalty'.

Waris (2013) implies that CBBE is particularly important to the CSD industry. Though there has been no recent statistics available to show the level of CBBE in the Sri Lankan CSD industry, and Coca Cola, Elephant House and Pepsi Cola have more brand value within the CSD industry in Sri Lanka in 2014 (Brand Finance Lanka 2014), since Kamakura and Russell (1993) affirm that high brand value is vital for and creates high degree of CBBE. Therefore, the researcher assumed that the CBBE is at a high degree in the CSD industry in Sri Lanka, especially among the educated youth generation. According to the above argument the second hypothesis is advanced.

H_2: The degree of youth educated consumers' perceived evaluation on brand equity is at a higher level in the CSD industry in Sri Lanka.

Methodology

Measures and Measurement

HC was measured by 9 items of four sub-dimensions namely, health alertness, health self-consciousness, health involvement and health self-monitoring (Gould 1988 & 1990). Further, CBBE was treated as 14 items of a four dimensional construct encompasses of brand awareness, brand association, perceived quality and brand loyalty (Aaker 1991). In fact, all the items were measured on a five-point Likert scale with anchors of strongly disagree (1) and strongly agree (5).

Sample Selection and Data Collection

Previous CSD related studies considered educated youth generation as target population, especially university undergraduate students (Netemeyer et al. 2004). As consistent with previous studies, this study also considered educated youth generation studying in Sri Lankan universities (undergraduate students) who has consumed CSDs as target population, using a judgmental sampling method. Accordingly, a total of 381 copies of questionnaires were distributed, and after deleting data with missing values, 338 responses were found usable, yielding an 89% response rate.

Statistical Treatment of Data

This study used one sample t-test at the 0.05 significance level to test the hypotheses H_1 and H_2. In addition, the mean scores of the 5-point Likert scale measurement were adopted from Hair et al. (2006) to test the hypotheses in the one sample t-test statistical analysis (See Table 1).

Table 1: Decision Criteria

Mean value	Decision
Between 1 and 2.49	Low level
Between 2.5 and 3.49	Moderate level
Between 3.5 and 5	High level

Note: Decision criteria were adopted from Hair et al. (2006)

Data analysis and results

Unidimensionality, Reliability and Validity Assessment

The SPSS output for Kaiser-Meyer-Olkin (KMO) test (0.814) and Bartlett's test of Sphericity (χ^2=2603.56, P<0.000, df=253) were ensured the sampling adequacy and the appropriateness of the factor analysis, respectively. In addition, 338 samples in this study were subject to factor analysis and ranging from0.657 to

0.895, exceeding the critical level of 0.4 (Bagozzi & Baumgartner 1994) and thus, no necessity for eliminating any items and ensured the acceptable level of unidimensionality. Further, Cronbach's alpha for each dimension ranged from0.669 to 0.758, exceeding the threshold value of 0.60 (Churchill 1979) and therefore, provided satisfactory reliability for the dimensions. Further, convergent and discriminant validities also established.

Test of hypotheses

H1 and H2 were tested using one sample t-test (See Table 2). The decision criteria in Table 1 were adopted to determine the degree of youth educated consumers' perceived evaluation on HC and CBBE in the CSD industry in Sri Lanka.

Table 2: Results of one Sample t-test

Variable	Assumed mean		Observed mean	t-value		Sig.level	
	LB	**UB**		**LB**	**UB**	**LB**	**UB**
Health consciousness	1	2.5	2.40	39.54	-2.75	0.000	0.000
Customer based brand equity	2.5	3.5	2.62	4.42	-32.90	0.000	0.000

Note: LB=lower boundary; UB= upper boundary; one sample t-test calculation gathered from SPSS 19 software.

As indicated in the Table 2, significance values of 0.000 for both lower and upper boundaries (i.e., $p < 0.05$) in HC and CBBE shows that there are significance differences between assumed means and observed means. Clearly, the observed mean 2.40 for HC has fallen the low level range of 1-2.5, while observed mean 2.62 for CBBE has fallen the moderate level range of 2.5-3.5. Hence, the degree of youth educated consumers' perceived evaluation on HC and brand equity are in low level and moderate level, respectively in the carbonated industry in Sri Lanka. Notably, the one sample- t-test failed to offer support for H_1 and H_2.

Discussion and Conclusion

H_1 predicted the degree of youth educated consumers' HC is at a high level in the CSD industry in Sri Lanka. H_1 was not supported. There is a possible explanation for this result. This study considered educated youth generation as target population in Sri Lanka, since this youth generation like to drink more CSD beverages (Cuomo et al. 2009; Suglia, Solnick & Hemenway 2013), and thus, they might less concern their health. However, the HC might have been at a high level, if the target population is selected from the whole Sri Lankan consumers.

H_2 predicted that the degree of youth educated consumers' perceived evaluation on brand equity is at a higher level in the CSD industry in Sri Lanka; however there was no support for H_2. Even though the results suggested that the degree of youth educated consumers' perceived evaluation on brand equity is at a moderate level in the CSD industry in Sri Lanka, the literature offers strong support for CBBE high level in the CSD industry in various countries (Waris 2013). There is possible reason for this explanation for this result. This study considered educated youth generation as target population, since they might have considered the brand equity moderate level. The CBBE might have had high level, if the target population was the whole Sri Lankan consumers.

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