

# **An Empirical Study of the Impact of Brand Equity on Consumer Purchase Decisions of Soft Drink Market: Special Reference to Youth Sector**

U.B.G.S. Samudika, Y.M.C. Gunarathne and N.P.R. Deysappriya

*Department of Management Sciences, Uva Wellassa University, Badulla, Sri Lanka*

At present brand equity is important element to the marketing, based on consumer's attitudes on positive brand attributes and favorable consequences of brand usage. In soft drink market, people prefer to have well-known soft drink brands. Hence, soft drink companies should know the magnitude of the impact of brand equity on the purchase decisions of consumers. And none of the research done to the soft drink market regarding impact of brand equity on consumer purchase decisions. Therefore, this research was carried out with the intention of finding the impact of brand equity on the purchase decisions of the youth regarding the soft drink brands. The national youth policy of Sri Lanka defines youth as those within the age group of 15-29. The specific objectives of the study include; to investigate the impact of brand equity on purchase decisions of Sri Lankan soft drink market, to examine the relationship between each element of brand equity and consumer buying decisions on soft drinks in Sri Lanka and to identify the most influential element of brand equity on purchase decisions of soft drinks in Sri Lanka. A questionnaire based survey conducted to collect primary data from 240 young consumers by using the convenient sampling method. Descriptive Statistics along with statistical tools such as, Correlation Coefficient and Regression Analysis Techniques were employed to analyze the data. Through hypotheses testing the researcher also revealed that each element of brand equity has a significant relationship with consumer buying decisions of the youth. According to the findings of the study, "Brand Loyalty" was the most influential factor on consumer purchase decisions among the four elements of brand equity. Hence, the domestic soft drink marketers can adapt this knowledge to their marketing plans and activities to provide the offerings based on the factual consumers' needs.

*Keywords:* Brand equity, Consumer purchase decisions, Brand loyalty, Brand awareness, Brand association