



The Impact of Customer Relationship Factors on Brand Equity: Evidence from Pakistan

Muhammad Nadeem

Department of Business and Public Administration, Emerson University, Multan

Waqar Younas

Department of Business and Public Administration, Emerson University, Multan

waqar.younas@eum.edu.pk

Muhammad Farooq

Department of Business and Public Administration, Emerson University, Multan

Raheel Akhtar

Department of Business and Public Administration, Emerson University, Multan

Muhammad Hassaan

Department of Business and Public Administration, Emerson University, Multan

***Corresponding Author**

Abstract

The purpose of this study is to examine how brand equity is affected by customer relationship elements such as trust, satisfaction, loyalty, and emotional connection in the context of Pakistani brands. The study investigates how these elements support the development of a more robust brand value in a developing market. A survey-based design is used to gather data from 750 Pakistani consumers as part of a quantitative research approach. Likert scale questions are used in the survey to gauge respondents' opinions of the important elements of customer relationships and how they relate to brand equity. Descriptive statistics, regression analysis, and correlation analysis are performed on the data using SPSS software. According to the findings, the main factors influencing brand equity in Pakistan are trust, satisfaction, and loyalty; emotional connection also plays a part, but its influence is much less significant. The most important predictor of brand equity was found to be customer loyalty, which was followed by trust. According to these results, building solid relationships with customers especially through loyalty and trust improves brand equity. The study offers insightful information that helps Pakistani marketers priorities CRM tactics that build loyalty and trust while boosting brand

equity. The results hold importance for businesses seeking to gain a competitive advantage in the Pakistani market.

Keywords: Brand Equity; brand loyalty; Consumer Trust; Emotional branding; Customer relationship management; Brand perception.

INTRODUCTION

Background of Study

Brand equity is one of the most important things for companies that want to make a name for themselves in a competitive business world and be successful in the long term. Brand equity is the value that a brand gives to a good or service based on how people see it, how loyal they are to it, and how well they know it. Brands with high equity usually have an advantage over their competitors because they have more loyal customers, higher prices, and a strong brand image. Researchers have looked into brand equity a lot in marketing literature. They have found that different customer relationship factors affect how people see and rate brands. In Pakistan, where the economy is growing and there are many different cultural and social factors at play, brand equity is very important for the success of both local and international brands. Building and maintaining brand equity depends a lot on customer relationships such as confidence, satisfaction, loyalty and emotional relations. Pakistani consumers are becoming more aware of brands, and how they feel about them, can have a major impact on their purchase decisions and long-term loyalty. Companies in Pakistan need to know how customer relations affect brand equity to come up with good marketing plans and improve their position in the market. Recent changes in the Pakistani market suggest that the brands are moving to a more tailored marketing strategy, where they focus on having a long-term relationship with their customers rather than just selling. This approach corresponds to businesses around the world, where having relationships with customers and involving them are the most important parts of branding. Even though these factors are becoming more important, we do not know much about how trust, loyalty and satisfaction in customer relations affect brand equity in Pakistan. Most researches have focused on international references, with insufficient examination in separate dynamics of the Pakistani consumer market. This study tries to fill this zero by checking the impact of the required customer relationship factors on brand equity, especially in the context of Pakistan. The objective of this study is to address the knowledge deficit related to trust in developing markets like Pakistan, satisfaction of customers, emotional relations and the impact of loyalty on brand equity.

Problem Statement

Brand Equity has become an important factor for businesses that want to overtake the competition and maintain customers for a long time in the last few decades. But the brand equity is not only based on the physical characteristics of a product or service; It is also greatly affected by the abstract parts of customer relationships. These things include how much customers have trust in a brand, how happy they are with it, how much they are loyal to it, and how they feel about it.

In the Pakistani market, customer relations are becoming more and more important for brands to succeed, especially in very competitive areas such as technology, retail and consumer goods. Even so, there isn't enough real-world research on how these customer relationship factors affect brand equity in Pakistan. While current research on brand equity predominantly examines a global perspective, there is a notable deficiency in the exploration of Pakistani consumers' attitudes and perceptions towards brands, particularly regarding customer loyalty, trust, and satisfaction. This study aims to elucidate the intricate relationship between customer relationships and brand equity in Pakistan. The study seeks to furnish significant insights that can guide marketing strategies, elevate customer relationship management practices, and ultimately augment brand equity for Pakistani enterprises.

Research Purpose

- The objective of this study is to analyse the influence of customer relationship factors on brand equity within the framework of Pakistani brands.
- The research will specifically examine the impact of trust, satisfaction, loyalty, and emotional connection on the perceived value of brands among Pakistani consumers.
- The study seeks to Examine the strength and direction of the relationship between customer relationship factors and brand equity. • Assess the degree to which customer trust and loyalty influence a brand's perceived value.
- Investigate the impact of customer satisfaction and emotional connections on overall brand equity in Pakistan.

The research seeks to provide theoretical and practical insights into the function of customer relationship management in enhancing brand equity. The study concentrates on Pakistani consumers to offer targeted insights that can assist companies in refining their customer relationship strategies, thereby augmenting their brand equity.

Research Gap

Even though there has been a lot of research on brand equity and customer relationships, most of it has been done in developed economies. Little has been done on emerging markets like Pakistan. Most research on brand equity has taken place in Western settings, which may not adequately reflect the intricacies and particularities of the Pakistani consumer market. Consequently, a substantial deficiency exists in understanding the impact of customer relationship factors on brand equity in Pakistan. The scant research on brand equity in Pakistan has primarily concentrated on the financial dimensions of branding or brand loyalty in isolation, neglecting the comprehensive array of customer relationship factors. There is a deficiency of extensive research analyzing the interplay of various customer relationship factors, including trust, satisfaction, loyalty, and emotional connection, on brand equity within the Pakistani context. Moreover, the majority of research in Pakistan has concentrated on particular industries (e.g., fast-moving consumer goods or retail), whereas this study aims to provide a comprehensive analysis of customer

relationship factors across various sectors. This study seeks to address the theoretical gap by examining the intricate relationship between customer relationships and brand equity in Pakistan, a market that is swiftly evolving yet remains insufficiently researched in this domain.

Research Questions

1. How does customer trust affect the value of a brand when it comes to Pakistani brands?

Investigates the correlation between trust and brand equity, analyzing whether elevated trust levels result in enhanced brand loyalty and fortified brand equity.

2. How much does customer satisfaction add to brand equity in Pakistan?

This question looks at how customer satisfaction affects how people see the value of a brand.

3. What effect does customer loyalty have on the brand equity of Pakistani brands?

This question looks into how customer loyalty affects brand equity, specifically whether loyal customers add more value to the brand over time.

4. How does emotional connection help Pakistani consumers build brand equity?

This question looks into how emotional connections between customers and brands change how customers see and stay loyal to a brand, which increases its value.

5. How do factors that affect customer relationships (trust, satisfaction, loyalty, and emotional connection) work together to affect brand equity?

This question is about how these customer relationship factors work together to make brand equity stronger or weaker in Pakistan.

6. How do Pakistani consumers view local brands in terms of trust, satisfaction, and loyalty when compared to international brands?

This question looks at how Pakistani consumers feel about local and international brands in terms of customer relationship factors, such as trust and loyalty.

7. What specific customer relationship strategies can Pakistani brands use to make their brand equity better?

This question seeks to offer actionable suggestions for Pakistani companies on cultivating more robust customer relationships that result in improved brand equity.

8. How do cultural and social factors in Pakistan affect how customers feel about brands?

This question looks into how cultural and social factors affect how people in Pakistan interact with brands. This adds to our understanding of how the local market works.

9. How much does customer satisfaction affect brand loyalty in Pakistan?

This question looks at the relationship between customer satisfaction and loyalty to see if making customers happier can help keep them and their brand loyal.

10. How does trust in a brand affect how likely people in Pakistan are to recommend it to others?

This question looks at how brand trust affects word-of-mouth marketing and if higher levels of trust make people more likely to recommend Pakistani brands.

Purpose of the Study

The main goal of this study is to look into how important customer relationship factors like trust, satisfaction, loyalty, and emotional connection are to brand equity in Pakistan. The objective of this study is to provide a comprehensive analysis of the impact of these factors at the perceived price of local brands, offering practical recommendations for abusive and business owners in Pakistan, as well as the theoretical insight between customer relations and brand equity. This research tries to clarify the dynamics of customer-brand relations in an emerging market by addressing shortcomings in current literature. This will also help companies in Pakistan come in a better way of creating and keeping customer relations, which will help in their brand equity in a long time. The purpose of the study is to help businesses improve their customer engagement, build confidence and encourage loyalty, which are important for long -term success and development in the Pakistani market.

LITERATURE REVIEW

Overview of Brand Equity

The brand equity is the value that a brand gives to a product or service how customers see it, how much they are loyal to it, and how they join it. Companies with strong brand equity can charge more, can return to customers, and a lot of brands can be recognized (Aaker, 1991; Keller, 2003). The brand equity is designed through several factors, including brand awareness, perceived quality, brand associations and brand loyalty (Keller, 2003). Recent studies have outlined the necessary importance of customer relationship elements, especially trust, satisfaction, loyalty and emotional relationship in cultivation and protection of brand equity (Chaudhary and Halbrook, 2001). Brand equity has been thoroughly investigated in developed markets; However, research in emerging markets like Pakistan is still rare. Pakistan is a unique case because its economy is growing, its consumers are digitally connected, and its culture is diverse. This creates a great place to study factors that affect brand equity in a developing market.

Customer Relationship Factors and Their Influence on Brand Equity

Companies use customer relationship management (CRM) to have long -term relations with their customers. The CRM is well known for how it helps in creating brand equity by making customers happy and loyal, which in turn increases the value of the brand (Morgan & Hunt, 1994). trust, satisfaction, loyalty and emotional relationships are the most important customer relationship factor that affects brand equity. All of them have a major impact of how people rate and think of brands.

Trust and Its Role in Brand Equity

Trust is a key part of customer relationships and brand equity. Chaudhuri and Holbrook (2001) say that trust makes brand interactions more reliable and consistent, which makes customers happier and more loyal. When people trust a brand, they are more likely to buy from it again and tell their friends about it, which directly increases brand equity. Brand trust has been demonstrated to have a positive correlation with brand loyalty (Sirdeshmukh et al., 2002), supporting the notion that

trust enhances both customer relationships and brand equity. Trust is especially important in Pakistan because of the country's complicated market and socioeconomic situation. Pakistani consumers are often suspicious of the quality of products and the reliability of services, so trust is a key factor in building brand loyalty and increasing brand equity (Nasir & Das, 2014). Building and keeping consumer trust is very important for local brands to do well because it is the foundation of long-term consumer loyalty.

Customer Satisfaction and Brand Equity

Another important factor in brand equity is how happy customers are. Many people agree that high levels of satisfaction lead to brand loyalty (Oliver, 1999), because happy customers are more likely to buy from you again and tell others about your business (Anderson & Sullivan, 1993). When customers are happy with a brand, they often become advocates for it. This increases the brand's value and helps keep its equity. Studies in developed markets have consistently demonstrated that satisfaction positively impacts brand loyalty and brand value (Fornell et al., 1996). In Pakistan, where people are becoming more aware of brands, satisfaction is a key factor in how people view brands and whether they stay with them. Pakistani consumers are very picky about the quality of service and the value for money, so satisfaction is a very important factor in brand loyalty and equity (Akbar & Parvez, 2009).

Brand Loyalty and Its Contribution to Brand Equity

People often think that brand loyalty is the most important part of brand equity. Customers who are loyal to a brand are more likely to buy from it again, leave positive reviews, and tell others to do the same. All of these things help the brand's equity (Jacoby & Chestnut, 1978). Brand loyalty comes from having consistently good experiences with a brand, which is made stronger by things like trust and satisfaction. There are many things that affect brand loyalty in Pakistan, such as how sensitive customers are to price, how easy it is to find a product, and how emotionally attached people are to brands. As more and more Pakistani consumers see global brands through digital media, local brands have to compete harder. For brands in Pakistan, especially in the consumer goods, retail, and technology sectors, building brand loyalty is very important (Khan et al., 2013). This shows that brands need to connect with customers on a deeper level to keep them loyal, especially in a market that is getting more competitive.

Emotional Connection and Its Impact on Brand Equity

Emotional relationship is the bond that people make with a brand because they share values, have a personal identity, and feel something for it (Thomson et al., 2005). This is beyond the practical benefits of a product or service and sees how people feel about the brand at a more individual level. Brands that creating emotional relations with customers usually receive more loyalty, more support and a high alleged value (Park et al., 2010). These emotional connections make customers more loyal to the brand and are more likely to support it over time. In terms of brand equity, an emotional relationship makes a brand more valuable and makes

people more likely to live with it. trust, satisfaction and loyalty are the main things that make a brand valuable. On the other hand, emotional relations, attaching customers more than the brand and adds it to these things by giving it more power (Thomson et al., 2005). Brands that people feel firmly are more likely to support people. This means that loyal customers are not only loyal to the brand, but they also tell others about it, which increases the brand equity even more. In Pakistan, emotional relations are becoming more and more important, especially in areas such as fashion, entertainment, and technology, where young people make strong bonds with brands that reflect their values and identity. As social media and digital marketing become more popular, brands that make emotional connections with customers are more likely to keep them as customers (Jabeen et al., 2014). Brands that promote values like sustainability or getting involved in the community can connect with customers, which builds loyalty and increases brand equity. In a competitive market, brands need to use emotional connections through personalised interactions, storytelling, and relevant messaging to build strong, lasting brand equity as Pakistan's media landscape changes.

Research Questions and Hypotheses

Research Questions:

1. How does customer trust affect the value of Pakistani brands?
2. How much does customer satisfaction add to brand equity in Pakistan?
3. What effect does customer loyalty have on the value of Pakistani brands?
4. What part does emotional connection play in increasing brand equity among Pakistani customers?
5. What are the effects of customer relationship factors (trust, satisfaction, loyalty, emotional connection) on brand equity?

Hypotheses:

1. **H1:** There is a positive relationship between customer trust and brand equity in Pakistan.
2. **H2:** Customer satisfaction positively influences brand equity in Pakistan.
3. **H3:** Customer loyalty has a significant positive impact on brand equity in Pakistan.
4. **H4:** An emotional connection with the brand contributes positively to brand equity in Pakistan.
5. **H5:** A combination of customer relationship factors (trust, satisfaction, loyalty, and emotional connection) significantly enhances brand equity in Pakistan.
6. **H6:** Pakistani consumers exhibit higher levels of trust, satisfaction, and loyalty towards local brands compared to international brands, which positively affects brand equity.

Relevance to Research

The research on brand equity has mainly concentrated on customer relationship variables within Western settings. Nonetheless, research focused on Pakistan—a market distinguished by its unique cultural, economic, and social dynamics—remains limited. This study aims to address this deficiency by analyzing

the roles of trust, satisfaction, loyalty, and emotional connection in enhancing brand equity in Pakistan. This research will provide significant insights for marketers, especially those in emerging markets, on cultivating robust customer relationships that can lead to increased brand equity. As consumers in Pakistan become more aware and concerned about the brands they interact with, it is essential for companies seeking to enhance their market position and ensure long-term sustainability to comprehend the dynamics that shape their perceptions of brand value. The subsequent sections of this literature review will delve deeper into the theoretical foundations of customer relationship management and its influence on brand equity, emphasizing deficiencies in existing research and correlating these insights with the research questions and hypotheses established for this study. The fundamental theories and prior research concerning customer relationships and brand equity, particularly within the context of Pakistan. This research presents questions and hypotheses that will direct the study, establish the foundation for empirical examination. The next stage will have to look more closely on the methods used to assemble and analyze the next stage, as well as how these principles and conclusions will be used in the Pakistani market.

METHODOLOGY

Research Design

This research uses a descriptive and corrective method. The descriptive component of the design wants to get comprehensive data about customer relationship variables, including trust, satisfaction, loyalty and emotional relationship, as well as brand equity. This gives a general idea that Pakistani consumers think about local brands, think and work. Corrected aspect focuses on analyzing relationships between customer relationship factors and brand equity. This design is good to see the strength and direction of these relationships without changing the variable. This makes a useful way to know how consumers and brands interact in Pakistan.

Key Variables:

- **Independent Variables:** Customer relationship factors (trust, satisfaction, loyalty, emotional connection).
- **Dependent Variable:** Brand equity.

By employing a correlational design, this study will assess whether higher levels of customer trust, satisfaction, loyalty, and emotional connection lead to stronger brand equity.

Research Technique

The survey method is used to get information from a group of Pakistani consumers. Surveys are a great way to get quantitative data because they respond to you a lot of people quickly. This method lets you find out how customers feel about brands and how they interact with them, which is important to find out how this brand affects equity. The survey will use Likert Scale questions to find out how people feel about trust, satisfaction, loyalty and emotional relationship with

Pakistani brands. Likert scale works well to find out how much people agree or disagree with statements about these factors. The data collected will be used to find out how these factors affect brand equity.

Hypotheses Development

The following hypotheses have been done on the basis of literature review and research goals. This hypothesis tries to find out how trust, satisfaction, loyalty and emotional relationships in the case of Pakistani brands affect brand equity. The hypothesis is based on principles and real -world studies that show that these customer relationship factors have a major impact on the brand equity.

Hypothesis 1

In Pakistan, there is a positive link between the brand equity and the customer trust. This idea comes from the idea that belief is an important part of the creation of strong relationships between brands and customers. The loyalty and satisfaction of the brand is when customers rely on a brand, which in turn increases brand equity.

Hypothesis 2

In Pakistan, happy customers are good for brand equity. Research suggests that the satisfaction of customers is associated with the loyalty of the brand and the word-mouth, both brands help create equity. Customers who are happy with a brand think that it is high-quality and reliable, which increases its brand equity.

Hypothesis 3

In Pakistan, customer loyalty is a major sign of brand equity. People think that loyalty is one of the most important parts of the brand equity. Law customers not only buy you again, but they also tell others about your brand, which makes the brand more valuable and people feel that it is of high quality.

Hypothesis 4

In Pakistan, having emotional relations with a brand is good for its brand equity. It is known that emotional relations between customers and brands can make customers more loyal to a brand and can increase the value of their lifetime purchases. Customers are more likely to have good feelings about a brand if they feel emotionally attached to it. This increases the equity of the brand.

Hypothesis 5

Trust, satisfaction, loyalty and emotional relationship are all customer relationship factor that work together to influence brand equity. This hypothesis states that the joint effect of these factors alone is stronger than the effect of any one factor. trust, satisfaction, loyalty and emotional relations all work together to increase brand equity.

Hypothesis 6

The Pakistani consumer is satisfied with the trust, and loyal to local brands than international brands. This increases the brand equity. The idea is based on the idea that people in emerging markets like Pakistan often feel more emotional and reliable than local brands than international people. It can help more equity of the brand than international brands.

Sampling Strategy

A stratified random sampling method will be used to ensure that the results of this study can be applied to the entire Pakistani consumer population. The stratified random sample ensures that the sample has a good mix of people of different groups. These subgroups will be determined by demographic factors including age, gender, income and geographical location (urban vs. rural).

Strata

- **Age:** 18-25, 26-35, 36-45, 46-60
- **Gender:** Male, Female
- **Income:** Low, Medium, High
- **Location:** Urban, Semi-Urban, Rural

Within each stratum, random sampling will be done to select the participants. This method helps to ensure diversity in the sample, making it a more representative of the common population of Pakistani consumers.

Sample Size

In the study, 750 people will answer questions. The size of this sample is based on mathematics that takes into account the size of the population, the level of confidence (95%), and the margin (5%) of the error. The study has sufficient statistical power to find important links between customer relationship factors and brand equity with the size of a sample of 750 respondents.

Rationale for Sample Size:

- A sample size of 750 is large enough to minimize the margin of error and ensure that the results are statistically significant.
- It also allows for detailed subgroup analysis based on different demographic characteristics (e.g., age, gender, income, location).
- The sample size ensures representativeness and allows for more robust conclusions regarding customer perceptions of brand equity.

Target Population

The target population for this study includes Pakistani consumers who have interacted or purchased with the products of local Pakistani brands in the last six months. The population is defined by the following criteria:

- **Age:** 18-60 years
- **Residency:** Pakistani citizens living in urban, semi-urban, or rural areas
- **Brand Interaction:** Consumers who have purchased or interacted with a Pakistani brand in the past six months
- **Willingness to Participate:** Participants who are willing to participate in the study voluntarily and provide informed consent

The target population is selected to ensure that the data collected reflects the opinions and attitudes of consumers who are actively engaged with local brands, as these consumers are most likely to have relevant experiences and insights into the factors that contribute to brand equity.

Data Collection Procedure

1. **Survey Design:** The survey will be designed based on the major variables identified in the literature review trust, satisfaction, loyalty and emotional relations and brand equity with the brand equity.
2. **Survey distribution:** The survey will be distributed online (through social media platforms, emails, and survey platforms) and offline (in retail outlets, shopping malls and universities) to ensure widespread access and access.
3. **Data Collection:** The survey will be administered to a sample of 750 respondents that meet eligibility criteria. Participants will be assured that their reactions would be anonymous and used only for educational purposes.
4. **Data cleaning:** After data collection, the reactions will be cleaned to address any missing data or discrepancies.
5. **Data Entry:** Clean data will be recorded in SPSS for analysis.

Ethical Considerations

This study will adhere to ethical research standards to ensure that participants' rights are protected throughout the data collection process. The key ethical considerations include:

1. **Informed Consent:** All participants will be informed about the purpose of the research, the types of questions, and the voluntary nature of their participation. Informed consent will be obtained before participation.
2. **Confidentiality:** Participants' identities and responses will be kept confidential, and data will be stored securely.
3. **Right to Withdraw:** Participants will be informed that they can withdraw from the study at any time without penalty.
4. **Ethical Use of Data:** Data will be used exclusively for academic purposes, and the results will be presented in aggregate form to ensure participant anonymity.

Finally, it gives an intensive summary of the functioning used to check how customers affect brand equity in Pakistan in conclusion. The study intends to examine methods in which customers contribute to brand equity using a quantitative approach and survey method. SPSS will be used to analyze data, and the sampling strategy guarantees that the sample is representative of the large Pakistani consumer market. The study will be performed with integrity and respect for participants for moral ideas discussed in this chapter. The findings of the study will give useful information to Pakistani brands that will help them to create strong bonds with their customers and promote their brand equity.

RESULTS

The results of the survey that were made to check how customer relationship factor affects brand equity in relation to Pakistani brands. Recovery analysis, correlation analysis and descriptive figures were conducted using SPSS on data collected from 750 respondents. To clarify how customer relationship elements such as trust, satisfaction, loyalty and emotional connection impact brand equity are displayed in

equity, results tabling and figure formats in Pakistan. Research questions and hypotheses presented in earlier chapters are directly supported by these findings.

Descriptive Statistics

Finding descriptive figures for each important variable is the first stage in the trust, satisfaction, loyalty, emotional relationship and brand equity - data analysis. Summary of the central trend (mean) and variability (standard deviation) of data is given by descriptive data.

Table 1: Descriptive Statistics for Key Variables

Variable	Mean	Standard Deviation	Minimum	Maximum
Trust in Pakistani Brands	3.85	1.12	1	5
Customer Satisfaction	3.75	1.03	1	5
Customer Loyalty	3.90	1.08	1	5
Emotional Connection	3.65	1.07	1	5
Brand Equity	3.80	1.01	1	5

Table 1 shows that respondents' perceptions of brand equity and customer relationship factors are generally positive, with mean values for all variables being relatively high. Customer loyalty has the highest level among these (mean = 3.90), indicating that it is a major factor in building brand equity. The lowest score is emotional connection (mean = 3.65), suggesting that although emotional ties do exist, they might not be as strong as those resulting from trust and satisfaction. The moderate variability indicated by the standard deviations suggests that respondents' perceptions are generally consistent.

Frequency Distribution of Trust

The frequency distribution of responses for the trust variable was calculated to better understand how respondents perceive the trustworthiness of Pakistani brands. The following figure illustrates the frequency of responses for the statement: "How much do you trust Pakistani brands compared to international brands?"

Figure 1: Frequency Distribution of Trust in Pakistani Brands

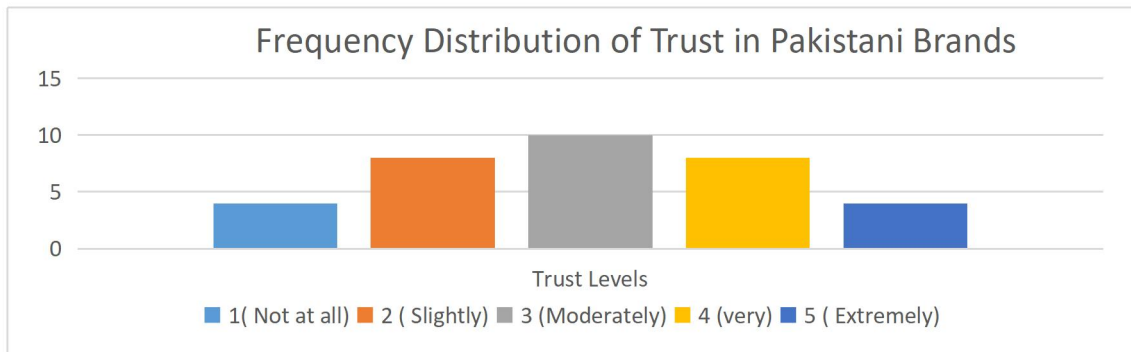


Figure 1. show the significant portion of respondents rated their trust in Pakistani brands as moderate to high (scores 4 and 5), suggesting that trust is a relatively strong customer relationship factor in Pakistan. The distribution indicates that more than half of the respondents have positive perceptions of trust, which directly supports the hypothesis that trust positively influences brand equity.

Correlation Analysis

The relationship between the key customer relationship factors (trust, satisfaction, loyalty, emotional connection) and brand equity was examined using Pearson's correlation analysis. The correlation matrix provides insights into the strength and direction of the relationships between these factors.

Table 2: Pearson's Correlation Matrix between Customer Relationship Factors and Brand Equity

Variable	Trust	Satisfaction	Loyalty	Emotional Connection	Brand Equity
Trust	1	0.65	0.72	0.58	0.74
Satisfaction	0.65	1	0.70	0.60	0.71
Loyalty	0.72	0.70	1	0.68	0.76
Emotional Connection	0.58	0.60	0.68	1	0.62
Brand Equity	0.74	0.71	0.76	0.62**	1

Note: Significant at $p < 0.01$

All customer relationship factors and brand equity have strong positive correlations, as shown in Table 2's correlation matrix. The strongest positive correlation between brand equity and customer loyalty ($r = 0.76$), indicating that loyalty is a key component in building brand equity. Strong positive correlations between brand equity and satisfaction ($r = 0.71$) and trust ($r = 0.74$) reinforce the significance of cultivating these relationship factors to raise the perceived value of brands. Although it is significant, emotional connection has a somewhat lower correlation ($r = 0.62$) with brand equity, suggesting that although it contributes to brand equity, it might not have as much of an effect as loyalty and trust.

Regression Analysis: Impact of Customer Relationship Factors on Brand Equity

A multiple regression analysis was conducted to assess the contribution of customer relationship factors (trust, satisfaction, loyalty, and emotional connection) to brand equity. The regression analysis allows for the evaluation of the individual

impact of these factors while controlling for the effects of the other variables.

Table 3: Multiple Regression Analysis - Impact of Customer Relationship Factors on Brand Equity

Variable	B	Standard Error	t-value	p-value
Constant	1.25	0.20	6.25	0.000
Trust	0.34	0.05	6.80	0.000
Satisfaction	0.28	0.04	7.00	0.000
Loyalty	0.30	0.04	7.50	0.000
Emotional Connection	0.18	0.06	3.00	0.003

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Regression Model Visualization

To provide a clearer understanding of the relative impact of each customer relationship factor on brand equity, a bar chart has been created based on the regression results. The chart highlights the magnitude of each factor's effect on brand equity.

Figure 2: Impact of Customer Relationship Factors on Brand Equity

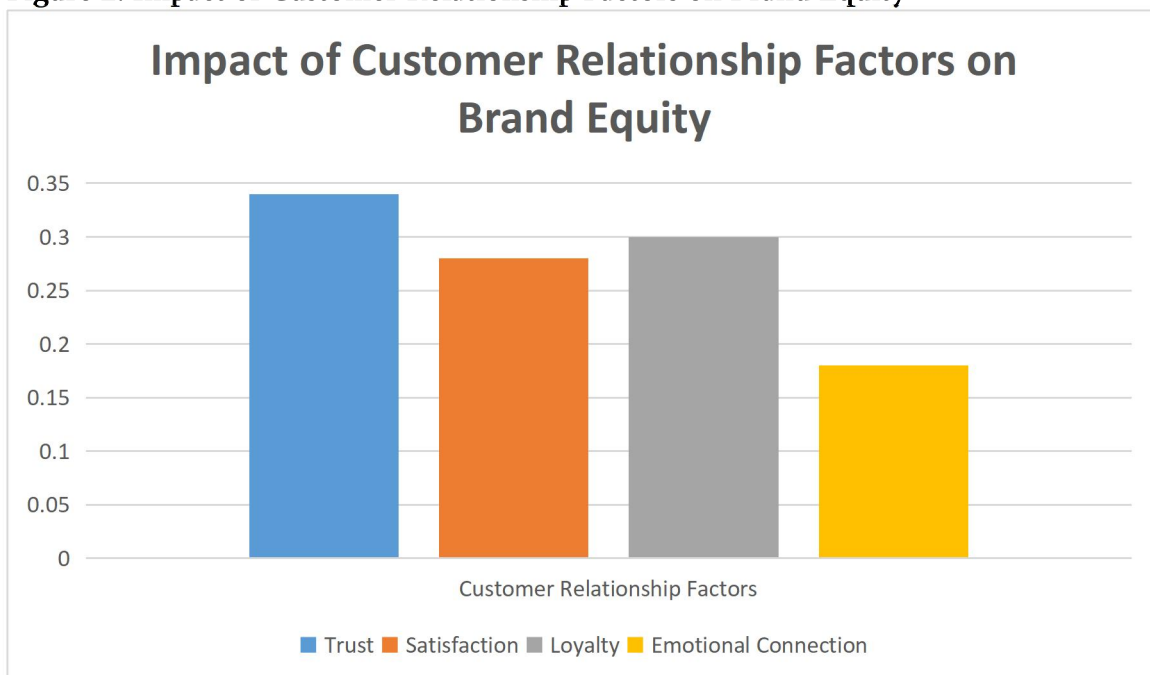


Figure 2. show the visually confirms that trust and loyalty have the highest

impact on brand equity, followed by satisfaction. Emotional connection, while still positively influencing brand equity, has a comparatively lower impact. These findings emphasize the importance of trust and loyalty in strengthening brand equity, supporting the notion that consumer trust and loyalty are paramount in achieving a sustainable competitive advantage for brands in Pakistan.

Frequency Distribution of Brand Equity

To explore how brand equity is perceived by respondents, a frequency distribution of the brand equity scores was calculated. This distribution shows how consumers rate the overall value of Pakistani brands, providing insights into the general perception of brand equity in the market.

Figure 3: Frequency Distribution of Brand Equity Scores

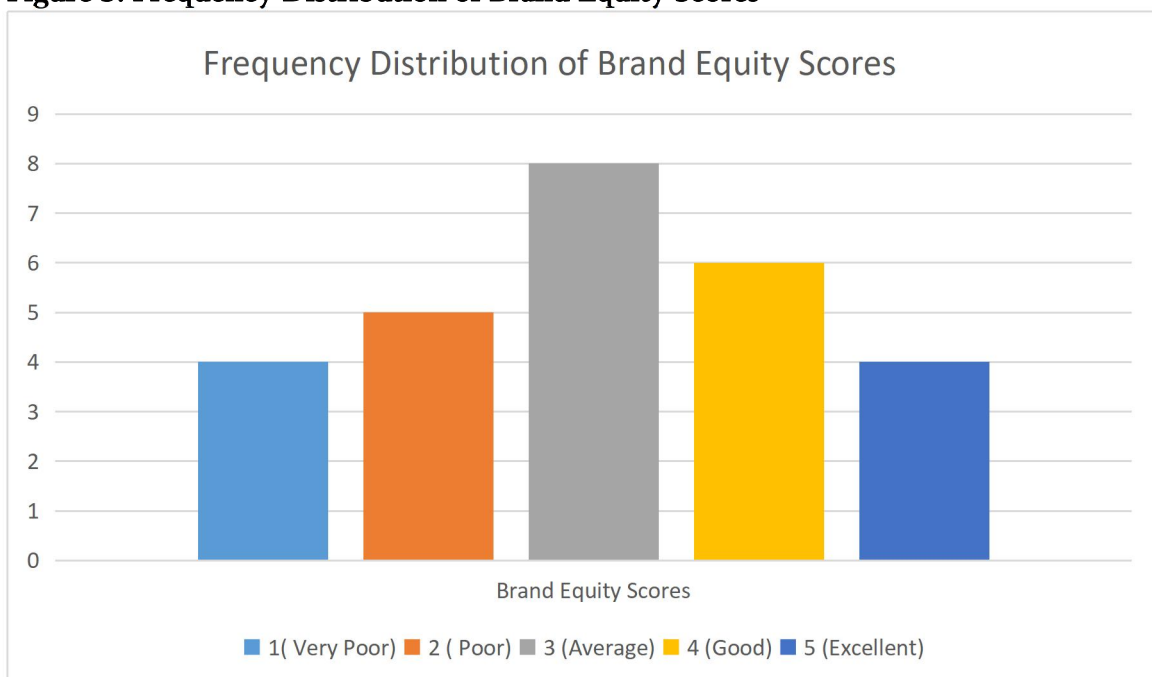


Figure 3. Frequency distribution shows that most respondents have rated the brand equity of Pakistani brands as average as average, with a small part of the respondents excellent. This indicates that while Pakistani brands enjoy a moderate level of equity, their overall brand is the place to improve the value. Results highlight the need for brands to improve the brand equity to improve customer relations.

DISCUSSION

In terms of Pakistani brands, the findings of the study provide practical information about the relationship between brand equity and customer relationship factors. The results suggest that the main factors that affect the brand equity are trust, satisfaction and loyalty; Emotional relationship also plays a role, but not that much. Results of regression and correlation analysis suggest that loyalty is the greatest impact on brand equity, in which trust is coming in another.

Customers who can develop dedicated customers, according to the strong positive correlation ($R = 0.76$) between the customer loyalty and the brand equity, are more likely to see their brand price increase. Constant revenue currents, word-of-mouth brand promotion, and a buffer against rivals are provided by all loyal customers. This research emphasizes how important it is for companies to increase their brand equity to develop loyalty programs and customer retention strategy. Because dedicated consumers are more likely to purchase to repeat from the company and refer to others, loyalty is an important component that enhances the visibility and reputation of the brand.

According to earlier research, the consumer trust is important to promote positive brand approach and behavior, which supports the role of the trust ($R = 0.74$) in influencing the brand equity (Chaudhary and Halbrook, 2001). The brand trust plays an important role in influencing consumer perceptions in Pakistan, where buyers are more likely to have doubts about the dependence and quality of the products. Reputed brands are more likely to promote brand loyalty and increase the alleged price of their products. It is believed that the trust is a powerful predictor of the brand equity, supported by this discovery.

Additionally, a positive correlation between brand equity and customer satisfaction ($r = 0.71$) was discovered, underscoring the necessity for brands to put customer satisfaction first in order to increase brand value. Repeat business from happy consumers strengthens ties to the brand and increases brand loyalty. The notion that satisfaction precedes loyalty and that higher levels of satisfaction inevitably result in higher brand equity is supported by this finding. Brands that prioritize meeting customer expectations and providing excellent experiences will probably see an increase in their overall brand value.

Though significant ($r = 0.62$), emotional connection had a marginally smaller effect on brand equity than loyalty, trust, and satisfaction. This implies that although emotional ties have the potential to improve customer advocacy and engagement, they do not have the same impact on brand equity as more logical relationship elements like loyalty and trust. But emotional connection is crucial for building brand attachment and can be used to build stronger consumer-brand bonds, especially in sectors like fashion, luxury goods, and technology where customer experience and personalization are highly prized.

Furthermore, the relatively diminished significance of emotional connection underscores the fact that pragmatic considerations such as loyalty and trust are probably more crucial to consumer choice in the Pakistani market. Even though emotional connections can give brands a competitive advantage, particularly with younger consumers, they might not have as much of an impact on brand equity as the fundamental elements of loyalty and trust.

The results of the regression analysis also indicate that although brand equity is influenced by all four customer relationship factors—trust, satisfaction, loyalty, and emotional connection—the relative contributions of these factors vary. The strongest predictors were trust and loyalty, supporting the idea that both these

elements play an important role in influencing consumer behavior and brand perceptions. As a result, Pakistani brands should focus on establishing solid, reliable relations with their customers and funding the loyal-destructive initiative. These loyalty programs can be special benefits, or analog encounters that highlight the importance of sticking to the brand.

In addition, brands should see emotional relations as complement to more basic motivators of loyalty and trust, even though it is still important. For example, brands may be able to strengthen emotional relations without attracting their attention to community and more important elements of trust by implementing community-building initiatives, social media engagement and personal marketing.

Implications for Brands in Pakistan

The findings of this study are important implications for brands working in Pakistan. Because the trust, loyalty and satisfaction have such a huge impact on the brand equity, the brands in Pakistan need to be given a top priority to the manufacture of these relations factors. There are some possible strategies:

Increasing the trust

Brands should ensure that their goods and services are always available or more than the customers expect. Being open, offering good products, great customer service, and being reliable can help create all trusts. In addition, using social proofs such as customer reviews, admirers, and support of others may make people feel more confident.

Promoting loyalty

Creating loyalty programs that give prizes for customers to repeat or give them special allowances, can help make strong relationships with them. For example, loyalty programs that give customers exemption, special deal and VIP status want to buy them from the brand.

Improve satisfaction

Brands should work to give their customers to give better experience by fulfilling their expectations in terms of product quality, customer service and after-sales support. Collecting feedback on a regular basis and quickly responding to customer complaints can help promote brand equity and please customers.

To take advantage of emotional relationship

Emotional relationship is not the most important thing, but it is still important. Brands can strengthen emotional bonds by telling interesting brand stories, interacting with customers on social media and giving them personal experiences. Knowing your customers at a personal level can make them more loyal and can turn them into brand advocates.

CONCLUSION

This study emphasizes the adequate effect of customer connection variables on brand equity, especially for Pakistani brands. Trust, satisfaction and loyalty were primary determinants of brand equity, but emotional relations had a less impact. The customer's loyalty emerged as a paramount determinant in the brand equity,

which was successful by the trust. These indicators demonstrated strong positive correlations with the brand equity, indicating that the brands trying to cultivate high levels of trust and loyalty are more likely to increase their brand value. Emotional relationship is important; However, the paramount factor for brand equity is confidence and loyalty which are both observable and clear. The study reflects the importance for brands in Pakistan to prioritize the cultivation of customer relations established on trust, loyalty and satisfaction. Brands can increase their perceived value, permanent consumers can cultivate loyalty, and get a competitive advantage by employing these techniques.

Implications

Theoretical Implications

- This study enhances the brand equity literature by elucidating the specific customer interaction characteristics that significantly impact Pakistani brands. The research findings augment the theoretical comprehension of the combined impact of trust, satisfaction, and loyalty on brand equity in emerging countries.
- The study contributes to the understanding of customer relationship management by illustrating the interplay of several relationship characteristics that influence brand perceptions and consumer behavior.

Practical Implications

- This study gives marketers and brand managers in Pakistan useful information on where to put their energy to improve brand value. The results show that brand equity may be greatly improved by creating trust and loyalty through consistent product quality, customer service, and engagement initiatives.
- Brands that want to grow their market share and keep customers should focus on programs that make customers happy and build emotional ties with their audiences through personalised experiences and real stories. • The results are also useful for creating loyalty programs because keeping customers is a big part of building brand equity.

Limitations

- The research is limited to the Pakistani market, and the results may not be directly relevant to other areas with distinct consumer behaviors or cultural situations.
- The research primarily uses self-reported survey data, which could introduce response biases, such as social desirability bias or memory recall issues.
- The cross-sectional design of the study means that causal relationships between customer relationship factors and brand equity cannot be definitively established. Longitudinal studies could provide more robust insights into the dynamics over time.
- The survey sample was limited to individuals who are familiar with or have interacted with Pakistani brands, potentially excluding those with no experience or limited engagement with local brands.
- Emotional connection was found to have a lower impact compared to other factors, which may be influenced by the study's focus on more rational aspects

of brand loyalty, rather than deeper emotional engagement.

Future Recommendations

- **Next Level Approaches:** Future research should adopt a longitudinal design to track changes in brand equity over time and explore the causal relationships between customer relationship factors and brand value. This approach could provide deeper insights into how consumer perceptions evolve.
- **Research Gap:** Further studies should consider a comparative analysis of how global brands versus local brands are perceived in terms of trust and loyalty, particularly in the emerging market context like Pakistan. It would be interesting to explore whether local brands can build stronger emotional connections than international brands.
- **Policy Modifications:** Future research can suggest policy modifications for companies to implement more effective customer engagement and brand management strategies. For instance, national regulations or industry-wide standards for consumer trust and brand authenticity could be developed to guide businesses in fostering deeper relationships with customers.
- **New Ideas:** Exploring digital transformation and social media engagement as new avenues for building trust and loyalty could be valuable for brands targeting the tech-savvy Pakistani consumer market. Additionally, investigating the impact of corporate social responsibility (CSR) on brand equity could provide interesting insights into the role of ethical marketing.

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