Correlation between brand Identity and brand Image

Study of Zara in China

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This study focuses on the Spanish global fast fashion retailer Zara, Inditex Group. The purpose of the study is to analyse how well Zara's brand identity is aligned with its brand image in China.

The thesis consists of a theoretical section and an empirical section. The theoretical section covers the concepts that support a better understanding of the findings. The empirical section consists of quantitative research. The research questionnaire was designed based on Keller's Brand Equity Pyramid. In order to understand how the brand image is perceived by Chinese consumers, an online survey using a sample size of 220 Chinese consumers residing in China was carried out.

The findings reveal that the overall brand image of Zara in China is well percieved. The study, however, also indicates that quality and price associations impact the image of the brand, creating a misalignment between brand identity and brand image. The misalignment is present in the aspect of the perceived relationship of the brand.

Keywords
Brand, Brand Identity, Brand Image, Quantitative Research

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1   Introduction

In this chapter the thesis background, information about the case study company, research aim, research questions, demarcation of the thesis topic and benefits of the thesis are discussed.

1.1   Thesis Background

In a highly competitive global environment of fashion business, the alignment between brand identity (company´s perspective) and brand image (customer´s perception) is the key to a successful brand value. When the misalignment between these two concepts is present, a strong negative effect is created on the brand value, credibility and loyalty bringing a brand to fail.

The initiative of the study comes from the lack of information about the correspondence between Zara´s brand identity and image in the Chinese market. Additionally, the author was interested to find out Chinese consumers' perceptions towards a European brand operating in the Chinese market.

The company was chosen, because Zara is the pioneer among fashion retailers in terms of business model and strategy. As a matter of fact, Zara is the only firm in the apparel world that invests minimal revenue on advertisement (New York Times 2015). Advertisement is the key in communicating brand image in the apparel industry. On average, fashion retailers invest 3.5 percent of their revenues to advertise their products, while Zara invests only 0.3 percent.

The benefits of the study will add value to the author's own career development in branding.

1.2   Group Inditex - Zara

Inditex Group, one of the world's largest fashion retailers, is owned by Amancio Ortega Gaona. Founded in 1963 and located in A Coruña, Spain, Inditex Group has over 6,600 stores around the world and eight brands with different retail concepts. The brands under Inditex group are Pull & Bear, Massimo Dutti, Bershka, Oysho, Uterqüe, Zara and Zara Home. (Inditex Group 2015.)

The approach adopted by the group is consumer oriented and committed to produce fashionable items of high quality in short time. Inditex group has the most uniquely centred logistics system located in Spain, which allows the group to deliver new collections and items to all of its stores twice a week meeting Inditex customers' needs. The strategy involves low stock levels resulting in limited amount of items available to consumers. (Inditex Group 2015.)

Zara opened its first store in A Coruña, Spain, in 1975. Nowadays, Zara has over 2,000 stores strategically located in leading cities in over 88 countries in the world. Zara's working force equals up to 200 professionals. The concept behind the brand Zara is: "to share responsible passion for fashion across a broad spectrum of people, cultures and ages." (Inditex Group 2015.)

Zara provides 70 percent of Inditex Group's income. The brand strategy is to collect in-store feedback instantly from customers' purchases in order to help Zara's designers to develop new collections. The new fashion collections are available every two weeks in all Zara stores around the world. Zara wants its collections to be seen as unique, including limited available items. Zara wants to provide its customers a feeling of luxury fashion, creating unique collections and unique items, but at affordable prices that do not make the consumers feel cheap. (Tungate 2012, 50.)

Zara manufactures 50 percent of its products in Spain, 26 percent in the rest of Europe and 24 percent is manufactured elsewhere in the world. Zara production costs are 15 to 20 percent higher than its competitors, such as H&M and Uniclo, but the company balances the situation by investing only 0.3 percent of its revenues in advertisement. Competitors invest up to 3.5 percent in advertisement or even more, but Zara produces 12 times faster than the competitors. (Harvard business review 2003.)

In 2006 Zara expanded to the Chinese market. Zara did not sell online in the beginning, but part of its marketing strategy in Europe has changed. In 2012, to cope with the Chinese booming e-commerce market and to reach consumers in smaller cities and towns, Zara launched its own online store in China. The brand for its autumn-winter 2014 collection joined the online Chinese marketplace T-mall, a business-to-consumer (B2C) online retailer, to acquire more market share. Today, Zara operates with over 450 stores in the Chinese market, and for Inditex Group China is its second largest market after Spain. (Kaufmann 2015, 11.)

1.3   Research Topic

This research wants to investigate possible misalignments between Zara's brand identity (company´s perspective) and brand image (from the Chinese consumer´s point of view). The research will focus on studying how the brand is perceived by Chinese consumers.

1.4   Research Aim and Research Questions

The aim of the study is to understand how the brand Zara is perceived by Chinese consumers and if the image of the brand perceived by Chinese consumers corresponds to Zara´s brand identity from the company´s perspective.

To respond to the main interrogative question, "Does the brand identity of Zara correspond with the image of the brand Zara in China?" three investigative questions (IQ) were created:

IQ1: What is the brand identity of Zara?
IQ2: How do consumers perceive the image of Zara in China?
IQ3: Does Zara need to make changes in its identity?

1.5   Demarcation

The demarcation topic of the study is advertisement. The research is purely focused on brand identity studied as the internal image of Zara from the Group Inditex perspective, and brand image, studied as the perception of the brand Zara from the Chinese consumers´ perspective. Advertisement is not considered, because the company does not invest in advertisement. In this particular study, brand is approached from the perspective of functional and symbolic domain.

1.6   International Aspect

The international aspect of the thesis is given by the fusion of the company Zara, a global brand with Spanish roots, and the research topic: "The image of Zara in China".

Through the study, the author also expects to gain deeper knowledge about the Chinese consumer's purchasing behaviour, Chinese culture and branding. All these elements are highly beneficial for the author's success in her career in international marketing and business environment.

1.7   Key Concept Terminology

In this study the author utilizes specific terms, explained below, to enable the reader to have a better understanding of the study.

*Brand: "*A name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers, and to differentiate them from those of competition" (American Marketing Association 2015).

Brand Identity: "A unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members" (Aaker, D. 1996, 68.).

Brand Image: "Is the consumer's perception about a brand, as reflected by the brand associations held in consumer memory" (Keller, Aperia & Georgson 2012, 72.).

Brand Equity: "The intrinsic value of a brand name stems from consumer's perception of the brand´s superiority, the social esteem it provides and the customer's trust and identification with the brand" (Schiffman & Wisenblit 2015).

Customer-based brand equity: "Occurs when the consumer has a high level of awareness and familiarity with the brand and holds some strong, favourable, and unique brand associations in memory" (Keller, Aperia & Georgson 2012, 74).

Consumer behaviour: "Is the study of consumers´ actions during searching, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs." (Schiffman & Wisenblit 2015, 30)

2 Branding

The focus of this chapter is on theoretical concepts, such as brand, brand identity, brand equity, customer based brand equity model and brand image, to understand better the purpose of the research, and for the reader to gain a basic knowledge for the analysis of the research results.

2.1 Brands

Brands are interpreted in various ways: as a logo, as a company, as a personality or as an added value. For this particular study, brand is defined as: "a name, term, sign, symbol, design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition." (The American Marketing Association 2015.)

It can be said, that when a new name is created, a logo or a symbol for a new product, a brand is created. Many, however, describe brand as something that has a certain amount of awareness, reputation, prominence etc. in the marketplace. (Keller, Aperia & Georgson 2012, 4.)

2.2 Brand in Fashion Industry

Traditional marketing is based on existing needs while fashion creates a need where, in reality, there is none (Tungate 2012, 8.). Fashion, based on Tungate (2012), is described as a factory that manufactures desire, while fashion branding is portrayed as a history of seduction. The brand appeal is created in the same way as sex appeal: attracting, engaging and captivating consumers through elements such as appearance, style, or charm. Everything the brand designs is conceived to make consumers fall in love with the brand. (Tungate 2012, 8-9.)

Consumers use fashion brands to construct their self-image. Consumers do not purchase clothes, but instead an identity. This identity is linked to brand values (brand identity) that have been communicated via marketing. (Tungate 2012, 3.)

For example, a woman who dresses for success will purchase business style clothes to build her identity. The brand becomes iconic; the consumer wants to be associated with the

image of the chosen brand. Aaker (1997) defines this process as the consumer's willingness to assign personality characteristics to the brand.

Fashion brand purchase is about personal values and motives. Therefore, it can be said that it involves symbolic consumption: "The term reminds us of the socially assigned meaning to goods, often tied to desirable attributes for certain identifiable groups in specific contexts." (Green Consumerism 2015.)

2.3   Brand as a Functional Domain and Symbolic Domain

Brand value can be perceived in different ways. For this particular study brand value is analysed as a functional and a symbolic domain which is described as the process in which building brand value perception is more important than reality. (Elliot, Percy & Pervan 2007, 4.)

The table below represents the frame of a functional domain (what the product actually does) and symbolic domain (what the product means to us) (Elliot, Percy & Pervan 2007, 4). The model present in table 1 represents the social psychology of the brand and focuses on the level of involvement of the consumer.

Involvement	Brand Attributes	Consumer benefits
Emotional Real	Symbolic Meaning Personality Authentic Reassurance	Social language of the brand • Self enhancement • Self- positioning Transformation of experience Safe choice
Functional Real	Keeping promises of performance	Easy Choice Certainty Replicability of satisfaction

Table 1. The social psychology of the brand. (Elliot, Percy & Pervan 2007, 4)

Social psychology of a brand is about consumers' thoughts, feelings and behaviour towards the brand which are prone to be influenced by others, cultural norms, social situations and the consumer's state of mind.

Based on Elliot, Percy & Pervan (2007), the functional domain of a brand refers to attributes or the performance of the brand that fulfils practical needs ensuring the buyer with a high level of certainty with a simple effortless choice. A product delivering a positive experience can become a buying habit for the consumer resulting in a relationship of trust with the brand. This developed trust relationship with the brand turns the functional domain of the brand into an emotional or a symbolic domain. The more the buyer is involved with the buying decision, the more the decision is led by emotions which lead the buyer to choose a safe choice, a well-known brand. (Elliot, Percy & Pervan 2007, 4-5.)

2.4 Brand Identity

Brand Identity is defined as: "a unique set of brand associations that the brand strategist aspires to create or maintain." These associations represent what the brand stands for and imply a promise to customers from the members of an organization. (Aaker 1996, 68.)

Therefore, it can be said that brand identity is what the firm builds. Brand identity not only represents the promise a brand delivers to its consumers, but it also symbolizes the brand's differentiation from competitors. "Brand identity is tangible and appeals to the senses, fuels recognition and amplifies differentiation." (Wheeler 2009, 4.)

The brand identity can also be seen as brand personality reflecting the personification of the brand through a set of associations (Wayne & MacInnis 2010, 95).
Brands communicate in different ways to consumers' personality traits that consumers identify with, or wish to emulate, such as being young, trendy, wealthy or unique. A strong brand should be able to be seen as a person with a strong identity and social aspects. In order to make this happen, brand managers benefit from the Kapferer's brand identity prism. The model is used to create a brand identity or to assess a brand's strengths and weaknesses.

2.4.1 Brand Identity Prism

The Kapferer's brand identity prism is a model that divides the brand identity into six aspects: physique, personality, culture, relationship, reflection and self-image. These six aspects are divided into two dimensions. The first dimension is represented by the constructed source versus the constructed receiver, and also by externalization versus internalization. The constructed source refers to the physique and personality of the brand, while the constructed receiver refers to the reflection and self-image (consumer's perspective). The sec-

ond dimension is represented by externalization versus internalization. Externalization refers to physique, relationship and reflection. Internalization refers to personality, culture and self-image, aspects that belong to the brand itself. (Kapferer 2012, 158.)

The figure bellow illustrates the brand identity prism model.

Brand Identity Prism

Picture of Recipient

Physique   Personality

Externalisation   Internalisation

Relationship   Culture

Reflection   Self-Image

Picture of Sender
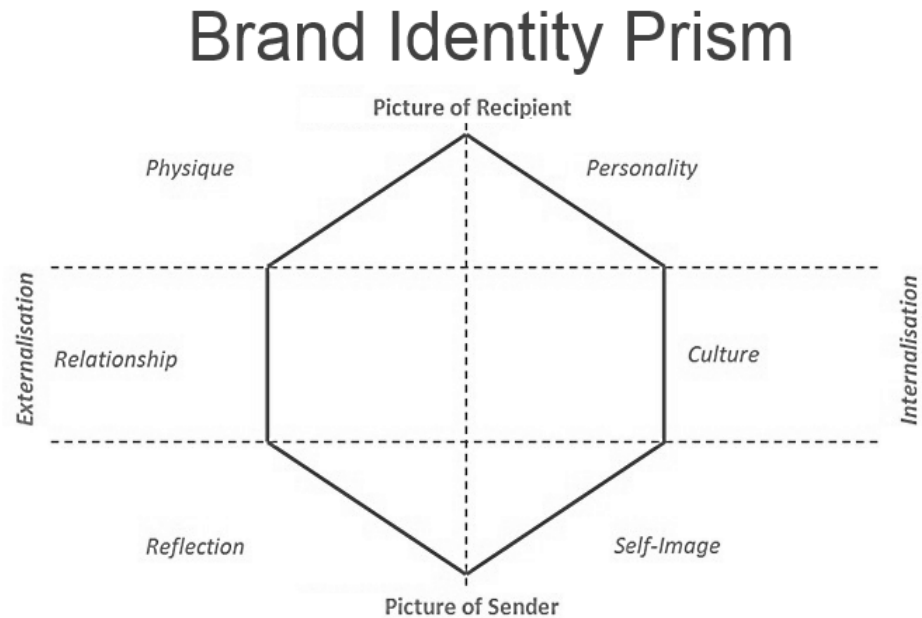
Figure 1. Brand Identity Prism. (Kapferer 2012, 158)

Kapferer (2012) states that these six aspects present in the model can give life to a brand and make it become strong if the brand is able to communicate them all effectively to its consumers.

Physique stands for all the brand's physical features. This aspect represents what the brand evokes in people's minds when the name of the brand is mentioned. Personality refers to the brand's character to those specific character traits that make the brand unique and different than its competitors. Culture in a brand has a direct link between brand and organization. It can be defined as the system of values and basic principles of that particular brand linked to its corporate culture. Relationship refers to the type of relationship the brand stands for, what type of relationship the brand wishes to have with consumers. Reflection makes reference to the reflection of the consumer, the user of the brand to whom the brand will be a source of identification. Self-image refers to what consumers think about the brand. (Kapferer 2012, 158-164.)

2.4.2 Zara's Brand Identity

Zara's brand identity refers to the identity of the brand Zara created from Inditex group. Zara´s identity represents how Inditex group wants Zara to be seen, Zara´s differentiation from competitors and what the brand promises. The brand identity prism present in figure 2 has been elaborated by the author with the information gathered from Inditex Group and other sources of literature. The model aims to clarify the brand identity of Zara, how the brand is constructed, how it wishes to be seen in the market and what traits it wants to communicate.
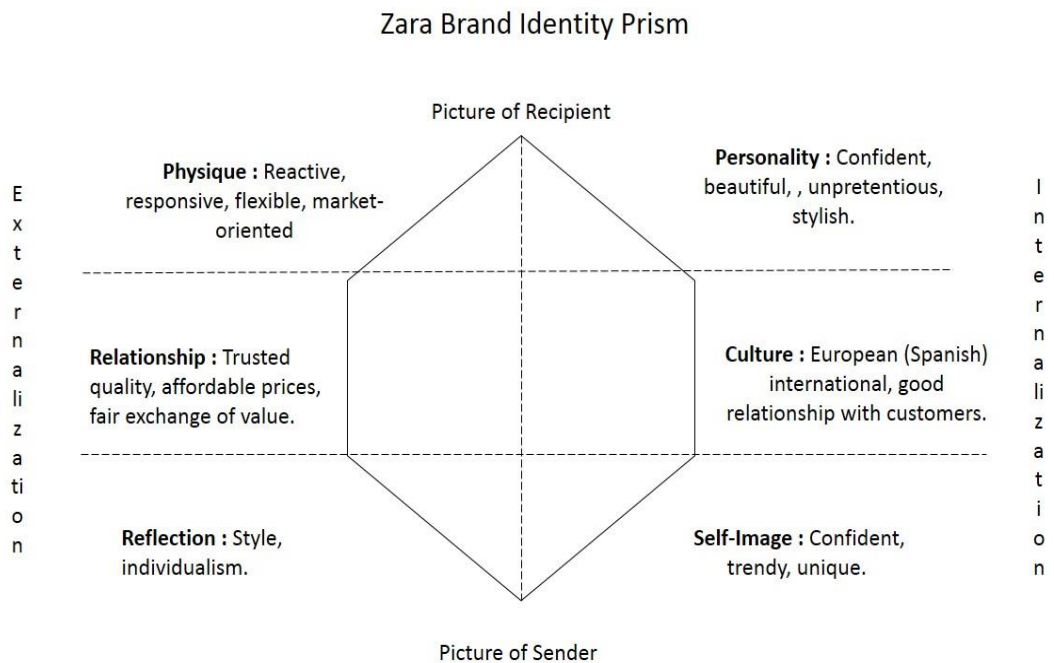
Figure 2. Zara Brand Identity Prism adapted. (Inditex group, Kaufmann, & Tungate 2015)

Zara´s physique is represented by the physical features of high reactiveness, responsiveness, flexibility and market-oriented. This is what the brand aims to evoke in people's minds when Zara is mentioned. These features are created through "two weeks collections" and "in-store feedback collection", fast response to consumer needs. (Inditex group, Kaufmann, & Tungate 2015.)

The brand personality is confident, beautiful, unpretentious and stylish. These traits make the brand Zara unique and different than the competitors. The traits can be seen in its collections, the way stores are decorated, store windows and where stores are located. (Inditex Group, Tungate et al. 2015.)

The brand culture is European, Spanish, but at the same time international and has good relationship with customers. These are the values and principles of Zara´s corporate culture. (Inditex Group, Tungate et al., 2015.)

The relationship with consumers is based on trusted quality and affordable prices resulting in a fair exchange of value. This is the type of relationship the brand wishes to have with its consumers. (Inditex Group, Tungate et al., 2015.)

Zara´s reflection is about style, individualism and assurance. This refers to the reflection of the consumer of which the brand is the source of identification while Zara´s self-image is confident, trendy and unique. This is the way consumers should think about the brand. (Inditex Group, Tungate et al., 2015.)

2.4.3   Brand Equity

Brand equity is defined as: "the essential value of a brand name, which is originated from consumers´ perception of the brand´s superiority, the social esteem that using it provides and the customers' trust and identification with the brand". (Schiffman & Wisenblit 2015.)

Elliot, Percy & Pervan (2012) states that brand equity can be seen from a financial point of view or from a consumer point of view. However, it is highly emphasized by Elliot, Percy & Pervan (2012) that the understanding of brand equity has to come from consumer's point of view, because the financial consequences of brand equity are strictly related to the consumer's perception of added value. Aaker (1995) states that strong brands having positive brand equity also have high market share given by loyal consumers.

2.4.4   Customer Based Brand Equity Model

The customer based brand equity model, CBBE, approaches brand equity from the consumer's perspective. The model follows the principle that the power of a brand lies in the customer's mind, thoughts, feelings, images, beliefs, perceptions and opinions linked to the brand". (Keller 2001, 3.)

Customer based brand equity takes place when the consumer has a high level of aware-ness and familiarity with the brand, and holds some strong, favourable, and unique brand associations in memory. (Keller, Aperia & Georgson 2012, 74.)

To build a strong brand the model establishes four steps as follow:

1. Build a brand identity
2. Create a suitable brand meaning
3. Create and evoke customer responses
4. Establish loyal relationships between customers and the brand.

(Kevin Lane Keller 2001, 3.)

It can be summarized, that these four steps equal to the awareness of the brand which will be influenced by emotional associations which builds brand loyalty. (Elliot, Percy & Pervan 2012, 93.)

Brand awareness is related to the familiarity with the brand, associations attached to the brand which lead to be inclined to like or choose that particular brand. Brand attitude is seen as brand quality that creates positive feelings or attitudes towards the brand. Brand loyalty is the component that will attract new customers through awareness of the brand and reas-surance given by the brand attitude. (Elliot, Percy & Pervan 2012, 93.)

These steps are vital for firms allowing businesses to engage more efficiently with their target customers and allowing the brand to grow further through customer loyalty. The steps mentioned previously correspond to questions customers ask about brands:

1. Who are you? (brand identity)
2. What are you? (brand meaning)
3. What about you? What do I think or feel about you? (brand responses)
4. What about you and me? What kind of association and how much of a connection would I like to have with you? (brand relationships)

(Keller 2001, 5.)

2.4.5 Brand Building Blocks

Brand building blocks present in figure 3 are six blocks which complement the creation of the customer based brand equity model's four steps. The blocks are divided as follows: brand salience, brand performance, brand imagery, brand judgments, brand feelings and brand resonance.
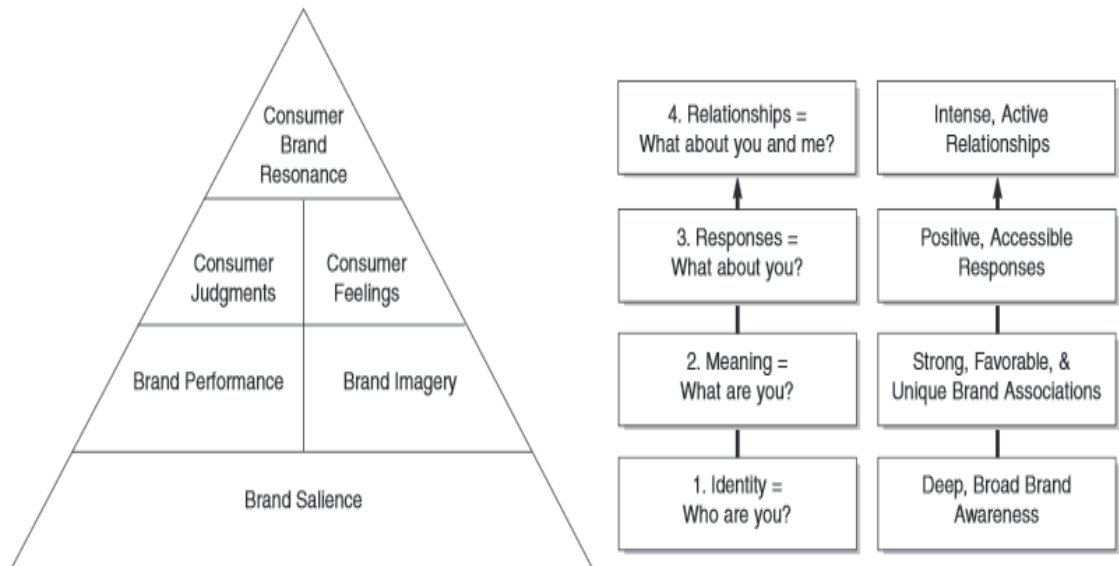
Figure 3. Customer Based Brand Equity Model. (Keller 2001, 7)

1. Brand salience refers to the consumer awareness about the brand. Brand awareness goes beyond predilection for the brand. It involves a brand name, a logo, a symbol and the associations consumers have in their memory related to the brand. These associations create the brand image and give the brand meaning. Brand salience also relates to purchase motivation. (Keller 2001, 8-9.)

2. Brand meaning or image of the brand relates to what the brand symbolizes and portraits in the consumers' minds. Brand meaning can be functional, performance related or abstract linked to imagery related reflections. In both cases the brand associations are created directly from the consumer's own experiences with the brand. The consumer experiences in terms of brand value and performance should respond to meeting or exceeding the consumer's expectations in order to create brand loyalty. As attributes and benefits under functional brand meaning, quality, service effectiveness, product efficiency, style, design and price could be listed. In terms of brand imagery the brand is supposed to meet consumer's psychological or social needs. It refers to intangible aspects of the brand not related to functional

performance such as uniqueness, brand level of sophistication, purchase experience, personality or self-association with the brand. (Keller 2001, 9-13.)

3. Brand response, or brand judgments and feelings, refers to consumers' personal opinions and evaluations of the brand. The responses can either be rational or emotional reactions. Rational responses can be identified as brand quality, credibility and brand superiority. Emotional responses are feelings of security, social approval and self-respect by making the consumer feel a sense of pride by purchasing that brand. The key in terms of brand value is to obtain positive feelings and responses that can favourably impact the brand image. (Keller 2001, 13-14.)

4. Brand relationship, as the term itself explains, relates to the relationship that customers have with brands, a psychological bond which builds loyalty. Brand loyalty or brand resonance can be divided into different categories: behavioural purchases or repeated purchases towards a particular brand, attitudinal attachment or positive attitude towards the brand the brand represent their favourite possession or they love that brand, sense of community consumers feel connected with other people associated with the brand and active engagement consumers willing to invest money, and other resources beyond the purchase on that particular brand. Example: visiting brand websites, interaction in chat rooms or forums and they can become brand ambassadors. (Keller 2001, 15-16).

2.5 Brand Image

There is not much literature about the definition of brand image and it also results fragmented, confusing and often being confused with brand identity. Brand image refers to consumers' perceptions about a brand. Perception, based on Schiffman & Wisenblit (2015), is the process by which individuals select, organize, and interpret external stimuli, "how we see the world around us". In the case of brand image how consumers see the brand or what perceptions they have about a specific brand, is held in the consumer´s memory. (Keller, Aperia & Georgson 2012, 72.)

Brand image can also be seen as: "a subset of salient and feeling-related associations stored in a brand schema" (Wayne & MacInnis 2010, 95). Brand image is about perceptions and associations about the brand in consumers' minds. This image needs to be favourable and positive in order to strengthen the consumer's attitude and influence the choice of purchase. Brand image can be associated with human characteristics, a projected image of the brand as a person. (Fashion brand image marketing 2015).

The idea of brand image is that the consumer is not only buying a product, but also the image the consumer associates to the brand or product. Consumers' associations or ways to perceive brands are also influenced by the way they perceive themselves. Culture, age, gender, status, socioeconomic factors and values also influence consumer perceptions. The associations consumers hold in mind can be linked to emotional or functional attributes or benefits of a specific brand.

In conclusion, brand image is what consumers see in a brand, while brand identity is what the company develops and communicates to consumers. Brand identity is the promise that a brand delivers to consumers, while brand image is the message consumers get, the perception of that brand in the market and the meaning consumers give to it.

2.6 Summary

In this chapter, brand is defined as the combination of name, term, sign, symbol or design intended to identify a seller´s product or a service that differentiates itself from competitors'. In fashion, brands are created to attract consumers through elements of appearance and style. Consumers are supposed to fall in love with the brands.

Brands can be seen as functional domains, "what the product actually does", or as symbolic domains, "what the product means to us", creating a certain level of involvement between the consumer and the brand. In order to be successful, a brand requires an identity which can be defined as a set of associations which represents what the brand stands for, differentiate the brand from competitors and represent what the brand promises to consumers.

To create the brand identity, the Kapferer brand identity prism is used. The model is also used to evaluate brands from internal point of view (business point of view). The model utilizes six aspects of a brand, which are physique, personality, culture, relationship, reflection and self-image, to give life to the brand. If the brand is able to communicate them all effectively to consumers, the brand can become strong. However, a brand to be successful, it needs to be well perceived in the market by its customers who need to have favourable images or perceptions about the brand. To understand whether a brand equity or value of the brand is well perceived in the market, the brand needs to be evaluated. The brand equity can be evaluated from financial point of view or from consumer point of view. It is highly emphasized that brands should be evaluated from consumer point of view as the financial consequences of brand equity are strictly related to the consumer's perception. To assess

the brand equity from consumer's perspective, the Keller brand equity model is used. The model is built on blocks that are divided into brand salience, brand performance, brand imagery, brand judgments, brand feelings, and brand resonance. It can be summarized that all these building blocks together create the brand image.

3   Consumer Behaviour

Consumer behaviour is defined as: "the study of consumers during the activities of information search, purchasing, using, assessing, and disposing of products and services that they expect will satisfy their needs." (Schiffman & Wisenblit 2015, 30.)

Based on Wayne, Hoyer, Deborah & MacInnis (2010), consumer behaviour involves goods, services, activities, experiences, people, and ideas. It explains how individuals make decisions such as what products or brands customers purchase, why and where they buy them, how often they purchase them and how they evaluate the items or brands after the purchase. In marketing, in order to satisfy and understand consumers and their needs, it is necessary to segment or divide consumers into subsets of consumers with common needs or characteristics. (Schiffman & Wisenblit 2015, 34.)

3.1.1   Classical Model of Consumer Choice

Consumer choice is the process consumers go through when making buying decisions. The figure below illustrates the five stages model of consumer buying decisions.

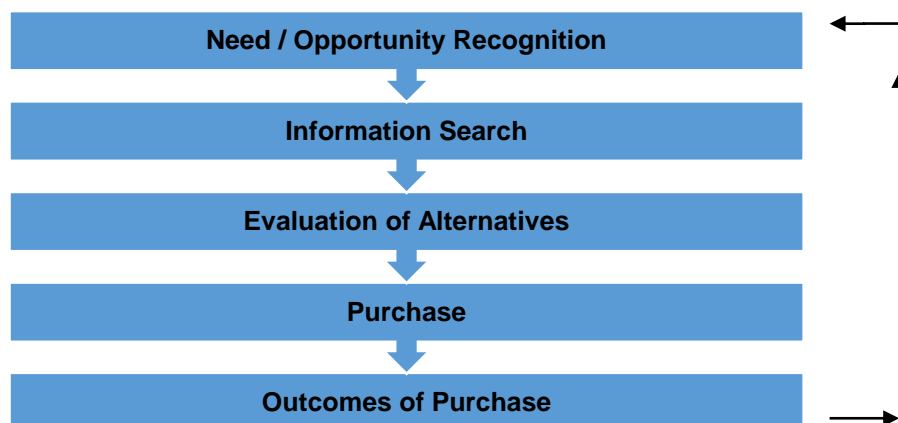Figure 4. Classical model of consumer choice. (Elliot, Percy & Pervan 2007, 6)

The first stage of the model is the recognition of a need or opportunity. It occurs when consumer condition changes creating an opportunity or a real need for consumption. According to Elliot, Percy & Pervan (2007), consumer consumption can be motivated not only by real needs, but also by the desire to imitate other people. Consumers are attracted and

motivated to purchase by being influenced from different elements such as magazines, blogs, advertisement, strive for creating an image or status, and other factors that create opportunities for consumers to purchase. Once the need has been created, the consumer will gather information about a particular product in order to be able to make a buying decision that satisfies a need. As stated by Elliot, Percy & Pervan (2007), information search can be internal or external. Internal information refers to knowledge coming from the consumer's memory while external information relates to information which comes from outside or external sources such as friends, family, other people whose opinions the consumer value, salespeople and from the media. (Schiffman & Wisenblit 2015, 144.)

Consumers will dedicate more time to search for information when they associate a high degree of risk linked to the purchase. Consumers can avoid the degree of risk on their buying decision remaining loyal to a brand they rely on and trust, such as well-known brands. (Schiffman & Wisenblit 2015 144.)

On the contrary, Elliot, Percy & Pervan (2007) argues that there is a tendency from consumers to engage in minimal search of information. After the research for information is concluded, the consumer will move towards evaluating alternatives or assessing options about products that fulfil his or her needs in comparison with competitors' alternative product attributes that can be functional, symbolic, or emotional. (Elliot, Percy & Pervan 2007, 7.)

Blackwell, Miniard & Engel (2006) define the product attributes as the standards used to compare different products and brands. Product attributes can be divided into silent attributes and determinant attributes. Silent attributes are elements that do not change considerably between the same type of products like price or variability. Determinant attributes dictate why buyers choose that particular brand or product.

Elliot, Percy & Pervan (2007) state that buyers have shifted to simplified decisions known as "rules of thumb", or shortcut buying decision such as buying the cheapest brand or item, or buying what their family used to buy. Moreover, consumers, when having difficulties making comparisons such as comparing price and quality, often implement "market belief", defined as a correlation between a particular brand and specific brand attributes, to simplify their decision and evaluation activity.

After the consumer has made a decision, the purchase can be made. According to Elliot, Percy & Pervan (2007), there are some factors, like time, that can interfere between purchase intention and actual purchase. The quicker the purchase takes place, the lower is the

risk related to the consumer's change of opinion about the brand or product. After the purchase has been made, the consumer will evaluate the level of product satisfaction based on his or her expectations and product performance. This post purchase evaluation will involve satisfaction or dissatisfaction with the purchase decision.

The model analysed in figure 4 is applied mainly to products of high customer involvement. Schiffman & Wisenblit (2015) defines consumer involvement as the level of importance a product can have for a consumer and therefore, high involvement purchase products can be defined as very important products for consumers. Elliot, Percy & Pervan (2007) states that the elements that create high involvement purchase are price, frequency of the purchase, symbolic meaning, social visibility, time commitment, potential for harm and technical complexity.

3.1.2   Consumer Behaviour in Fashion

Consumer behaviour in fashion slightly differs from the classical consumer behaviour, as fashion creates a need where, in reality, there is none (Tungate 2012, 8). In fashion, purchases are mainly driven by emotions rather than necessities. The motives that make consumers purchase in fashion can be divided into rational, emotional and patronage motives.

Rational motives refer to consumers that consider price, care, warranties, service ability and safety. Rational motives usually characterize fashion conscious consumers. Emotional motives relates to consumers whose need is to strive for achieving prestige, status and social acceptance through fashion and prestigious signatures. Patronage motives relates to features such as vendor service, sales attention, convenience, merchandise assortment, retailer offers, a mix of merchandise and service that drives the fashion consumer to purchase at that particular place, store, outlet, mall or by that particular brand. Fashion retailers will always try to use emotional motives to incite consumers to purchase their brand and products. (Diamond 2005, 72-74.)

3.1.3   The Self -Concept Theory

Every consumer is different, because every consumer perceives him- or herself in a different way. The self -concept theory analyses how the self-image influences the way a consumer will perceive the brand and its image. The concept of self, based on this theory, is divided into four concepts: real self, ideal self, other self and ideal other. The real self relates to how the consumer perceives him- or herself. The ideal self refers to the concept of how

the consumer would like to be. The other self is the concept where the consumer's self-image is composed of real self and ideal self. Finally, the ideal other is how the consumer would like to be perceived by others. (Diamond 2005, 76.)

3.2 How Culture Influences Consumer Behaviour

Cultural values vary from country to country. These elements influence the consumer's way to evaluate products or brands, the way consumers make decisions, their level of satisfaction, their perceptions, expectations and associations they make towards products or brands. Schiffman & Wisenblit (2015), describes culture as norms, customs and shared values of a society which express principles, standards and priorities.

3.2.1 The Hofstede's Cultural Dimensions

The Hofstede model distinguishes different values in different cultures based on five dimensions: power distance, individualism/collectivism, masculinity/femininity, uncertainty avoidance, and long-/short-term orientation. (International Journal of Advertising 2010, 88.)

Power distance refers to the measure by which the unequal distribution of power is accepted and expected by weak members of the society. Individualism/collectivism is about people taking care of themselves and their family only, versus people belonging to groups that look after them in exchange for loyalty. Masculinity/femininity refers to values of masculine societies or societies where achievement and success are the base, or feminine societies where dominant values are caring for others and quality of life. Uncertainty/avoidance refers to the degree to which people feel exposed to uncertainty and ambiguity and try to avoid these situations. Long-/short-term orientation refers to pragmatic, future-orientated or conventional historic societies. (The Hofstede Centre 2015.)

3.2.2 Understanding Chinese consumers

Chinese culture, based on the 6-D Model of Geert Hofstede, has a strong power of distance. Chinese believe inequalities are acceptable among the society and people is led by authorities and leaders. Chinese society is a collectivistic society where personal relationships are important together with commitment and respect towards the community. In collectivistic societies self-image is defined by how the community perceives the member and where individualism is avoided. Chinese society is a masculine society where work, goals and

success are more important than leisure. Family can also be sacrificed in order to obtain success. Chinese culture is pragmatic or long-term oriented. (The Hofstede Centre 2015.)

Chinese traditional consumers' mind-set is highly influenced by their culture and pragmatism. They focus on quality, value, giving great effort to research, and evaluating features and benefits of products. They also focus on price comparison, since value for money is important. Impulsive purchases are not common among traditional Chinese consumers. The reasons for this are Confucianism values, suppression of own personal needs, placing family first and collective responsibility seen as right behaviour. (Chan & Zakkour 2014, 152-153.)

Fast changing lifestyles and growing economy in China have brought a new mind-set adopted mainly by the middle class and consumers under 50 years old. Modern Chinese consumers are very brand and price aware, due to their extensive research about products and brands, mainly online. However, they are not very brand loyal and in many cases not price sensitive either. The new mind-set, "have to have it", compromises cultural values of Confucianism, sacrifice or modest lifestyle and it is willing to purchase items that can provide them status. It is a way to demonstrate who they are in the society. (Chan & Zakkour 2014, 156-157.)

Besides being made based on extensive research, Chinese consumer purchase decisions are also based on recommendations of trusted friends and family. In terms of fashion, Chinese modern middle class consumers have their own sense of style and fashion. The "youth movement", young consumers, see accessible luxury brands as indicators of status, individuality and lifestyle orientation. However, as the economy grows, Chinese middle class consumers are very slowly shifting their values of status, or status symbols, to more individualistic values, and becoming more interested in their own life style rather than in how they are perceived in the society. (Chan & Zakkour 2014, 182-187.)

3.2.3 Summary

In this chapter, consumer behaviour is defined by the activities of information search, purchasing, using, assessing, and disposing of products and services that are expected to satisfy consumer needs. These are studied in detail through the classical model of consumer behaviour. However, in fashion, consumers are mainly driven by emotions rather than necessities. Consumer choices, way to evaluate products or brands, make decisions, level of satisfaction, perceptions, expectations and associations towards products or brands are highly influenced by self-image. Cultural values vary from country to country and in a collectivistic and pragmatic society like the Chinese society, consumers focus on quality,

value, features and benefits of products, and value for money. Traditional Chinese consumers avoid impulsive purchase. Lifestyle and economy in China have brought a new mindset adopted mainly by middle class young consumers or "have to have it" consumers who compromise cultural values and modesty standing for differentiation and purchasing items that can provide them status and can demonstrate who they are in the society.

4 Research Methodology and Results

This chapter explains in detail the research methods and methodology, process implementation, data collection and results.

4.1 Research Approach

Research, in a board sense, can be defined as the process of designing, gathering, analysing and reporting data that can be used to answer to a specific question or prove a hypothesis. (Burns & Bush 2014, 33.)

This study aims to answer the main interrogative question: "Does the brand identity of Zara correspond with the image of the brand Zara in China?" To respond to this specific question, pluralistic research approach has been chosen.

There are different types of research: qualitative, quantitative or pluralistic research. Quantitative research involves structured questions with pre-determinate response options. Qualitative research involves collecting, analysing, interpreting and observing data. Pluralistic research is the combination of both quantitative and qualitative research. Secondary data refers to information collected by other researchers for different purposes or studies. The advantages of secondary data are that the data is easy and fast to obtain. The disadvantage of secondary data is that the data might be outdated, not collected for that specific research problem and credibility of the data might be hard to assess. (Burns & Bush 2014, 126-147.)

The author needed to collect background information as it was not possible to gather direct information from Inditex Group, Zara. The author contacted Inditex Group, Zara in Spain, but the response was that the group does not provide internal information. In order to proceed with the study, secondary data was carefully analysed and collected from existing case analysis and published sources such as books and journal articles about Zara. As much meaningful secondary data and background knowledge about Inditex Group and Zara as possible was collected. Outdated information and not reliable sources were left out from

the selection of secondary data. It would have been highly beneficial to have internal information from Inditex Group, Zara for this particular study of brand image of Zara in the Chinese market as there are no similar studies about Zara in the Chinese market.

4.1.1 Research Design

Originally, the study started as a qualitative research with in-depth interviews. In-depth interviews (IDI) usually involve a small group of respondents. It is conducted by a researcher with a certain conversation style to understand motives, behaviours, perceptions or aptitudes of the respondents. (Burns & Bush 2014, 157.)

These in-depth interviews aimed to understand perceptions towards the brand image of Zara from Chinese consumers' perspective. The respondent group was a dual gender, younger consumer group, composed of six Chinese students from Haaga Helia University of Applied Sciences and who are also Zara customers in China. The group was composed of two males of nineteen years old and four girls between eighteen and twenty three years old. The respondents were interviewed separately. The questions were based on Customer Based Brand Equity theory (chapter 2.4.4 and 2.4.5). The advantage of in-depth interviews is that precise information can be obtained. (Burns & Bush 2014, 157.)

The in-depth interviews were not recorded respecting the privacy wishes of the respondents. The respondents were very introspective with their responses about the brand which helped the author to gain deeper understanding about Chinese consumer behaviour and perceptions towards the image of Zara in China. In-depth interviews together with the theoretical framework and collected secondary data established the groundwork for the research.

4.1.2 Survey

The information gathered for research can be gathered though primary data or secondary data. Primary data refers to original data collected by the researcher after he or she has gained some background information. The most common ways to collect primary data are interviews and ready-made surveys. (Burns & Bush 2014, 74.)

After the in-depth interviews and desktop research process, the author was able to understand that a larger sample of Chinese respondents was needed to respond to the main

research question of the study. Therefore, another design to collect data that was more suitable for a larger number of respondents was required. The chosen design was a survey.

Survey is a pre-designed questionnaire, which involves interviews with a large number of respondents. The author, before creating the survey, considered the advantages and disadvantages of using a survey. The advantages of surveys are that they are easy to administer, easy to analyse and the respondents can be divided into subgroups (age group or gender group). The divisions are made to obtain comparisons and analyse the differences. Surveys are standard forms with standard questions. (Burns & Bush 2014, 75,172-178.)

The advantages corresponded with the needs of the author and research. The survey needed to be translated from English to Chinese. The author aimed to gain more meaningful information dividing the respondents of the survey into subgroups based on gender, age and income. There was also the need to be as accurate as possible collecting and analysing results. To avoid inaccuracies, quantitative analysis was chosen and a self-administrated survey with a five point Likert scale seemed to be the most suitable choice. The Likert scale is an interval scale that measures the intensity of agreement or disagreement (Burns & Bush 2014, 203).

Self-administered survey can be defined as the type of questionnaire that is completed by the respondent on his – her own without the presence of an interviewer. (Burns & Bush 2014, 172-178.)

The disadvantages of self-administered surveys were also considered. These types of surveys are not as useful as in-depth interviews to gain deep knowledge about a topic. The interviewer cannot monitor the respondent and as a result, the respondent might not understand the survey instructions or might not complete the survey (Burns & Bush 2014, 172-178). To minimize misunderstanding with the survey instructions, the author created a survey made of statements where the respondent is asked to tick boxes. To minimize uncompleted surveys, the surveys were tested in advance with Chinese students from Haaga-Helia so they would not take more than 15-20 minutes to complete.

As mentioned earlier, this research aims to answer to the main interrogative question: "Does the brand identity of Zara correspond with image of the brand Zara in China?" To respond to this question, three investigative questions were developed. The investigative questions can be found listed below in the overlay matrix for research.

Research Objectives	Investigative questions	Answers
Does the brand identity of Zara correspond with Image of the brand Zara in China?"	What is the brand identity of Zara?	Zara Brand Identity from Inditex group's perspective Chapter 2.4.2
	How do consumers perceive the image of Zara in China?	Survey Measurement questions based on Keller´s Customer Based Brand Equity Model • Brand awareness • Brand performance • Brand Response (judgments- feelings) • Brand resonance
	Does Zara need to make changes in its identity?	Discussion

Table 2. Overlay matrix for research

The first interrogative question is answered by the existing brand identity of Zara (chapter 2.4.2). The existing brand identity of Zara was elaborated through secondary data and desktop research. The author developed 38 measurement questions, pre-tested during the survey creation phase, to find out the perception of the image of the Brand Zara in China from the Chinese consumers' point of view. The measurement questions were designed based on Keller's Customer Based Brand Equity Model (Chapter 2.4.3) which is used to understand the brand image from consumer´s point of view. The questions are related to brand attributes, benefits, awareness, emotions and advertisement. The section about advertisement was designed to understand consumer preferences about the type of advertisement, as Zara does not focus on investing in advertisement (Chapter 1.2), and if Zara stands out among its competitors, since brand awareness and uniqueness are vital elements based on brand equity theory (Chapter 2.4.3).

4.1.3   Sampling

China has a vast population and therefore, to gather enough data, a sample size of 300 respondents for the ready-made survey was chosen. The sample size was composed of Zara´s customers living in China in the cities of Shanghai, Beijing and Chengdu. The cities were selected based on Zara´s marketing strategy: "opening stores in tier cities" (chapter 1.2), and also by the need to understand the perception of who buys in-store and not who

buys online. In small cities Zara has no stores (Chapter 1.2). In the survey the respondents are divided into subgroups by age, gender and income. The aim of the subdivision is to obtain comparisons on perceptions, and accurate and meaningful data for this particular study.

The information about the income is provided by National Bureau of Statistics of China website. The income reported in the survey refers to the income generated in big cities reported in Euros. In China, a huge gap in income is present between small and big cities. Therefore, this survey's income subgroup is customized for big cities. The age subgroup was chosen based on Zara´s customer target group (Chapter 1.2). The gender subgroup was chosen to compare males' and females' perceptions towards the brand and to gain, if possible, more meaningful insights about the brand image from each gender´s perspective.

The original ready-made survey was written in English (Appendix 1) and translated in Chinese by a native speaker (Appendix 2). The research method for the survey is quantitative research with a five point Likert scale. The survey was created using Webropol software, a simple way to gather data into electronic forms and easily delivered via emails. The data was collected through email surveys. The email surveys reached Zara´s customers through the author's contacts in China who distributed the emails to their contacts in Shanghai, Beijing and Chengdu. To avoid that no Zara customers responded to the survey, an initial part of the survey was created asking the respondent whether she or he was a Zara customer, and if not, the respondent was not able to proceed with the survey. (Appendix 1)

4.1.4   Survey Limitations

The interviews are administrated via email to Chinese Zara´s customers. Email surveys usually present a low response rate. In the case of not enough responses are gathered from the email surveys, the survey will be carried out in Finland by selecting only Chinese people and possibly Zara´s customers living in Finland. The time frame is three months for this research. In order to obtain updated information, if not sufficient data is collected in the time frame from 26Th April to end of July 2015, the research will be carried out in Finland and will be started all over again without considering the data collected in China.

4.2   Results

The survey (Appendix 1) aims to answer to the interrogative question "How do consumers perceive the image of Zara in China?" 300 email surveys were sent, 220 were responded

and 80 were rejected or did not reach the respondents. 200 females and 20 males, customers of Zara in China, responded to this survey.
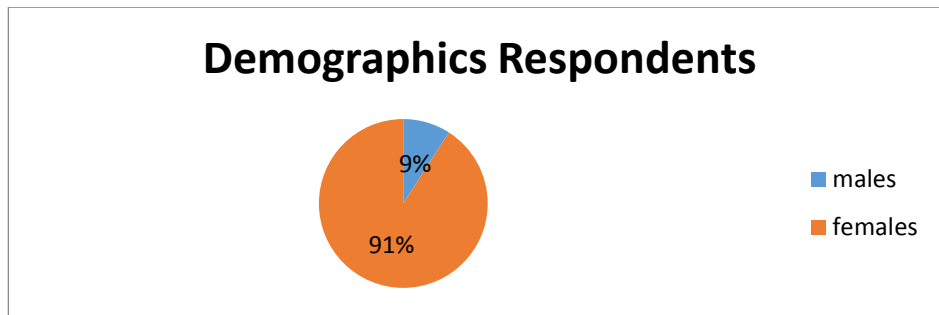
Figure 5. Demographics respondents

The results (Appendix 3) are analysed based on every section of the survey. The evaluation of the results is made on the average of the outcomes based on gender, income and age subgroups. Only relevant findings based on gender, income and age subgroups are analysed and reported in the results. Detailed results based on gender, income and age subgroups can be found in Appendix 4. The survey presented three income subgroups. Low income subgroup was not reached and, therefore, results based on income are only analysed from medium and high income point of views.

4.2.1 Zara Brand Awareness

This section analyses brand awareness and aims to understand how well the brand Zara is recognized in China by Chinese consumers. The figure below illustrates averages of the results of this survey segment. The scale used for this section of the survey is: 1=not aware at all, 2=slightly aware, 3=somewhat aware, 4=moderately aware, 5=extremely aware. To see detailed results please refer to Appendix 4.
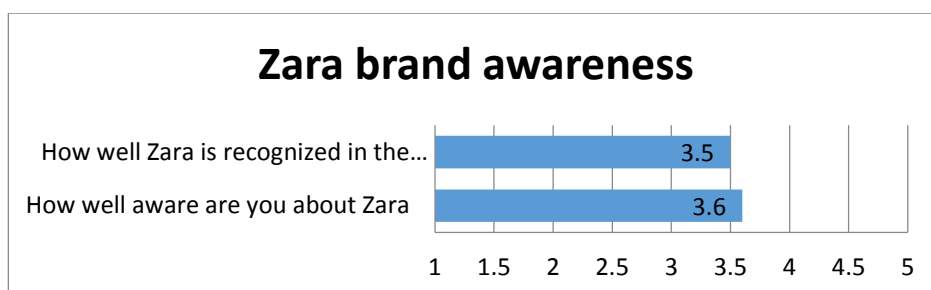
Figure 6. Zara brand awareness.

Based on the findings, the awareness of the brand Zara is rated as 3.5 and, therefore, it results that the brand is recognized in China and by Chinese consumers. The highest awareness rate is given by young consumers from 18 to 25 years who rate awareness of the brand as 4. The lowest awareness rate belongs to the + 36 age group who evaluated their level of awareness of the brand Zara as 3.

4.2.2 Zara Attributes and Benefits

This section of the survey aims to understand Zara's brand meaning through the benefits and attributes of the brand. The figure below illustrates the results of this survey section. The scale used in this section is as follows: 1=poor, 2=fair, 3=good, 4=very good, 5=excellent. To see detailed results please refer to Appendix 4.
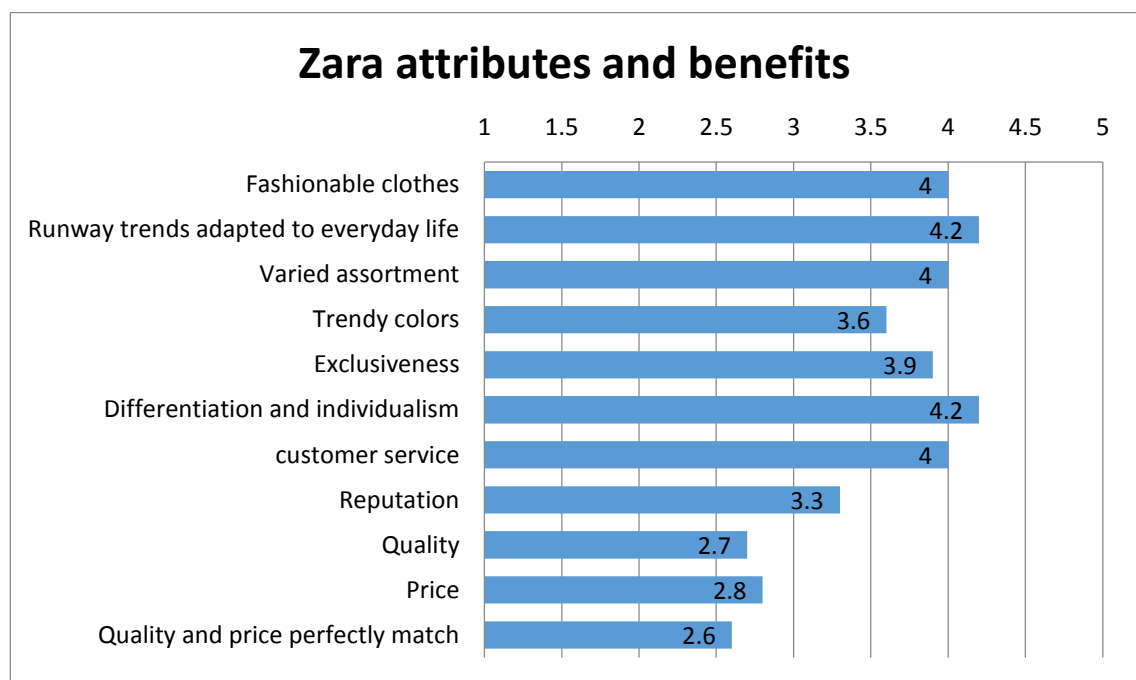
Figure 7. Zara attributes and benefits.

Zara is perceived on average as very good with the attributes and benefits of fashionable clothes, runaway trends adapted to everyday life, varied assortment, and trendiness of colours, exclusiveness, differentiation, individualism and customer service. Differentiation and individualism results a strong attribute of the brand seen as excellent from the age group from 18 to 25 years old. High income consumers' perception of differentiation and individualism of the brand is rated almost very good, 3.5 (see Appendix 4).

On average, reputation of the brand is perceived as good (3.3). Consumers of 18 to 25 years of age see Zara's reputation very good giving a score of 4. Quality and price result to be weak attributes of the brand. The age group from 18 to 25 years old, the age group from

26 to 35 years old and high income group see prices and quality as good evaluating them with a score of 3. Medium income respondents see Zara's price as almost good, 2.5. Overall, the "Quality and price perfectly match" -statement is seen as only almost good being evaluated as 2.6 and becoming a weak point for the brand image of Zara. Based on the findings, it can be said that the biggest differences about brand meaning are among the high income and medium income groups, and also among age groups. Younger consumers perceive the brand better.

4.2.3 Zara Emotions Judgement and Loyalty

This first section of the survey aims to study consumers' personal opinions, evaluations and loyalty towards the brand. The section is divided into three segments. The table below illustrates the findings on average for the first segment of this section. The scale used in this section is as follows: 1=Very Unlikely, 2=Unlikely, 3=Somewhat Unlikely, 4=Likely, 5=Very Likely. To see detailed results please refer to Appendix 4.
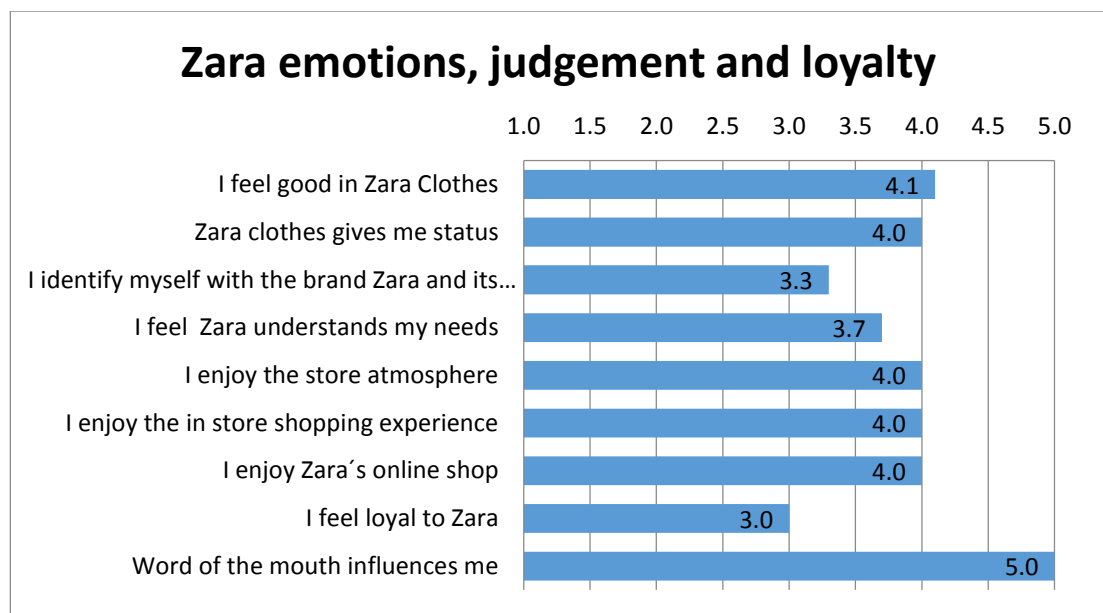
Figure 8. Zara emotions, judgement and loyalty

Based on the results the survey demonstrates a positive evaluation of feelings about wearing the brand Zara, evaluated as 4. The brand is able to make consumers feel good and to provide them status. The identification with the brand and the ability to understand Chinese consumer's needs fall in the category of somewhat unlikely. The shopping experience in-store and online, results enjoyable scoring 4. The loyalty towards to the brand is evaluated

as 2.6, which demonstrate weak loyalty feelings towards the brand. Males, high income group and + 36 age group demonstrated the lowest loyalty feelings towards the brand.

Highest loyalty is represented by the age group from 18 to 25 years old who evaluated their feeling of loyalty as strong with 4.2. Medium income group evaluated loyalty with 3 while females evaluated with 3.1. Loyalty engagement towards Zara is perceived as favourable. Also in this segment of the survey the youngest consumer group represents the group who evaluates better the brand Zara. All the respondent groups gave the statement: "Does the word of the mouth/reputation influences you", a score of 5.

The second survey segment of emotions, judgement and loyalty represented in the chart below aims to study consumer evaluation of alternatives based on attributes and performance compared with competitors. The scale used for this section is as follows: 1=poor, 2=fair, 3= good, 4= very good, 5= excellent

How well do the following factors differentiate Zara from its competitors?

Factor	Score
Reputation	3.4
Assortment	4.1
Quality	2.7
Price	2.7
Colors	3.9
Style	4.2
Collections	4.2
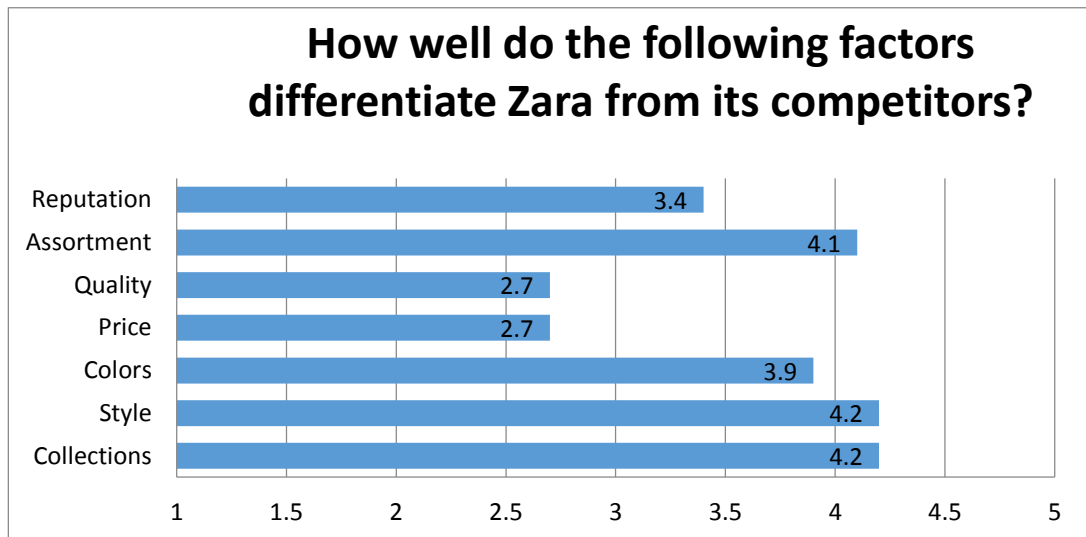
Figure 9. How well do the following factors differentiate Zara from its competitors?

Zara collections and style, evaluated as good or 4.2, are considered the main factors of differentiation of the brand compared to competitors. Medium income group rated collections as excellent (5), while the age group from 18 to 25 years old rated style with 5. Colours are ranked differently between respondents. Males evaluated them with 3.5, while high income group with 4 and age group from 26 to 35 years old evaluated them with 4. The youngest respondent group from 18 to 25 years old evaluated colours as 5. On average, females rated colours with 3 and males 3.5. Price and quality score 2.7 on average resulting as weak attributes or benefits. Reputation on average is evaluated as 3.4, or good.

The last survey segment related to emotions, judgment and loyalty, represented in the pie chart below, aims to study the consumers' preferences towards competitors and their loyalty associations.

What store comes first in your mind if you need to shop clothes?

0%
76%
63%
24%
31%

■ H&M ■ Uniclo ■ Metersbourg ■ Zara
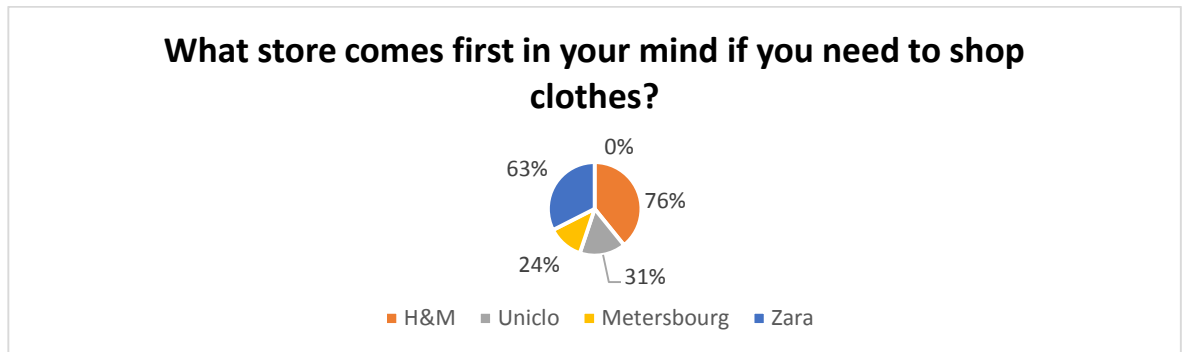
Figure 10. What store comes first in your mind if you need to shop clothes?

In this segment most of the respondents have chosen H&M. The highest percentages for H&M were given from the medium income with 80 percent, from the age group 18 to 25 years old scoring 95 percent and from the age group 26 to 35 years old scoring 90 percent. The age group 36+, high income group and females group preferred H&M by 70 percent. The findings demonstrate that Zara is not the first store that comes in Chinese consumer minds showing weak loyalty.

4.3   Summary

In this chapter the appropriateness of the research methods and methodology were discussed. The survey results were carefully selected and discussed proving the answer to the interrogative question: "How do consumers perceive the image of Zara in China?" The image of the brand Zara is perceived on average as good, evaluated with favourable associations and perceptions. Associations towards price and quality are not strong enough. The main results of the survey will be argued together with the theory in chapter five.

5 Discussion

This chapter discusses the major findings of the study based on the data collected and data analysis. The chapter also argues reliability and validity of the study, suggestions for further research and personal learning process of the author.

5.1 Interpretation of Results

The table below illustrates the survey's main findings underlying strong and weak factors of Zara brand image in the Chinese market.

Zara strong attributes and benefits	Mean	Zara weak attributes and benefits	Mean
Runway trends adapted to everyday life	4.2	Quality	2.7
Differentiation and individualism	4.2	Price	2.8
		Quality and price perfectly match	2.6
Strong differentiation associations from competitors – strong feelings.	Mean	Weak differentiation associations from competitors	Mean
Collections	4.2	Price	2.7
Style	4.2	Quality	2.7
I feel good in Zara´s clothes	4,1		
Zara clothes gives me status	4,0		
Which store comes first in your mind if your need to purchase clothes			
H&M 76%		Zara 63%	

Table 3. Survey main findings

The main findings of the survey indicate that quality and price associations impact the image of the brand Zara in China. The survey also reveals that 76 percent of the respondents prefer H&M instead of Zara indicating a weak level of engagement with the brand.

Strong perceptions and associations towards the brand mainly come from brand imagery. According to Keller (2001), imagery relates to psychological needs. The key in terms of brand value is to obtain positive feelings and responses that can favourably impact the brand image (Kevin Lane Keller 2001, 13-14). These positive images can strengthen the consumer attitude to purchase (chapter 2.5). "Feeling good in Zara´s clothes" and "Zara clothes gives me status" are both the positive feelings associated to the brand. According to Keller (2001), a suitable brand meaning creates strong and unique associations with the brand. Based on the findings, these positive associations are demonstrated with runway trends adapted to everyday life, differentiation and individualism.

As it can be seen from the table above weak perceptions and associations are related to brand performance in terms of price and quality also when the brand is compared to competitors. Brand performance is an integrative part of brand value. According to Keller (2001), consumer experiences in terms of brand value and performance should respond meeting or exceeding the consumer expectations in order to create brand loyalty. Based on the findings Zara does not exceed these expectations in terms of price and quality.

Based on the findings, brand loyalty is not strong towards Zara. H&M is the first store that comes in mind of the respondents while Zara is the second. According to Aaker (1995), strong brands with positive brand equity (chapter 2.4.3) also have a high market share given by loyal consumers and according to Keller (2001); the aim of a brand should be to establish loyal relationships between customers and the brand.

Brand Relationship, as the term itself explains, relates to the type of relationship that customers have with brands or the psychological bond with the brand that builds loyalty. (Kevin Lane Keller 2001, 15-16). Therefore, it can be concluded that price and quality affect the level of engagement or relationship with the brand creating a slight misalignment of the brand image of Zara in China with the brand Identity of Zara (chapter 2.4).

The figure below compares brand identity of Zara with brand image of Zara from Chinese perspective. The figure aims to underline where the misalignment is found.

Zara Brand Identity Company perspective	Zara Brand Image Chinese Consumers perspective
Physique: Reactive, responsive and flexible and market-oriented.	**Physique :** Responsive, reactive,
Personality: Confident, beautiful, unpretentious and stylish.	**Personality:** Confident, beautiful and stylish.
Relationship: Trusted quality, affordable prices, fair exchange of value.	**Relationship:** Quality and price don't match quality and price weak.
Reflection: Style and individualism.	**Reflection:** Style and differentiation.
Self-Image: Confident, trendy and unique**.**	**Self-Image:** Trendy and status.
Culture: European (Spanish) international, good relationship with customers.	**Culture:** European (Spanish) international, good relationship with customers.

Table 4. Comparison Zara brand identity with brand image in China.

The general conclusion of the study reveals that the overall brand image of Zara in China is well perceived. However, relationship is the only aspect of brand identity that does not match with the percieved brand image in china.

To finalize, does Zara need to make changes in its identity? It might be beneficial for the company to refresh favourable perceptions for price and quality, and increase reputation to gain loyalty. This section will be discussed in details in suggestions for further research (chapter 5.3).

5.2 Reliability and Validity

Reliability of a study refers to similar or identical responses from the same respondent. Validity, on the other hand, refers to accuracy and truthfulness of the responses measured. (Burns & Bush 2014, 214.)

Burns & Bush (2014), state that evaluating reliability and validity of a quantitative study is based on evaluation of the quality of data and appropriateness of the research methodology used. The following factors need to be considered to ensure reliability and validity:

- Questionnaire design
- Administering a questionnaire
- Data integrity
- Appropriate analysis strategy

Survey design influences the nature of the information gathered. In order to keep reliability and validity of the study, the survey was precisely and carefully developed following Keller's Customer Based Brand Equity Model (Chapter 2.4.3).

The author tried to avoid misleading questions and, therefore, the questions present in the survey are not open questions. The questions are simple, brief, clear and they are present as statements to evaluate by a Likert scale of one to five. The survey was pre-tested to guarantee that the questions and scales where understandable to the Chinese respondents. The reason behind this choice was to avoid question bias, provide easiness with survey instructions for respondents, as the questionnaire was self-administrated, and to ensure accuracy in collecting the data, since translations of open questions from Chinese to English might not be accurate. The author tried to minimize any possible no response error of this email survey by avoiding sensitive questions. Statements were carefully chosen and pre-tested so respondents would have less chance to answer to specific questions. The author

will consider in this study the measuring of non-response error on the criteria of completed surveys and refusals/not reached surveys. (Burns & Bush 2014, 301-305.)

The author for this study considered ethical points. Based on Shamoo & Resnik (2009), the most important ethical points to consider are honesty and integrity, reporting data and results, objectivity, avoiding question bias, data analysis and other aspects of the study. Also carefulness in data collection, research design, openness of sharing data and results are points to consider.

5.3 Suggestions for Further Research

Based on this study it might be beneficial to study and analyse the low income subgroup that could not be reached through this survey to fully understand how they perceive the image of Zara or if they purchase Zara´s clothes.

Comparative studies about Zara´s competitors by analysing price, quality and loyalty could be profitable in order to understand how the relationship with customers can be improved. To this study could be added further research aimed to identify the needs and desires of Chinese consumers for price and quality. Once those are identified Zara can increase loyalty and, potentially, grow its customer base. The type of research suggested should implement the consumer relationship model and consider variables such as customer demographics (age, gender and income).

A study aimed to identify the expectations of the Chinese consumers towards European fast fashion brands would be also beneficial for the company. It is essential to fully understand Chinese consumers' expectations and possibly adapt them to products in order to increase loyalty and market share. This study should also consider customer demographics.

The company might also like to consider how to enhance communication. Perhaps the company could develop a better way to communicate the type of relationship that it wishes to have with its Chinese consumers through strategies such as loyalty programs that can raise consumer involvement towards the brand. The idea behind this suggestion is not to change Zara´s advertisement policy, but simply finding more suitable ways to transfer the message of what kind of relationship Zara wishes to have with its Chinese consumers.

5.4 Personal Learning Process

Writing my thesis was a truly interesting and challenging process. My main objective was to gain academic knowledge that could support my own professional development in my future career. I took the risk of writing a thesis without a case company which incremented the challenges during the thesis writing process as I did not have any internal information available. I needed to create a valuable and innovative topic of which the company, Zara, could have benefited. As many have already analysed Zara, I made sure my study was an innovative topic and not an existing one.

I studied a vast amount of literature gaining knowledge in branding, fashion retail management, consumer behaviour and fast fashion retailers' marketing procedures. I made sure I was able to discuss brand identity and brand image properly, but also to be able to apply the concepts in practice. It was hard to elaborate the brand image section, as not much literature was available. I invested a large amount of time increasing my knowledge in consumer behaviour in fashion retail, but mainly studying about Chinese consumers. It was very interesting to learn and understand how Chinese consumers implement their decision making processes. I was also able to deepen my knowledge about the Chinese culture.

Through the empirical part I was able to develop more my analytical skills as a business student. It was challenging to discuss and organize all in an understandable way for the reader. I have learnt more about research methodologies through this thesis. Collecting data was the part that took most of the time during the thesis process. All in all, I am very satisfied with my learning process and also with the new insights I gained through this study. It was an excellent base for my future career and for my future studies at master level in branding.

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Appendices

Appendix 1: Survey

This survey is a Zara customer study for my thesis. Your answer is very valuable to my research. It will not take longer than 15 minutes of your time to answer to this questionnaire.
Thank you in advance for your collaboration!

Please, tick the box

Are you Zara´s customer?	Yes	No

(If the respondent ticks no is rejected from the survey)
Thank you!

Background variables

Please, thick the box

Gender	Female	Male	
Age	18-25	26-35	36+
Income	800€	2000€	3500€

Evaluate in a scale from 1 to 5 the following statements. (1=not aware at all, 2= slightly aware, 3= somewhat aware, 4 moderately aware, 5= extremely aware)

Zara brand awareness	1	2	3	4	5
How well aware are you about Zara					
How well Zara is recognized in the Chinese market					

Evaluate in a scale from 1 to 5 the following statements. (1=poor, 2=fair, 3= good, 4= very good, 5= excellent)

Zara attributes and benefits	1	2	3	4	5
Fashionable clothes					
Runway trends adapted to everyday life					
Varied assortment					
Trendy colours					
Exclusiveness					
Differentiation and individualism					
customer service					
Reputation					
Quality					
Price					
Quality and price perfectly match					

Evaluate in a scale from 1 to 5 the following statements. (1=Very Unlikely, 2=Unlikely, 3= Somewhat Unlikely, 4=Likely, 5=Very Likely)

Zara Emotions, Judgement and loyalty	1	2	3	4	5
I feel good in Zara´s clothes					
Zara clothes gives me status					
I identify myself with the brand Zara and its clothes					
I feel Zara understands my needs					
I enjoy the store atmosphere					
I enjoy the in-store shopping experience					
I enjoy Zara´s online shop					
I feel loyal to Zara					
Word of the mouth influences me					

Evaluate in a scale from 1 to 5 the following statements. (1=poor, 2=fair, 3= good, 4= very good, 5= excellent)

How well does the following factors differentiate Zara from its competitors	1	2	3	4	5
Collections					
Style					
Colours					
Price					
Quality					
Assortment					
Reputation					

Please, cross your choice (only one store)

What store comes first in your mind if you need to shop clothes?	H&M	Uniclo	Metersbourg	Zara

Appendix 2: Survey Chinese Translation

Zara Survey Chinese translation

Zara 问卷调查

这个调查是关于 Zara 消费者的调查问卷。您的回答将被用在我的论文里，因此它们对于我的论文非常有价值。所有的问题作答将占用您不超过 15 分钟，谢谢您的合作！

请选择相应的方格

你是 **Zara** 的顾客吗？	是	否

 谢谢

请选择相应的方格

性别	女	男	
年龄	18-25	26-35	36+
收入情况	800	2000	3500

评估分数为 1 至 5，分别代表：

(1=差／不好， 2=还可以，3=好， 4=很好， 5= 非常好)

Zara 的特性与优势	1	2	3	4	5
时尚的服装					
适应日常生活的秀场流行趋势					
丰富的搭配					
流行色					
独特性					
差异化及个性化					
顾客服务					
信誉					
质量					
价格					
良好的性价比					

评估分数为 1 至 5，分别代表：

(1=差／不好， 2=还可以， 3=好， 4=很好， 5= 非常好)

Zara 的品牌知名度	1	2	3	4	5
您对 Zara 的印象如何					
在中国市场上 Zara 的认知度					
口碑及信誉对您的影响程度					
以下哪些的因素使 Zara 有别于其竞争对手	1	2	3	4	5
产品种类					
风格					
颜色					
价格					
质量					
搭配					
信誉					

评估分数为 1 至 5，分别代表：

(1=非常不认同， 2=不太认同，3=一般认同， 4=很认同， 5= 非常认同)

对 Zara 品牌的感觉	1	2	3	4	5
我感觉 Zara 的服饰很好					
Zara 的服饰显示我的身份地位					
通过 Zara 的品牌及服饰我可以准确地找到自己的定位					
我觉得 Zara 很了解我的需求					
我很享受 Zara 店里的购物环境					
我很享受 Zara 店里的购物体验					
我感觉 Zara 的网上商店很好					
我认为我对 Zara 有品牌忠诚度					

请标出您的选项(单选)

如果您想购买服装，您首先考虑到的是哪个品牌？	H&M	Uniclo	Metersbourg	Zara

谢谢

Female respondents income subgroup

Income	Female
3,500 €	58
2,000 €	142

Female respondents age-subgroup

Age	Female
36+	51
26-35 years old	69
18-25 years old	80

Male respondents income subgroup

Income	Male
3,500 €	4
2,000 €	16

Male respondents age subgroup

Age	Male
36+	4
26-35 years old	7
18-25 years old	9

Zara Brand Awareness

How well Zara is recognized in the Chinese…
- Female: 3.5
- Male: 3.5

How well aware are you about Zara
- Female: 3.9
- Male: 3.8

Legend: Female, Male

Zara Brand Awareness

How well Zara is recognized in the Chinese market
- High 3500: 3
- Medium 2000: 3.3

How well aware are you about Zara
- High 3500: 3.5
- Medium 2000: 3.5

Legend: High 3500, Medium 2000

Zara Brand Awareness

How well Zara is recognized in the Chinese market
- 36+: 3.5
- 26-35: 3.5
- 18-25: 4

How well aware are you about Zara
- 36+: 3
- 26-35: 3.3
- 18-25: 4

Legend: 36+, 26-35, 18-25

Zara Attributes and Benefits

Attribute	Female	Male
Quality and price perfectly match	2.5	2.6
Price	2.5	2.7
quality	2.5	2.7
reputation	3	3
customer service	4	4
Differentiation and individualism	4.5	4
Exclusiveness	4.2	3.7
Trendy colors	3.5	3
Varied assortment	4	3.7
Runway trends adapted to everyday life	4.5	4
Fashionable clothes	4.3	3.5

■ Female ■ Male

Zara attributes and benefits

Attribute	High 3500	Medium 2000
Quality and price perfectly match	2.5	2.6
Price	3	2.5
quality	2.5	2.7
reputation	3	3.3
customer service	4	4
Differentiation and individualism	3.5	4
Exclusiveness	3	4
Trendy colors	3.9	4
Varied assortment	4	4
Runway trends adapted to everyday life	4	4
Fashionable clothes	4	4

■ High 3500 ■ Medium 2000

Zara benefits and attributes

Attribute	18 - 25	26 - 35	36+
Quality and price perfectly match	2.7	2.7	2.7
Price	3	3	2.9
quality	2.9	2.8	2.8
reputation	4	3.5	3.3
customer service	4	4	3.9
Differentiation and individualism	5	4.3	4
Exclusiveness	4.5	4	4
Trendy colors	4	3.5	3.3
Varied assortment	4	4	4
Runway trends adapted to everyday life	4	5	4
Fashionable clothes	4	4	4

Legend: 36+, 26 - 35, 18 - 25

Zara Emotions judgement & loyalty

Statement	Female	Male
Word of the mouth influences me	5	5
I feel loyal to Zara	3.1	2.6
I enjoy Zara´s online shop	4	4.5
I enjoy the in store shopping experience	4	4
I enjoy the store atmosphere	4	3.7
I feel Zara understands my needs	3.5	3.5
I identify myself with the brand Zara and its clothes	3	3.2
Zara clothes gives me status	4.2	4
I feel good in Zara´s clothes	4	4

Zara Emotions judgement & Loyalty

Statement	High 3500	Medium 2000
Word of the mouth influences me	5	5
I feel loyal to Zara	2.5	3
I enjoy Zara´s online shop	4	4
I enjoy the in store shopping experience	4	4
I enjoy the store atmosphere	4	4
I feel Zara understands my needs	3	3.3
I identify myself with the brand Zara and its…	2.8	3.5
Zara clothes gives me status	2.7	4
I feel good in Zara´s clothes	4	4

Zara emotions

Statement	36+	26 - 35	18 - 25
Word of the mouth influences me	5	5	5
I feel loyal to Zara	2.7	3	4.2
I enjoy Zara´s online shop	3	3.8	5
I enjoy the in store shopping experience	4	4	4
I enjoy the store atmosphere	4	4	4
I feel Zara understands my needs	3.5	3.7	4.5
I identify myself with the brand Zara and its…	3	3	4
Zara clothes gives me status	4	4	4
I feel good in Zara´s clothes	4	4	4.5

Zara differentiation from competitors

Attribute	Female	Male
Reputation	3	3
Assortment	4	4
Quality	2.5	2.7
Price	2.5	2.5
Colors	3	3.5
Style	4	4
Collections	4.3	4

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Zara differentiation from competitors

Legend: High 3500, Medium 2000

Category	High 3500	Medium 2000
Reputation	3	3
Assortment	4	4
Quality	2.7	2.9
Price	3	3
Colors	4	3.7
Style	3.9	4
Collections	4	5

Zara Differentiation from competitors

Legend: 36+, 26-35, 18-25

Category	36+	26-35	18-25
Reputation	3.8	3.8	4
Assortment	4	4	4.5
Quality	2.5	2.7	3
Price	2.7	2.7	2.5
Colors	3.9	4	5
Style	4.5	4.3	5
Collections	4	4	4.3

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What store comes first in your mind if you need to shop clothes

Zara — Female 50%, Male 20%
Metersbourg — Female 20%, Male 10%
Uniclo — Female 20%, Male 30%
H&M — Female 70%, Male 60%

Legend: ■ Female ■ Male

What store comes first in your mind if you need to shop clothes

Zara — High 3500 95%, Medium 2000 50%
Metersbourg — High 3500 10%, Medium 2000 30%
Uniclo — High 3500 10%, Medium 2000 40%
H&M — High 3500 70%, Medium 2000 80%

Legend: ■ High 3500 ■ Medium 2000

What store comes first in your mind if you need to shop clothes

Zara — 36+ 93%, 26-35 85%, 18-25 75%
Metersbourg — 36+ 30%, 26-35 28%, 18-25 35%
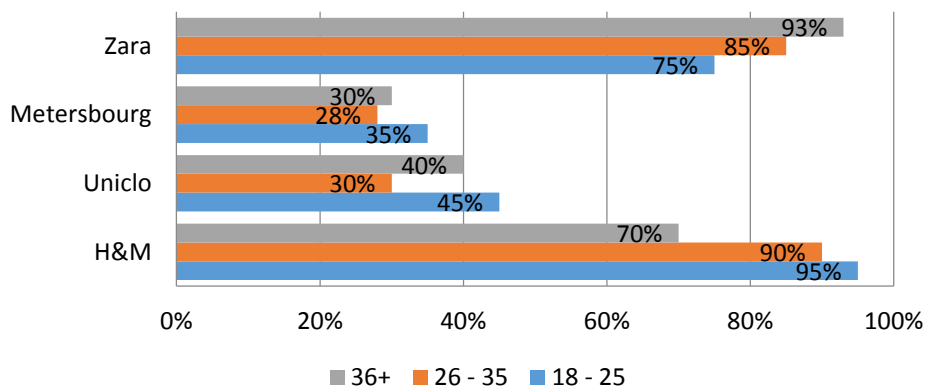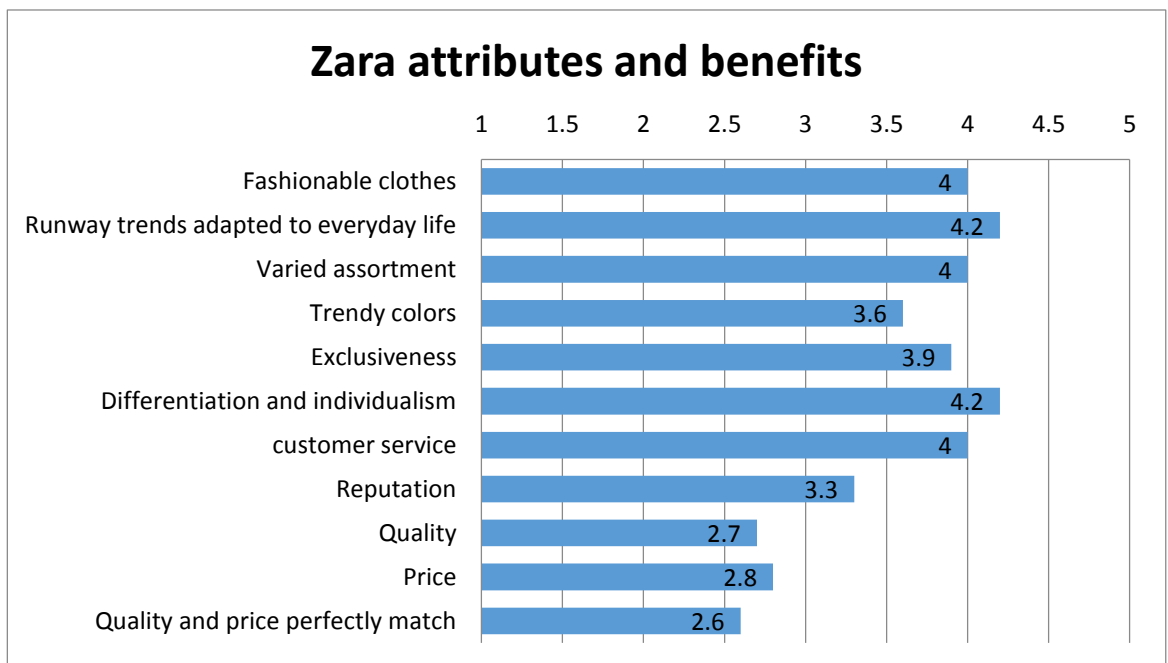Uniclo — 36+ 40%, 26-35 30%, 18-25 45%
H&M — 36+ 70%, 26-35 90%, 18-25 95%

Legend: ■ 36+ ■ 26 - 35 ■ 18 - 25

Appendix 4: Survey results demographics averages

Demographics Respondents

- males
- females

9%

91%

Zara brand awareness

How well Zara is recognized in the Chinese market — 3.5

How well aware are you about Zara — 3.6

| 1 | 1.5 | 2 | 2.5 | 3 | 3.5 | 4 | 4.5 | 5 |

Zara attributes and benefits

| 1 | 1.5 | 2 | 2.5 | 3 | 3.5 | 4 | 4.5 | 5 |

Fashionable clothes — 4
Runway trends adapted to everyday life — 4.2
Varied assortment — 4
Trendy colors — 3.6
Exclusiveness — 3.9
Differentiation and individualism — 4.2
customer service — 4
Reputation — 3.3
Quality — 2.7
Price — 2.8
Quality and price perfectly match — 2.6

How well does the following factors differentiate Zara from its competitors

Factor	Value
Reputation	3.4
Assortment	4.1
Quality	2.7
Price	2.7
Colors	3.9
Style	4.2
Collections	4.2

Zara emotions, judgement and loyalty

Statement	Value
I feel good in Zara Clothes	4.1
Zara clothes gives me status	4.0
I identify myself with the brand Zara and its…	3.3
I feel Zara understands my needs	3.7
I enjoy the store atmosphere	4.0
I enjoy the in store shopping experience	4.0
I enjoy Zara´s online shop	4.0
I feel loyal to Zara	3.0
Does the word of the mouth / reputation…	5.0

Appendix 5: Table of survey main findings

Zara strong attributes and benefits	Mean	Zara weak attributes and benefits	Mean
Runway trends adapted to everyday life	4.2	Quality	2.7
Differentiation and individualism	4.2	Price	2.8
		Quality and price perfectly match	2.6
Strong differentiation associations from competitors – strong feelings.	**Mean**	**Weak differentiation associations from competitors**	**Mean**
Collections	4.2	Price	2.7
Style	4.2	Quality	2.7
I feel good in Zara´s clothes	4,1		
Zara clothes gives me status	4,0		
Which store comes first in your mind if your need to purchase clothes			
H&M 76% Zara 63%			

Appendix 6: Table of comparison Zara brand identity with perceived brand image

Zara Brand Identity Company perspective	Zara Brand Image Chinese Consumers perspective
Physique: Reactive, responsive and flexible and market-oriented.	**Physique :** Responsive, reactive,
Personality: Confident, beautiful, unpretentious and stylish.	**Personality:** Confident, beautiful and stylish.
Relationship: Trusted quality, affordable prices, fair exchange of value.	**Relationship:** Quality and price don't match quality and price weak.
Reflection: Style and individualism.	**Reflection:** Style and differentiation.
Self-Image: Confident, trendy and unique**.**	**Self-Image:** Trendy and status.
Culture: European (Spanish) international, good relationship with customers.	**Culture:** European (Spanish) international, good relationship with customers.

Appendix 7: Overlay matrix for research

Research Objectives	Investigative questions	Answers
Does the brand identity of Zara correspond with Image of the brand Zara in China?"	What is the brand identity of Zara?	Zara Brand Identity from Inditex group perspective Chapter 2.4.2
	How do consumers perceive the image of Zara in China?	Survey Measurement questions based on Keller´s Customer Based Brand Equity Model • Brand awareness • Brand performance • Brand Response (judgments- feelings) • Brand resonance
	Does Zara need to make changes in its identity?	Discussion