

# Brand Communications and Customer Equity: The Mediating Role of Brand Knowledge and Word of Mouth Ads

Kianoosh Moradi<sup>1</sup>  
Manizheh Bahreinizad<sup>2</sup>  
Majid Esmailpour<sup>3</sup>

## *Abstract*

*Brand communication and customer equity are two important concepts in the field of online stores and businesses and considered as criteria for marketing success. The purpose of this study is to investigate the effect of brand communication on customer equity in online stores. In this research, the role of brand knowledge and word-of-mouth advertising has been evaluated as two intermediary variables. The present research is in terms of purposeful research among the applied research, from the perspective of data collection, descriptive and survey type and in terms of research strategy, this research is correlation. The statistical population of the research is the participants (including visitors and buyers) residing in the provinces of Bushehr and Fars from internet stores. 384 questionnaires were completed and analyzed by convenience sampling method. Data analysis using SPSS and AMOS software showed that the use of brand communication increases the customer equity. Brand communication has a direct impact on word-of-mouth advertising, and brand knowledge and word-of-mouth advertising also affect customer equity. In addition, was not confirmed the indirect impact of brand communication on customer equity by the role of mediator brand knowledge and word-of-mouth advertising, and the direct impact of brand communication on brand knowledge.*

*Keywords: Brand Communication, Brand Knowledge, word-of-Mouth Advertising, Customer equity*

*JEL Classification: M1, M2, M3*

---

<sup>1</sup>. Graduate student of Business Management, Persian Gulf University, Bushehr, Iran, e-mail: Kianooshmoradi@gmail.com

<sup>2</sup>. Associate Professor, Department of Business Management, Persian Gulf University, Bushehr, e-mail: Iran.mbahrainizadeh@pgu.ac.ir

<sup>3</sup>. Associate Professor, Department of Business Management, Persian Gulf University, Bushehr, Iran. (*Corresponding Author*), e-mail: Majidesmaeilpour@pgu.ac.ir

## 1. Introduction

Due to the increasing intensity of competition in the business sector, especially in the Internet shops, the concept of customer equity and value creation by customers for companies has become more and more important. This concept was introduced for the first time in 2000 and has been proposed as a general measure of marketing success that brings together value for the customer, brand management and customer relationship management, and provides a new framework for identifying and implementing powerful marketing programs that It also has the ability to measure financially (Mir Ahmadi, 2011). The customer equity is based on the value equity, brand equity and Relationship equity, understanding of these factors will help to increase the customer equity and company's value (Ahmadi Eskandari, 2013). As the customer equity creates a reliable source of benefits and revenues by current customers, understanding how the customer equity development is important and doing the right it, creates an important competitive advantage (Lemon, 2001). Brand communication as one of the effective factors in creating a strong brand, play an important role in how consumers perceive of products and brands and can help to increase the customer equity (Guèvremonta and Grohmann, 2012). According to Kempf and Smith (1998), brand communication is one of the main factors in integrating brand relationships with customers and creating positive attitudes towards brands, such as brand satisfaction and brand trust (Sahin et al. 2012). Strong brand communication maximizes customer awareness of the brand and increases brand awareness in the minds of customers, so customers will choose a brand that will have the highest reminder for them (Talebi Asadi, 2014). Brand communication play an important role in creating a strong brand and turning it into a competitive advantage for companies, especially online stores where there is no physical (face-to-face) interaction possible. The appropriateness of brand communication can lead to customer returns and create more value from them and, ultimately, increase company profits. Researchers have shown that brand communication affects brand equity as one of the components of customer equity. Therefore, the customer equity that defined as the creation of value through customers and relationships with them (Wang et al. 2016), can be strengthened by the use of appropriate brand communication.

Brand knowledge includes brand-related thoughts, brand awareness, and brand image and various information such as awareness, features, Benefits, images, beliefs, feelings, attitudes, and brand-related experiences directly affect consumer responses (Keller, 2003). Brand knowledge established the relationship between advertising mix and brand equity, as one of the dimensions of Customer equity

(Ansari and Nasabi, 2013).word-of-mouth advertising is an informal communication about a product, brand and service that does not have a commercial origin (Anggraenia and Rachmanita, 2015). Customers who do not have a purchasing experience or a complete understanding of the specific features of a product or service typically relate to word-of-mouth advertising for information purposes. Therefore, in comparison with Outward marketing strategies, word-of-mouth advertising has a significant and important effect on customer attitude and behavior (Dehdashti Shahrokh, 2015). Word-of-mouth advertising is one of the influencing factors on brand equity and customer equity.

Despite the prominence role of brand communication in increasing customer equity and profitability for companies, many manufacturing companies and service institutions, in the sense of customer equity and its role in the overall profitability of the company, as well as the importance of brand communication to attract customers to the company, They have not paid enough attention and brands do not establish the necessary communications with their customers. This is especially evident in online businesses and stores that have become widespread in recent years and there is a lot of competition among them. Given the fact that there is no face-to-face interaction in the online stores, so the personal sales activities and the role of the vendor cannot be effective in attracting and retaining customers for online shops as they are important in non-online stores.Hence, it is important for online stores to focus on non-promotional extension activities. The development of brand communication is one of the most important steps in informing customers and exposing the brand to the customers and thereby attracting customers to their brand. Internet shops in Iran do not fully understand the role and importance of brand communication in value creation through their customers, and do not use appropriate brand communication, or if they use brand communication, these communication do not have the effectiveness to attract customers to the store and keep them. A review of past research has shown that little research has been done on the impact of brand communication on customer equity in various industries, and in particular, the impact of brand communication on the customer equity in online stores has not been studied so far. Therefore, the importance of applying this concept to online businesses and the existing research gap in this field has led the researchers to pursue this study. The results of this research will contribute to the development of knowledge in this area. In this research, the effect of brand communication on the customer equity (brand equity, value equity and Relationship equity) in the field of online stores is scientifically evaluated. Also, in this research, the indirect effect of brand knowledge and word-of-mouth advertising as two intermediate variables on the relationship between brand communication and customer equity is investigated.

## 2. Literature review

### *Customer equity*

For the first time in 1996, Blattberg and Deighton used the concept of customer equity. They stated that companies are looking for an optimal balance between the cost of customer acquisition and maintenance (Eblagh Jahromi and Ebrahimi, 2015). For the first time in 2000, the customer equity model was introduced in a paper entitled "Customer equity drivers". This model consists of the value equity (including price, quality and facilities), brand equity (including brand awareness and brand image) and relationship equity (including customer loyalty programs, affiliation and communication, knowledge structure) (Ahmadi Eskandari, 2013). Understanding these factors will increase the customer equity and ultimately help the company value (Lemon et al, 2001). The concept of customer equity is an emerging paradigm that considers customers to be the main source of current and future earnings and is measured through the customer lifetime value index. Customer equity management is an integrated and dynamic marketing system that uses information related to consumer behavior and financial appraisal techniques (Pavlova, 2015). The customer equity is the result of creating value based on the benefits, costs, cash flow, customers and customer relationships. Berger and Nasr (1998) defined the customer equity as value of the benefits obtained from customers, minus the total cost (Wang et al. 2016).

Customer equity drivers are the value equity, brand equity and relationship equity (Figure 1) that affects customers' attitudes (Lemon et al, 2001). Organizations should focus their marketing efforts on improving the value equity, brand equity and relationship equity, and at each stage of the customer relationship development process, select the most relevant customer equity dimension (Rust et al, 2004).

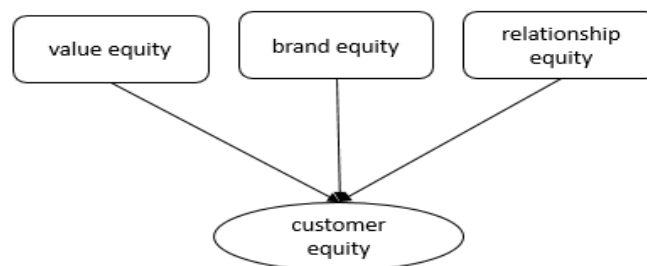


Figure 1. Customer equity dimension (Lemon et al, 2001)

***Brand knowledge***

Brand knowledge is an individualist inference about brand in consumer memory. Various information such as awareness, attributes, advantages, images, beliefs, feelings, attitudes, and brand-related experiences constitute brand knowledge and directly affects consumer responses. Also, brand knowledge refers to brand awareness (when and how consumers know brand) and brand image (consumer associations of brand) (Keller, 2003). Sharif (2008) argues that brand knowledge is based on a permanent relationship with customers who have a real understanding of the product and service. Brand knowledge is understood as explicit knowledge and tacit knowledge. Explicit knowledge is objective and theoretical knowledge and is expressed through various media forms such as documents, audio and video equipment, computerized records, etc., while tacit knowledge is more subjective, practical (Functional) and personal (Alimen and Cerit, 2010).

***Word of mouth advertising***

Word of mouth advertising is an unofficial relationship with the product, brand, and services that are not commercial in nature (Anggraenia and Rachmanita, 2015). Harrison and Walker (2001) has defined word of mouth advertising as a personal and informal communication between a non-commercial advertiser and a recipient about a brand, product, organization, and service. The main idea of word of mouth advertising is that information about a product, service, company, etc. can be extended from one client to another (Methaq, 2014). Hawkins et al (2004) describe word of mouth advertising as a process that allows customers to share information and ideas about products, brands, and services (Ismail and Spinelli, 2012). Word of mouth advertising can be defined as any positive or negative comments that are created by potential and actual customers about the product or company and are available through online and offline channels (Thurau et al, 2004). Anderson (1998) states that word of mouth advertising can be positive or negative. Word of mouth advertising encourages brand selection and positively affects the consumer's response, while negative word of mouth advertising causes the brand to not be selected and will have a negative impact (Martensen and Grønholdt, 2015). Most studies have shown that positive word of mouth advertising are more potent than negative word of mouth advertising, even though the amount of is positive word of mouth advertising greater than negative word of mouth advertising (East et al, 2007).

In general, the advertisements that firms make are a means of communicating with their actual and potential customers, and companies also spend a small part of their resources on such activities (Ranjbarian et al, 2013); But since word of mouth advertising is not done by companies, it does not cost to companies. The

important point that Hawkins and Coney (2004) Expressed about the importance of word of mouth advertising is that the benefits of word of mouth advertising can help the company grow in such a way that they are positive or otherwise People will share their experiences and positive opinions with others. But when consumer experience is negative or the products and services fail to meet the expectations of the customers, the company will entertain irreparable losses (Mohebi and Niknejad, 2016). Ghaffari Ashtiani and Iranmanesh (2012) stated that the importance of word of mouth advertising is due to the fact that customer expectations when purchasing are of great importance, are affected by word of mouth advertising; since clients prefer to trust informal communication resources in their buying decisions than official sources like marketing magazines (Tavakkul et al, 2014).

### ***Brand communication***

Communication is a human activity that connects individuals and creates relationships. Communication applications play an important role in creating brand relationships (Duncan and Moriarty, 1998). Ebrahimi and Mansouri (2013) argue that brand communication maximizes brand awareness and reminds them more. Buyers buy the brand that have the highest amount of reminder and give the most satisfaction to customers. Brand communication affect the responses of customers and can be measured by analyzing variables such as brand awareness in terms of reminding, identifying brand strengths and identities in the minds of consumers (Talebi Asadi, 2014). Brand communication is the main factor in integrating brand relationship management with customers, employees, suppliers, channel members, media, government regulators and the community. The purpose of brand communication should be to strengthen brand loyalty by creating more consumer-brand links to strengthen consumer- brand relationships at any time (Duncan and Moriarty, 1998). Brand communication, is art of bridging on the perceptual gap of the target audience about the brand and, in fact, is the connection between the physical unit and the audience. Brand communication also seek to attract consumer loyalty, and it can be said that it is more than communicating with the mind of the audience, that is, it communicates directly with the listener's heart. Scott Taigo (1995) states that "a brand that conquers the consumer's mind causes a consumer's behavior, but a brand that conquers the consumer's heart, obtain consumer's commitment" (Chen and Kim, 2016).

Brand communication occurs when the consumer is confronted with the brand. Consumers are constantly faced with brand through advertising, sponsorship, and personal selling. If consumers do not pay attention to the brand, all the actions taken are unimportant, which means that the brand has not established an

effective relationship with the consumer. Brand communication should bring the consumer closer to the brand and improve brand quality. The benefits of use brand and brand personality should shine in all forms of brand communication. Brand personality can be true, positive, committed, entertaining and etc. (Chen and Kim, 2016). Brand communications play an important role in understanding how customers understand product advancements (Guèvremonta and Grohmann, 2012). Jones and Kim (2011) argue that brand communication is created when submitted an idea and image of a product or service, so that distinctions are identified and recognized by many customers. Advertising professionals use brand communication not only to create brand recognition, but also to create brand reputation (Sahin et al, 2012). Azize et al. (2012) argued that brand communication could be one-way (indirect) or two-way communication (direct and one to one). One-way (indirect) communication involves radio, television and the like. The purpose of this type communication is to inform brand in order to improve attitudes (such as brand satisfaction and trust) and the impact on the buy behavior (such as brand selection). two-way or direct communication focuses more on current customer behavior (Mahdieh et al, 2016).

#### ***Conceptual model and hypothesis development***

Ansari and Nasabi (2013) conducted a research entitled "Creating brand equity through mixed advertising: the mediating role of knowledge, loyalty and brand communication". The results showed that mixed advertising has been able to influence brand equity through brand knowledge. Brand knowledge establishes the link between mixed advertising and brand equity indirectly. The Research of Schivinski and Dabrowski (2015), entitled "The effect of brand communication on brand equity through face book," showed that brand communication in social media has an impact on brand equity components. Sun and Kou (2016) in a study entitled "The impact of marketing activities on customer equity", investigate the impact of environmental, economic, and social dimensions of marketing activities on Brand attitudes, word-of-mouth advertising and customer equity Components (brand equity, value equity, relationship equity). The results showed that the dimensions of marketing activities have a direct effect on brand attitude and word-of-mouth advertising, and brand attitude and word-of-mouth advertising have a significant impact on customer equity. Andrei and Pinzaru (2017) conducted a research entitled "Word of the mouth generation and brand communication strategy: findings from an experimental study explored with PLS-SEM". The results of this study showed that applying appropriate brand communication strategy influence on expectations of the company's ideality, increasing positive word-of-mouth advertising, and reducing negative word-of-mouth advertising.



*Hypothesis 1:* Brand communication has a direct and significant impact on customer equity.

*Hypothesis 2:* Brand communication has a direct and significant impact on brand knowledge.

*Hypothesis 3:* Brand communication has a direct and significant impact on word-of-mouth advertising.

Richards et al. (1998) conducted a research entitled "brand knowledge management: growing brand equity". They examined the impact and consequences of brand knowledge management on the growth of brand equity. Their research results indicate that Brand Knowledge Management has a significant impact on the growth of brand equity. Ansari and Nasabi's research (2013), entitled "Creating brand equity through a mixed advertising: examining mediating role of knowledge, loyalty and brand communication", showed that the mixed advertising influence on brand relationships and loyalty through brand knowledge. The results of this analysis showed that brand knowledge indirectly establishes the link between mixed advertising and brand equity.

*Hypothesis 4:* Brand knowledge has a direct and significant impact on customer equity.

Armellini (2011), in a research entitled "The Effect of Word of Mouth in Customer Equity and Brand Equity," focused on whether word of mouth advertising has an impact on brand equity and customer equity? What is the direction of this effect? His research results showed that word of mouth advertising has a positive impact on customer equity, and positive word of mouth advertising improves brand equity, and negative word of mouth advertising reduces brand equity. Dehdashti et al. (2014) in a study entitled "The role of advertising and oral advertising in brand equity promotion of tourism destination in Isfahan city" examined the role and importance of advertising in promotion and improvement of brand equity of the tourism destination in Isfahan city. The results showed that advertising and oral advertising have a significant effect on customer experience, and customer experience and brand image have a significant effect on brand equity. In a study entitled "The influence of word of the mouth communication on brand equity: receiver perspectives" conducted by Virvilaite et al. (2015) with the aim of analyzing the problem and discovering the effects of word of mouth communication on brand equity, the results showed The novelty and usefulness of message features in word of mouth communication has a positive impact on brand equity.

*Hypothesis 5:* word of mouth advertising has a direct and significant impact on customer equity.

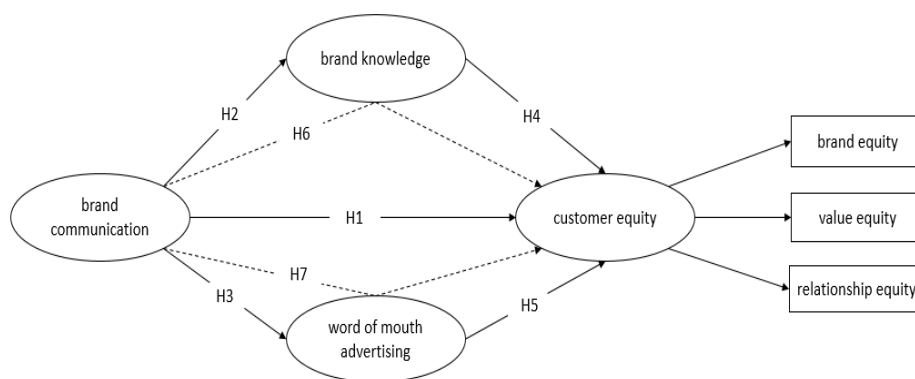


In this research, in addition to direct hypotheses, two other hypotheses are also examined to measure mediating role of brand knowledge and word of mouth advertising on the relationship between brand communication and customer equity.

*Hypothesis 6:* Brand communication has a significant impact on customer equity through brand knowledge.

*Hypothesis 7:* Brand communication has a significant impact on customer equity through word of mouth advertising.

According to the above, the research conceptual model is shown in Fig. 2.



**Figure 2. The conceptual model of research**

*Source:* Authors' own research.

### 3. Methodology

This research is in terms of purposeful research among the applied research, from the perspective of data collection, descriptive and survey type and in terms of research strategy, this research is correlation. Also, for the time scale, this research can be considered as a cross-sectional research. In this research, descriptive statistics were used to describe the characteristics of the community and inferential statistics and structural equation modeling were used to investigate the relationship between variables. The statistical population of this study includes shoppers and visitors from product supplier internet stores (such as Dijikala, Amazon, Babylon, etc.) residing in the provinces of Bushehr and Fars. In this study, due to the Being great and high scatter of the statistical population, the convenience sampling method was used. The sample size of the study is 384 samples based on the Unique Cochran statistics formula.

The data collection tool in this study is a questionnaire consisting of 2 parts. The first part of the questionnaire contains the respondents' demographic information, and the second part contains the items for measuring the brand communication, brand knowledge, word of mouth advertising and special value of the customer, which consists of 28 items. The brand communication branch is based on the research of Zehir et al. (2011), brand knowledge based on Yoo and Donthu (2001), Nguyen and Leblanc (2001) and Yang and Ha (2014), word of mouth based on Gremler and Gwinner (2000) and Jalilvand et al. (2017) and customer equity are based on Yuan et al. (2016).

Cronbach's alpha coefficient test was used to measure the reliability of the questionnaire. The results are shown in Table 2 for each variable. The Cronbach's alpha coefficient more than 0.7 is acceptable. As can be seen, the Cronbach's alpha coefficient for all variables is higher than 0.7 and this value for the whole questionnaire is 0.88, which indicates that the questionnaire has a suitable reliability. To assess the validity of the questionnaire, content validity, construct validity, convergent validity, and divergent validity were used. The content validity of the questionnaire was confirmed by the view of the professors. Validity criterion for construct validity test is the factor load of the items. Values greater than 0.5 for factor load represent a good value for structural validity. As shown in Fig. 3, the factor loads of all items are higher than 0.5, which indicates that the questionnaire has an appropriate structural validity. To assess the convergent validity, composite reliability and average variance extracted (AVE) were investigated. To validate convergent validity, these relationships must exist:  $CR > AVE$ ,  $AVE > 0.5$ ,  $CR > 0.7$  (Habibi and Adanvar, 2016). As shown in Table 2, the average variance extracted for all variables are greater than 0.5 and the composite reliability is 0.7. Therefore, the convergent validity of the research questionnaire is confirmed.

**Table 2. Reliability and validity of the questionnaire**

Variable	Cronbach's alpha	Composite reliability	Average variance extracted
<b>Brand communication</b>	0.936	0.95	0.75
<b>Brand knowledge</b>	0.943	0.94	0.77
<b>Word of mouth advertising</b>	0.907	0.94	0.84
<b>Customer equity</b>	0.850	0.76	0.51

*Source:* Authors' own research.

Correlation matrix has been used to measure divergent validity. If the correlation between tests that measure different attributes is low, then the test is divergent. The results of the divergent validity test are shown in Table 3. As shown, the

correlation between tests that measure different attributes is low, so the test has a divergent validity. The Kolmogorov-Smirnov test was also examined to ensure that the data were normal. Also, in this research, SPSS and AMOS software were used for final analysis and answering the research questions and hypotheses, and modeling and testing them.

**Table 3. Divergent Validity**

Variable	Customer equity	Brand knowledge	Word of mouth advertising	Brand communication
Customer equity	0.71	***	***	***
Brand knowledge	0.24	0.87	***	***
Word of mouth advertising	0.34	0.23	0.91	***
Brand communication	0.23	0.06	0.12	0.86

*Source:* Authors' own research.

#### 4. Research findings

The findings of this research are presented in three sections: descriptive statistics of respondents, model fitness and hypothesis testing, which are described below.

##### *Descriptive statistics of respondents*

The descriptive findings of this study show that 59.4% of respondents are male and 63% of respondents are single. The highest number of respondents with 41.1% frequency had a bachelor's degree and in terms of type of employment, the highest numbers of respondents with a frequency of 41.7% were students. The highest number of respondents with a frequency of 47.1%, income less than 500 thousand USD, and age category, most respondents with a frequency of 58.3% are in the age group of 20-29 years. On the other hand, 55.5% of respondents have shopping experience from online stores and 44.5% of them have visit experience.

##### *Implementation of Structural Equation Model Test*

In this research, we used a set of indicators that test the predictive power of the model to evaluate the fitness of the structural model. These indicators are presented in Table 4.

**Table 4. Model fitness indicators**

Indicator	Reported value	Acceptable value
X <sup>2</sup> /Df	1.604	Between 1 up to 3
NFI	.958	>.9
GFI	.943	>.9

<b>AGFI</b>	.925	>.9
<b>TLI</b>	.981	>.9
<b>CFI</b>	.984	>.9
<b>PGFT</b>	.717	>.5
<b>IFI</b>	.984	>.5
<b>P</b>	0.000	>.05
<b>RMSEA</b>	.040	<.1

Source: Authors' own research.

Also, the design of the primary research model after the implementation of the Amose software is shown in Fig. 3. In this model, F1, F2, F3 and F4, respectively, are brand communication, brand knowledge, word-of-mouth advertising, and customer equity. After the implementation of the model in the software, the fitness indices of the structural model are calculated.

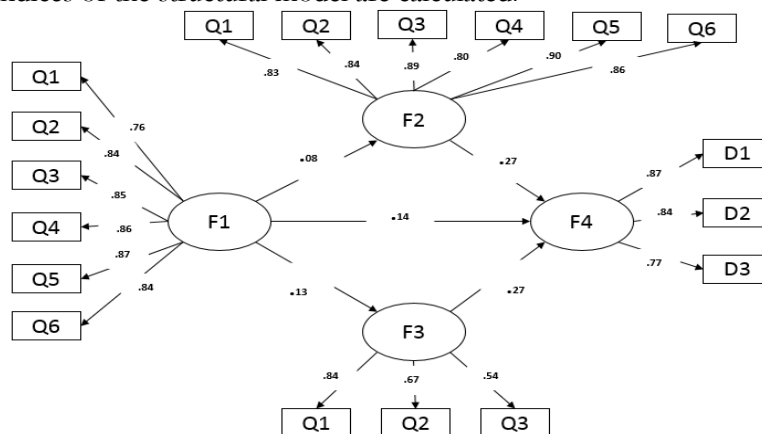


Figure 3. Conceptual model of research with path coefficients and factor load after implementation

Source: Authors' own research

With regard to the results of the fitness indicators of the model presented in Table 4, it can be concluded that the structural model of the research is fit.

### ***Testing of the hypotheses***

After the general fitness of the model, partial fitness or testing of research hypotheses is performed. At this stage, considering the path coefficients, t value and its significant level is decided on the rejection or confirmation of the research hypotheses. Table 5 shows the results of path coefficient, t value, significance level and confirmation or rejection of research hypotheses. As can be seen, all of the

direct assumptions are approved, except second hypothesis. In this table, the mediating role of brand knowledge and word-of-mouth advertising has also been studied. As can be seen, both indirect hypotheses were not approved.

**Table 5. Test results of direct and indirect hypotheses**

Hypothesis	Path coefficient	t value	Significance level	Result
Brand communication → customer equity	.14	2.043	.041	Support
Brand communication → Brand knowledge	.08	1.439	.150	Reject
Brand communication → word-of-mouth advertising	.13	2.014	.044	Support
Brand knowledge → customer equity	.27	3.075	.002	Support
word-of-mouth advertising → customer equity	.27	3.430	.000	Support
Brand communication → Brand knowledge → customer equity	.0216	1.320	.170	Reject
Brand communication → word-of-mouth advertising → customer equity	.0351	1.680	.020	Reject

*Source:* Authors' own research.

## 5. Conclusion and Discussion

The main aim of this research is to investigate the relationship between brand communication and customer value in online stores. In particular, seven hypotheses were postulated. To test the proposed hypotheses, data were collected from Bushehr and Fars Province in Iran. The empirical results supported all the posited research hypotheses in a significant way except H2, H6 and H7. The findings from the analysis of the data indicate that brand communication has a significant effect on customer value (.14) and word of mouth advertising (.13), but does not affect brand knowledge (.08). Concerning the impact of brand communication on the customer equity, it can be argued that companies can raise brand awareness among customers and create positive attitudes (such as brand satisfaction and brand trust) about their brands through brand communication, using both one-way and two-way communication and promotion activities. Therefore, corporate managers must pay attention to their brand communication strategies and use appropriate brand communication to introduce their products and companies and Interaction with their customers. Concerning the impact of brand communication on brand knowledge, it can be argued that this result may be due to the fact that online stores in Iran do not use appropriate brand communication to enhance brand awareness and brand image improvement, or if

used, its effectiveness is very low. Concerning the effect of brand communication on word of mouth advertising, it can be argued that companies by using brand communication more and more desirable, they can, through the loyalty and commitment of their customers, increase the positive word of mouth advertising about their brand and products, and they also reduce negative word of mouth.

Also, the findings from the data analysis indicate that brand knowledge (.27) and word of mouth advertising (.27) both affect the customer equity. In relation to the impact of brand knowledge on the customer equity, can state that in order to enhance the customer equity, information or, in other words, proper knowledge of the brand and company products must be available to customers in order to have a complete knowledge of the brand and products of the company and good image of the company and brand in their minds. Regarding the effect of word of mouth advertising on the customer equity, it can be stated that attention to the power of word of mouth advertising to introduce brand and company products to customers and the increase in the number of potential and actual customers, it improves and enhances the value of the customer and consequently leads to the acquisition of benefits for the company. Also, the findings showed that the direct impact of brand communication on customer equity is more than its indirect effect, with the mediation of brand knowledge and word of mouth advertising. The coefficient of direct effect between brand communication and customer value is .14. That is higher than the indirect effect coefficient, with the mediation of brand knowledge .021 and oral-to-mouth advertising. This result means that brand knowledge and word of mouth advertising cannot be the proper intermediary variables and increase the impact of brand communication on customer equity.

Online stores managers in order to increase the their customers equity, they should try to establish a proper and effective interaction with their shoppers in their customers' touch point, thereby introducing their brand to them completely and They will create a good image of their brand in order to retrieve the same product or service or other products and services related to the same store.

Internet shop managers should try to customer's word of mouth advertising, use bilateral or direct brand communication (which includes only print and television advertising and such advertisements) instead of single-party branded communications in order to increase and establish two-way interactions with their customers.

Since customer brand awareness is assisted in all stages of its decision-making process as well as in the value-creation process for the company, so online stores

managers should strive to increase their exposure to the brand and store products and increase the probability that their brand will be a member of the consumer-oriented collection.

Online stores managers should strive to provide the opportunity to express the views of customers and visitors by designing a part on their store site, and then, by managing conversations and timely responses to the criticisms and suggestions, create a good image of their brand.

Despite the great effort that has been made to complete this research, there are several limitations that should be considered in future research. One of the limitations of this research was the low participation rate of older people in completing the questionnaire for collecting data, which led to the most sample of this study to be made by younger people. This shows that the sample is not representative of the entire community. This research was also carried out among shoppers and visitors of internet stores, and since such buyers are of great importance to spend their time optimally, they were not willing to answer the questions with more care and attention, which is due on accuracy and the generalizability of the results can be effective.

Since the impact of brand communication on the customer equity has been examined in general in this research, future researchers are suggested to examine the impact of brand communication on the particular dimensions of customer equity (brand equity, value equity, relationship equity). In addition, in this study, we considered brand knowledge and word of mouth advertising as two intermediary variables. Future researchers can measure the impact of other variables such as customer satisfaction, brand loyalty, and brand trust as a mediator variable in their research.

## References

- Ahmadi Eskandari, M. (2013). Investigating the Factors Affecting the Customer Equity and Purchase Intention in Service Areas (Case Study: Traditional Restaurants in Yazd). *Master thesis*, Yazd University.
- Alimen, A. N., & Cerit, G. (2010). Dimensions of brand knowledge. *Journal of Enterprise Information Management*, 23(4), 538 – 558.
- Anggraenia, A., & Rachmanita. B. (2015). Effects of Brand Love, Personality and Image on Word of Mouth; the Case of Local Fashion Brands among Young Consumers. *In Proceedings 2nd Global Conference on Business and Social Science*, 211(2), 442-447.



- Ansari, M., & Nasabi, V. R. (2013). Creating brand equity through advertising mixed: examining the role of mediator of knowledge, loyalty and brand communication. *Journal of Business Management vision*, (14), 37-51.
- Chen, Z., & Kim, M. H. (2016). The Influence of Brand Communication on Consumers' Purchase Intention: Focus on Moderating Roles of Brand Familiarity. *Journal of Distribution and Management Research*, 19(5), 5-14.
- Dehdashti Shahrokh, Z., and Aghili, KH. (2015). The effect of the use of services on word-of-mouth advertising and the intention of re-purchasing. *Journal of Research in New Marketing Research*, 5(2), 15-36.
- Duncan, T., & Moriarty, E. S. (1998). A Communication-Based Marketing Model for Managing Relationships. *Journal of Marketing*, 62(2), 1-13.
- East, R., Hammond, K., & Wright, M. (2007). The relative incidence of positive and negative word of mouth: A multi-category study. *International Journal of Research in Marketing*, 24(1), 175–184.
- Eblagh Jahromi, M., and Ebrahimi, A. (2015). Investigating the relationship between customer equity and customer lifetime value and their impact on the share of customer's heart. In *Proceedings of the National Conference and International Conference on Accounting and Management with New Approaches and Practices*, 5 (3), 1-14.
- Guèvremonta, A., & Grohmann, B. (2012). Can good news be bad? The role of brand communication strategy and brand commitment in the announcement of product improvements. *Journal of Marketing Communications*, 20(5), 352–365.
- Habibi, A., & Adenvar, M. (2016). *Structural Equation Modeling and Factor Analysis (LISREL Software Training)*. Tehran: Student Jihad Publication.
- Ismail, A. R., & Spinelli, G. (2012). Effects of brand love, personality and image on word of mouth, The case of fashion brands among young consumer. *Journal of fashion marketing and management*, 16(4), 386- 398.
- Keller, K. L. (2003). Brand Synthesis: The Multidimensionality of Brand Knowledge. *Journal of Consumer Research*, 29(4), 595-600.
- Lemon, N., Rust, T., & Zeithaml, A. (2001). What Drives Customer Equity. *Marketing Management Spring*, 10(1), 20-25.
- Mahdich, O., Mohammadi, K., & Choubtarash, N. (2016). The study of the effect of brand communication and service quality on brand loyalty, with an emphasis on the role of brand trust as an intermediary variable. *Two Quarterly Journal of Business Strategies*, 2(8), 17-28.
- Martensen, A., & Grønholdt, L. (2015). The role of social ties in word-of-mouth effectiveness: a segmentation approach. *Innovative Marketing*, 11(1), 7-16.

- Methaq, A. S. (2014). The Effects of Brand Image and Brand Identification on Brand love and Purchase decision Making: The role of WOM. *International Business Research*, 7(10), 187-193.
- Mir Ahmadi, M. (2011). Investigating the effect of brand equity, received value and relationships equity on maximizing customer equity in the chain restaurant industry. *Master's Thesis*, Payame Noor University.
- Mohebi, S., & Niknejad, B. (2016). What is word-of-mouth advertising? *In Proceedings of the National Conference on Key Issues in Management and Accounting Sciences*, (2), 16-30.
- Pavlova, D. (2015). Customer Equity Management: the New Business Philosophy. *Trakia Journal of Sciences*, 13 (1), 331-336.
- Ranjbarian, B., Khorsandnezhad, A., & Abdollahi, S. M. (2013). The relationship between promotional effectiveness and brand equity: Samsung Home Appliance Advertising. *Journal of Business Management vision*, (14), 77-92.
- Rust, R. T., Lemon, K. N., & Zeithaml, V. A. (2004). Return on Marketing: Using Customer Equity to Focus Marketing Strategy. *Journal of Marketing*, 68(1), 109–127.
- Sahin, A., Zehir, C., & Kitapci, H. (2012). Does Brand Communication Increase Brand Trust? The Empirical Research on Global Mobile Phone Brands. *In Proceedings of The 8th International Strategic Management*, 58(8), 1361-1369.
- Talebi Asadi, M. (2014). Investigating the Impact of Brand Relationship through Brand Satisfaction (Case Study: Mobile Industry of Gilan Province). *Master's thesis*, Islamic Azad University.
- Tavakkul, S., Sardari, A., & Qazizadeh, M. (2014). Investigating the effect of e-banking acceptance factors on word-of-mouth advertising with emphasis on the mediator role of customer satisfaction and loyalty (Case study: Branch of New Economy Bank of Shiraz). *Versatility Strategies, Shabed University*, 21(3), 49-60.
- Thurau, T. H., Gwinner, K. P., Walsh, G., & Gremler, D. (2004). Electronic Word-of-Mouth via Consumer-Opinion Platforms: What Motivates Consumers to Articulate Themselves on the Internet? *Journal of Interactive Marketing*, 18(1), 38-52.
- Wang, H., Hoon, K. K., Kob, E., & Liu, H. (2016). Relationship between service quality and customer equity in traditional markets. *Journal of Business Research*, 2(1), 1-8.