AN EMPIRICAL ASSESSMENT OF THE INFLUENCE OF BRAND ACCOUNTING ON MERGERS AND ACQUISITIONS DECISION EFFECTIVENESS

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Abstract: This study examines the influence of brand accounting on mergers and acquisitions (M&A) decision effectiveness, with a focus on four key dimensions: brand accounting practices, brand valuation practices, brand accounting information, and disclosure of brand-related intangible assets. The study adopted a quantitative research design, employing structured questionnaires to collect data from professionals involved in corporate acquisitions. Using multiple regression analysis, the study assessed the impact of each brand accounting dimension on merger and acquisition decision-making. The results reveal that all four dimensions positively and significantly influence merger and acquisition decision effectiveness. Specifically, brand accounting practices ($\beta = 0.518$, $p < 0.05$), brand valuation practices ($\beta = 0.518$, $p < 0.05$), brand accounting information ($\beta = 0.445$, $p < 0.05$), and disclosure of brand-related intangible assets ($\beta = 0.497$, $p < 0.05$) were all found to enhance the quality of acquisition decisions. These findings underscore the critical role of intangible assets, particularly brand-related resources, in informing strategic corporate decisions. The study confirms that systematic measurement, valuation, and disclosure of brand assets not only improve the accuracy of acquisition evaluations but also reduce information asymmetry, enhancing the likelihood of successful merger and acquisition outcomes. The findings are consistent with the Resource-Based View (RBV), which posits that firms gain competitive advantage by leveraging valuable and unique resources. The study therefore recommends that firms should establish formal frameworks for measuring, recording and reporting brand related assets.

Keywords: *Brand Accounting, Brand Valuation Practices, Brand Accounting Information, Disclosure of Intangible Assets, Mergers and Acquisitions, Decision Effectiveness*

JEL Classification: M41, G34, M31, O34, D82

1.0 Introduction

The growing dominance of intangible assets in contemporary business environments has significantly transformed the way firms are valued and strategic decisions are made. In contrast to traditional accounting systems that emphasize tangible assets, modern corporations increasingly derive value from non-physical resources such as brand equity, reputation, and customer relationships. Recent studies affirm that intangible assets now constitute a substantial proportion of firm value, particularly in knowledge-driven and service-oriented economies (Keller, 2023; Lev, 2022; Bhaskaran et al., 2023). Among these, brand-related assets have become central to corporate competitiveness, making brand

accounting an essential tool for capturing, measuring, and reporting their economic significance.

Mergers and acquisitions (M&As) remain a critical strategic mechanism through which firms pursue growth, diversification, and market expansion. However, the success of merger and acquisition transactions largely depends on the effectiveness of decision-making processes, particularly during the valuation and due diligence stages. Evidence from recent global reports indicates that a significant proportion of merger and acquisition transactions fail to achieve expected outcomes due to inadequate assessment of intangible assets, especially brand value (PwC, 2024; Deloitte, 2025). This highlights a fundamental scientific problem: despite the recognized importance of brand-related assets, their measurement and integration into acquisition decision-making remain inconsistent and often insufficient.

Within this context, brand accounting practices play a crucial role in ensuring that brand-related assets are systematically recognized and incorporated into financial evaluations. Studies by Homburg et al (2023) suggest that firms that integrate brand accounting into strategic frameworks demonstrate improved acquisition performance. Similarly, brand valuation practices provide quantitative techniques for estimating the financial worth of brands, thereby enhancing the accuracy of acquisition pricing and negotiation processes (Damodaran, 2023; Bhaskaran et al, 2023). In addition, the availability of brand accounting information is vital for informed decision-making, as it provides managers with relevant and reliable data on brand performance and value (Srinivasan & Hanssens, 2022; Barth et al., 2023). Without such information, firms may rely on incomplete or subjective assessments, increasing the likelihood of suboptimal decisions. Furthermore, the disclosure of brand-related intangible assets contributes to transparency and reduces information asymmetry between acquiring and target firms. Empirical evidence indicates that firms with higher levels of intangible asset disclosure tend to achieve better valuation outcomes and enhanced investor confidence during merger and acquisition transactions (Dumay et al, 2023; Bini et al., 2024; IASB, 2023).

Despite these developments, there remains a notable research gap in the literature. Existing studies have largely examined brand valuation or intangible asset disclosure in isolation, with limited attention given to how multiple dimensions of brand accounting collectively influence merger and acquisition decision effectiveness. Moreover, empirical investigations that integrate brand accounting practices, brand valuation practices, brand accounting information, and disclosure of brand-related intangible assets within a unified analytical framework are scarce, particularly in emerging economies where reporting standards and valuation practices are still evolving (Nyong, 2025; Ebe et al, 2023). This fragmentation limits a comprehensive understanding of how brand accounting can be leveraged to enhance acquisition decision outcomes.

In response to this gap, the present study provides an empirical assessment of the influence of brand accounting on mergers and acquisitions decision effectiveness by examining the combined effects of these four dimensions. By adopting a quantitative approach and employing statistical analysis, the study seeks to establish the extent to which brand accounting contributes to more accurate, reliable, and effective merger and acquisition decisions. The study is significant as it not only advances academic discourse on intangible asset accounting but also offers practical insights for managers, investors, and policymakers seeking to improve acquisition outcomes through better valuation and disclosure of brand-related resources.

2.0 Literature Review

2.1 Brand Accounting Practices

Brand accounting practices refer to the structured processes through which organizations identify, measure, record, and report brand-related intangible assets within their financial and strategic systems. These practices have gained increasing attention in contemporary accounting literature due to the rising dominance of intangible assets in firm valuation. Unlike traditional accounting approaches that emphasize physical assets, brand accounting recognizes brands as critical value drivers that influence firm performance and competitive positioning (Lev, 2022; Keller, 2023). From a conceptual standpoint, brand accounting practices encompass activities such as brand recognition, valuation, performance tracking, and integration into financial reporting. According to Bhaskaran et al, (2023), firms that adopt systematic brand accounting practices are better able to align reported financial information with actual market value, thereby improving transparency and decision-making. Similarly, Damodaran (2023) argues that incorporating brand-related metrics into accounting frameworks enhances the accuracy of firm valuation, particularly in investment and acquisition contexts. The International Accounting Standards Board (IASB, 2023) provides guidance on the recognition and disclosure of intangible assets, although challenges remain in accounting for internally generated brands. Dumay et al (2023) note that despite advancements in reporting standards, many firms still underreport brand value due to measurement difficulties and regulatory constraints. Homburg et al (2023) found that firms that integrate brand accounting into their strategic frameworks achieve improved performance in mergers and acquisitions, as such practices enable more accurate evaluation of target firms. In addition, Barth, Li et al (2023) provide evidence that improved accounting for intangible assets enhances firm valuation and supports more informed managerial decisions.

2.2 Brand Valuation Practices

Brand valuation practices refer to the systematic approaches and methodologies used by organizations to determine the financial worth of a brand**.** These practices are essential for quantifying the economic contribution of brands to firm value, particularly in strategic decisions such as mergers and acquisitions, investment analysis, and financial reporting. As intangible assets increasingly dominate corporate value structures, the need for reliable and standardized brand valuation practices has become more pronounced in both academic and professional domains. According to Damodaran (2023), brand valuation integrates financial, market, and behavioural metrics to estimate the income-generating potential of a brand, thereby providing a more comprehensive view of firm value. Similarly, Keller (2023) posits that brand value is derived from customer-based brand equity, which reflects consumer perceptions, loyalty, and associations that ultimately translate into financial performance. The income-based approach, which focuses on the future earnings attributable to the brand, is widely regarded as the most relevant in strategic decision-making contexts. Interbrand (2024) emphasizes that modern valuation frameworks integrate financial performance, brand strength, and the role of brand in purchase decisions to provide a holistic assessment of brand value. In support of this, Bhaskaran et al (2023) argues that firms that adopt advanced brand

valuation models are better able to align their valuation processes with market expectations, thereby enhancing decision accuracy. Homburg et al (2023) found that firms that incorporate brand valuation into their acquisition strategies achieve superior post-merger performance due to more accurate pricing and better integration outcomes. Similarly, Bhaskaran et al 2023) report that robust brand valuation practices significantly improve firm valuation and investor confidence, particularly in competitive markets where intangible assets play a dominant role.

2.3 Brand Accounting Information

Brand accounting information refers to the collection, processing, and dissemination of financial and non-financial data relating to brand assets, which support managerial decision-making and external reporting. It encompasses information on brand value, brand performance, customer perception, market positioning, and the financial contribution of brands to overall firm performance. According to Lev (2022), the increasing dominance of intangible assets has necessitated the expansion of accounting information systems to capture non-physical value drivers such as brands. Similarly, Keller (2023) emphasizes that brand-related information, including customer-based brand equity metrics, plays a vital role in understanding how brands contribute to firm performance and competitive advantage. Srinivasan et al (2022) argue that integrating marketing metrics with accounting data enhances the quality of strategic decisions, as it provides a more comprehensive view of firm value. In the same vein, Barth et al (2023) highlight that high-quality accounting information on intangible assets improves firm valuation and supports more informed managerial and investment decisions. Empirical studies further underscore the importance of brand accounting information in corporate decision-making. Homburg et al (2023) found that firms that utilize detailed brand-related information in their strategic processes achieve better outcomes in mergers and acquisitions, as such information enhances due diligence and reduces valuation uncertainty. Additionally, Bhaskaran et al (2023) report that the availability of accurate and timely brand information significantly improves organizational performance by enabling firms to align their strategies with market expectations. Damodaran (2023) notes that the lack of reliable information on intangible assets often leads to mispricing in acquisition deals, highlighting the need for comprehensive brand-related data. Furthermore, Dumay et al (2023) emphasize that improved information on intangible assets reduces information asymmetry between acquiring and target firms, thereby enhancing transparency and decision quality.

2.4 Disclosure of Brand-Related Intangible Assets

Disclosure of brand-related intangible assets refers to the extent to which organizations report, communicate, and provide transparency regarding the value, nature, and performance of brand assets in financial statements and corporate reports. It is a critical component of modern accounting and corporate governance, particularly as intangible assets such as brands constitute a substantial proportion of firm value in contemporary economies. Disclosure practices aim to bridge the information gap between internal management and external stakeholders by providing relevant insights into the economic significance of brand-related resources. Conceptually, disclosure of brand-related intangible assets is grounded in financial reporting frameworks such as IAS 38, which emphasize the need for recognition, measurement, and disclosure of identifiable intangible assets. However, studies have shown that many brand-related assets remain underreported or entirely omitted from financial statements due to measurement challenges and regulatory limitations Scholarly literature

emphasizes that effective disclosure of intangible assets enhances transparency and improves the overall information environment. Bhaskaran et al (2023) argue that reporting intangible assets contributes to a more efficient capital market by reducing uncertainty and improving the accuracy of firm valuation. Similarly, Li et al (2024) find that voluntary disclosure of intangible assets significantly reduces financing constraints, as it provides investors and analysts with better insights into firm capabilities and future performance. These findings underscore the importance of disclosure in strengthening investor confidence and facilitating informed decision-making. Furthermore, disclosure practices are closely linked to corporate accountability and governance. Firmansyah et al (2024) identify disclosure as a key theme in intangible asset accounting, emphasizing that improved reporting frameworks are necessary to capture the full value of intangible resources and ensure comparability across firms. In addition, Koutoupis et al (2025) highlight that disclosure of intangible assets is essential for enhancing transparency and aligning accounting practices with evolving economic realities.

2.5 Mergers and Acquisition Decision Effectiveness

Mergers and acquisitions (M&A) decision effectiveness refers to the extent to which strategic choices in merger or acquisition transactions achieve intended objectives, including value creation, synergy realization, improved financial performance, and competitive advantage. Effective M&A decisions are characterized by accurate target evaluation, appropriate valuation of assets, informed managerial judgment, and successful integration post-transaction (Cartwright et al, 2023). Conceptually, M&A decision effectiveness is rooted in strategic management and corporate finance theories, emphasizing that acquisitions are complex, resource-based, and risk-intensive decisions (Gomes et al, 2022). According to Marks et al (2023), firms that systematically assess both tangible and intangible assets especially brands are more likely to achieve intended synergies and generate shareholder value. Effectiveness of M&A decisions can be measured using financial performance metrics such as return on assets, market-to-book ratios, abnormal stock returns, and profitability post-merger (Suryaningrum et al, 2023). Additionally, non-financial indicators, such as organizational integration success, cultural alignment, and operational synergy, are also critical to evaluating M&A effectiveness (KPMG, 2023). Research shows that acquisitions involving strong brand-related intangible assets lead to higher market valuation and improved post-merger performance (Homburg et al, 2023).

2.6 Theoretical Framework and Hypothesis Development

The study is underpinned on resource-based theory.

2.6.1 Resource-Based Theory

The Resource-Based View (RBV) was propounded by Birger Wernerfelt in 1984 and was further developed by Jay Barney in 1991. The theory posits that a firm’s ability to achieve and sustain competitive advantage depends largely on its possession and effective utilization of resources that are valuable, rare, inimitable, and non-substitutable (VRIN). These resources may be tangible or intangible; however, RBV places significant emphasis on intangible assets such as brand equity, corporate reputation, and organizational capabilities, which are often more difficult for competitors to replicate. In the context of this study, the Resource-Based View provides a strong theoretical underpinning for understanding the role of brand accounting in mergers and acquisitions (M&A) decision processes. Brand-related constructs such as brand accounting practices (BAP), brand valuation practices (BVP), brand

accounting information (BAI), and intangible assets disclosure (IAD) represent critical intangible resources that contribute to a firm's strategic positioning. RBV suggests that firms engage in mergers and acquisitions not only to expand their operational capacity but also to acquire valuable strategic resources, including well-established brands that can enhance competitive advantage. When firms accurately assess brand value, they are better positioned to make informed and rational M&A decisions. This aligns with the premise of RBV that firms with superior capabilities in evaluating and managing their strategic resources are more likely to achieve favourable outcomes. Furthermore, the theory implies that the effectiveness of mergers and acquisitions decisions (the dependent variable) is influenced by how well firms recognize and integrate brand-related resources into their strategic decision-making processes. In line with the above theory, we hypothesise that:

H_{01}: Brand accounting has no significant effect on merger and acquisition decision effectiveness

H_{02}: Brand valuation practices do not significantly influence merger and acquisition decision effectiveness

H_{03}: Brand accounting information does not significantly affect merger and acquisition decision effectiveness

H_{04}: Disclosure of brand-related intangible assets does not significantly enhance merger and acquisition decision effectiveness

2.7 Empirical Review

Empirical studies demonstrate that brand accounting and related intangible assets significantly influence mergers and acquisitions (M&A) decision effectiveness. Homburg et al (2023) found that firms integrating brand accounting practices in their strategic processes achieve better post-merger performance due to more accurate valuations and informed decisions. Similarly, Damodaran (2023) emphasizes that robust brand valuation practices reduce pricing errors and improve acquisition outcomes. Srinivasan et al (2022) highlight that access to reliable brand accounting information enhances managerial judgment, supporting better M&A decisions. Barth et al (2023) provide evidence that effective disclosure of brand-related intangible assets increases transparency, reduces information asymmetry, and strengthens investor confidence during acquisition transactions. Keller et al (2023) show that internally generated brands are often underreported, creating gaps in valuation that can adversely affect M&A success. Kliestik et al. (2024) also report that comprehensive reporting and disclosure of brand-related assets positively influence firm valuation and strategic decision-making.

2.8 Research Gap

Existing studies have extensively examined intangible assets, brand valuation, and disclosure practices in relation to firm performance and mergers and acquisitions. However, the literature remains fragmented, as most empirical works focus on these variables in isolation rather than as an integrated framework. Specifically, there is limited empirical evidence that simultaneously examines brand accounting practices, brand valuation practices, brand accounting information, and disclosure of brand-related intangible assets in explaining M&A decision effectiveness. Furthermore, prior studies have largely concentrated on developed

economies, with relatively little attention given to emerging markets where accounting systems and disclosure standards for intangible assets are still evolving. This creates a contextual gap in understanding how brand accounting influences acquisition decisions in such environments. Therefore, this study addresses these gaps by providing a comprehensive and integrated empirical assessment of brand accounting dimensions and their collective impact on mergers

3.0 Methodology

This study adopts a quantitative survey research design, which is suitable for examining relationships between variables and for collecting data from respondents with expertise in mergers and acquisitions (Creswell, 2014). The design allows the researcher to evaluate how brand accounting practices, brand valuation methods, and intangible asset disclosures influence M&A decision effectiveness, including valuation accuracy, acquisition premium determination, strategic decision-making, and negotiation transparency. This design also facilitates the use of multiple regression analysis**,** aligning with the study's objectives and hypotheses.

The population of this study comprises professionals involved in mergers and acquisitions within Nigerian firms, including: corporate lawyers, partners, transaction advisors, investment bankers, valuation specialists, risk analysts, finance managers, CFOs, strategic planning managers, and accounting staff. These professionals are knowledgeable in brand accounting, brand valuation, and financial reporting of intangible asset**s**, making them ideal respondents for the study. The selected firms are primarily located in: Lagos State (Olaniwun Ajayi LP, Banwo & Ighodalo, Afrinvest, Parthian Partners); Abuja, FCT (Seun Olokeogun & Associates, Olaniwun Ajayi LP branch, Banwo & Ighodalo branch); Port Harcourt, Rivers State (Olaniwun Ajayi LP branch, Afrinvest branch); Anambra State (Afrinvest branch); Kano Stat**e** (Afrinvest branch); Enugu State (Afrinvest branch). The respondents are professionals who actively engage in mergers and acquisitions processes. This ensures that participants possess relevant experience, expertise, and practical knowledge about brand accounting and M&A decision-making. A total of 90 respondents were purposively selected for this study. The stratified purposive sampling techniqu**e** was employed to ensure representation from the three main strata of M&A professionals:

Table 1: Stratum, respondent and Position

Stratum	Number of Respondents	Positions
Legal / Corporate Advisory	30	Corporate Lawyers, Partners, Transaction Advisors
Investment Banking / Advisory	30	Investment Bankers, Valuation Specialists, Risk Analysts, Finance Managers
Internal Corporate Finance	30	CFOs, Strategic Planning Managers, Accounting Staff

Stratified purposive sampling ensures that the sample includes professionals directly responsible for brand accounting, brand valuation, and M&A-related decision-making. It also allows for comparability across different professional roles and firm types, enhancing the reliability of the study. The study relies on primary data, collected through a structured

questionnaire. To ensure content validity, the questionnaire was reviewed by experts in accounting, corporate finance, and research methodology. The instrument's reliability was assessed using Cronbach's Alpha coefficient and all the constructs exceeded more than 70%. Pilot testing among a small group of professionals indicated that all items achieved satisfactory reliability, demonstrating internal consistency**.** Data analysis involved descriptive and inferential statistics**:** The multiple regression model is expressed

$MADE = \beta0 + \beta1\ (BAP) + \beta2\ (BVP) + \beta3\ (BAI) + \beta4\ (IAD) + \varepsilon$
Where: MADE= Mergers and Acquisitions Decision Effectiveness; BAP= Brand Accounting Practices; BVP = Brand Valuation Practices; BAI = Brand Accounting Information; IAD = Intangible Asset Disclosure; $\beta0$ = Intercept; $\beta1$–$\beta4$ = Regression coefficients: ε = Error term

This research observed strict ethical standards in the collection and use of data. Participation was voluntary, and respondents were not coerced at any stage of the study. Confidentiality and anonymity were ensured by not collecting personal identifiers such as names or staff identification numbers. All responses were treated as strictly confidential and used solely for academic purposes. Informed consent was obtained from all participants after clearly explaining the purpose of the study, its academic nature, and their right to withdraw at any time without any consequence. Data collected were securely stored and analyzed in aggregate form to prevent individual identification.

4.0 Data Analysis

4.1 Descriptive Statistics

Table 2: Questionnaire and Response

S/N	**Brand Accounting Practices (BAP)**	**SD**	**D**	**N**	**A**	**SA**
BAP1	My firm systematically identifies all brand-related assets during M&A transactions	6	9	13	31	32
BAP2	Brand assets are consistently recorded and updated in the accounting systems	4	8	12	28	38
BAP3	Brand accounting practices in my firm follow standardized procedures during mergers and acquisition	6	9	14	30	31
BAP4	Brand accounting significantly contributes to the financial reporting of M&A activities.	5	8	12	29	36
BAP5	Brand accounting improves the accuracy of acquisition pricing decisions.	6	10	14	29	31
	Brand Valuation Practices (BVP)	**SD**	**D**	**N**	**A**	**SA**
BVP1	My firm uses recognized valuation method to assess brand value.	5	9	14	30	32
BVP2	Brand valuation results influence acquisition pricing and negotiation strategies.	4	8	13	29	36
BVP3	Valuation of brand assets is conducted with sufficient data and relevant market information.	6	10	15	28	31
BVP4	Brand valuation is integrated into due diligence and pre-acquisition analysis	5	9	13	30	33
BVP5	Brand valuation is a key factor in determining the worth of target firms	6	8	14	29	33

	Brand Accounting Information (BAI)	**SD**	**D**	**N**	**A**	**SA**
BAI1	My firm provides adequate brand-related information to support M&A decisions.	5	9	13	30	33
BAI2	Brand accounting reports include relevant performance metrics for the brand.	4	8	12	30	36
BAI3	Management uses brand accounting information to guide M&A strategy.	6	10	15	27	32
BAI4	Brand accounting information reduces uncertainty in investment decisions.	5	8	14	30	33
BAI5	Brand accounting information enhances the quality of merger and acquisition outcomes	6	9	14	29	32
	Intangible Asset Disclosure (IAD)	**SD**	**D**	**N**	**A**	**SA**
IAD1	My firm discloses brand-related intangible assets in financial statements.	4	8	13	30	35
IAD2	Disclosure of brand assets enhances transparency during M&A negotiations.	6	9	14	29	32
IAD3	Intangible asset reporting reduces information asymmetry between buyers and sellers.	4	8	12	29	37
IAD4	Stakeholders consider brand disclosures when evaluating acquisition opportunities.	5	9	14	30	32
IAD5	Disclosure of brand assets reduces information asymmetry in acquisition	5	8	13	31	33
	Mergers and Acquisition Decision Effectiveness (MADE)	**SD**	**D**	**N**	**A**	**SA**
MAD1	Brand accounting improves the overall effectiveness of M&A decisions	5	8	13	30	34
MAD2	Brand valuation practices influence the determination of acquisition premiums.	4	8	12	29	37
MAD3	Brand accounting information contributes to higher quality strategic decision-making.	6	9	14	29	32
MAD4	Disclosure of brand-related intangible assets enhances transparency in negotiations.	5	8	13	28	36
MAD5	Brand accounting improves the accuracy of target firm valuation during M&A.	6	9	13	30	32

Source: Field Survey (2026)

4.1.1 Diagnostic/Assumption Tests

Normality Test

The normality of the residuals was assessed using the Shapiro–Wilk test. The result indicated that the residuals did not significantly deviate from normality ($W = 0.968$, $p > 0.05$), suggesting that the assumption of normality was satisfied. Both the skewness and kurtosis confirmed that the data was normally distributed.

Multicollinearity Test

Multicollinearity among the independent variables was assessed using the Variance Inflation Factor and tolerance values. The results indicated that all variables had VIF values ranging

from 1.14 to 2.45 below the threshold of 10 and tolerance values above 0.10, suggesting the absence of multicollinearity. Therefore, the independent variables were considered sufficiently independent for reliable regression analysis.

Heteroscedasticity Test

The test for heteroscedasticity was conducted to examine whether the variance of the error terms is constant across observations. The result indicates that the test statistic is not statistically significant ($p > 0.05$), suggesting the absence of heteroscedasticity in the model. This implies that the assumption of homoscedasticity is satisfied, and the error terms exhibit constant variance. Therefore, the regression estimates are considered reliable and not biased due to heteroscedasticity.

4.2 Test of Hypotheses
4.2.1 Test of Hypothesis 1

H_{01}: Brand accounting has no significant effect on merger and acquisition decision effectiveness

Table 2 Regression Results: Effect of Brand Accounting Practices on Merger and Acquisition Decision Effectiveness

Model Summary	R Square	0.519	
ANOVA	F	95.017	
	Sig.	0.000	
Coefficients	**B**	**T**	**Sig**
Constant	1.972	8.869	0.000
Brand Accounting Practices (BAP)	0.518	9.748	0.000

Source: SPSS v. 26 output (2026)

Table 2 shows the regression results on the effect of brand accounting practices on merger and acquisition decision effectiveness. The R^2 value of 0.519 indicates that 51.9% of variations in merger and acquisition decision effectiveness are explained by brand accounting practices. The F-statistic of 95.017 with a significance of 0.000 validates the overall model at 5%. The coefficient for brand accounting practices ($\beta = 0.518$, $p < 0.05$) reflects a positive marginal effect, implying that a one-unit increase in brand accounting practices improves merger and acquisition decision effectiveness by 0.518 units, and this effect is significant. Hence, the null hypothesis is rejected, establishing that brand accounting practices significantly and positively influences merger and acquisition decision effectiveness

4.2.2 Test of Hypothesis 11
H_{02}: Brand valuation practices do not significantly influence merger and acquisition decision effectiveness
Table 3 Regression Results: Effect of Brand Valuation Practices on Merger and Acquisition Decision Effectiveness

Model Summary	R Square	0.462
ANOVA	F	75.615
	Sig.	0.000

Coefficients	**B**	**T**	**Sig**
Constant	1.972	7.926	0.000
Brand Valuation Practices (BVP)	0.518	8.696	0.000

Source: SPSS v. 26 output (2026)

Table 3 shows the regression results on the effect of brand valuation practices on merger and acquisition decision effectiveness. The R^2 value of 0.462 indicates that 46.2% of variations in merger and acquisition decision effectiveness are explained by brand valuation practices. The F-statistic of 75.615 with a significance of 0.000 validates the overall model at 5%. The coefficient for brand valuation practices ($\beta = 0.518$, $p < 0.05$) reflects a positive marginal effect, implying that a one-unit increase in brand valuation practices improves merger and acquisition decision effectiveness by 0.518 units, and this effect is significant. Hence, the null hypothesis is rejected, establishing that brand valuation practices significantly and positively influence merger and acquisition decision effectiveness

4.2.3 Test of Hypothesis 111

H_{03}: Brand accounting information does not significantly affect merger and acquisition decision effectiveness

Table 4 Regression Results: Effect of Brand Accounting Information on Merger and Acquisition Decision Effectiveness

Model Summary	R Square	0.428	
ANOVA	F	65.753	
	Sig.	0.000	
Coefficients	**B**	**T**	**Sig**
Constant	2.296	9.483	0.000
Brand Accounting Information (BAI)	0.445	8.109	0.000

Source: SPSS v. 26 output (2026)

Table 4 shows the regression results on the effect of brand accounting information on merger and acquisition decision effectiveness. The R^2 value of 0.428 indicates that 42.8% of variations in merger and acquisition decision effectiveness are explained by brand accounting information. The F-statistic of 65.753 with a significance of 0.000 validates the overall model at 5%. The coefficient for brand accounting information ($\beta = 0.445$, $p < 0.05$) reflects a positive marginal effect, implying that a one-unit increase in brand accounting information improves merger and acquisition decision effectiveness by 0.445 units, and this effect is significant. Hence, the null hypothesis is rejected, establishing that brand accounting information significantly and positively influences merger and acquisition decision making effectiveness.

4.2.4 Test of Hypothesis 1V

H_{04}: Disclosure of brand-related intangible assets does not significantly enhance merger and acquisition decision effectiveness

Table 5 Regression Results: Effect of Disclosure of Brand-Related Intangible Assets on Merger and Acquisition Decision Effectiveness

Model Summary	R Square	0.428

ANOVA	F	65.858	
	Sig.	0.000	
Coefficients	**B**	**T**	**Sig**
Constant	0.205	8.018	0.000
Disclosure of Brand-Related Intangible Assets	0.497	8.115	0.001

Source: SPSS v. 26 output (2026)

Table 5 shows the regression results on the effect of disclosure of brand-related intangible assets on merger and acquisition decision effectiveness. The R^2 value of 0.464 indicates that 46.4% of variations in merger and acquisition decision effectiveness are explained by disclosure of brand-related intangible assets. The F-statistic of 65.858 with a significance of 0.000 validates the overall model at 5%. The coefficient for disclosure of brand-related intangible assets ($\beta = 0.497$, $p < 0.05$) reflects a positive marginal effect, implying that a one-unit increase in disclosure of brand-related intangible assets improves merger and acquisition decision effectiveness by 0.680 units, and this effect is significant. Hence, the null hypothesis is rejected, establishing that disclosure of brand-related intangible assets significantly and positively influences merger and acquisition decision effectiveness.

4.3 Discussion of Findings.

Brand Accounting Practices (BAP) showed a positive coefficient of 0.518 with a p-value less than 0.05, suggesting that systematic measurement and reporting of brand-related assets significantly contribute to effective merger and acquisition decisions. This finding aligns with recent studies by Homburg et al (2023), who observed that organizations that integrate brand accounting into financial and strategic frameworks are better able to assess the true value of target firms, thereby reducing acquisition risks.

Similarly, Brand Valuation Practices (BVP) demonstrated a positive coefficient of 0.518 and a significant p-value (<0.05), indicating that accurate valuation of brand assets enhances effective decision-making during acquisitions. This supports the assertion of Interbrand (2024) and Damodaran (2023), who argue that robust brand valuation practices provide management with objective metrics that improve negotiation strategies, prevent overpayment, and facilitate value-maximizing transactions.

Brand Accounting Information (BAI) also exhibited a positive and significant effect ($\beta = 0.445$, $p < 0.05$) on M&A decision effectiveness. This finding underscores the importance of accessible, accurate, and timely brand-related data in informing acquisition decisions. Consistent with Srinivasan et al (2022), firms that maintain high-quality brand accounting information are better positioned to integrate target firms successfully and make informed strategic choices.

Furthermore, Disclosure of Brand-Related Intangible Assets (DBA) had a positive coefficient of 0.497 ($p < 0.05$), demonstrating that transparent reporting of brand assets enhances the reliability of merger and acquisition decisions. This is in line with studies by Dumay et al (2023) and IASB (2023), which emphasize that clear disclosure reduces information asymmetry between acquiring and target firms, thereby increasing investor confidence and improving post-acquisition performance.

5.1 Conclusion

This study has empirically examined the influence of brand accounting on mergers and acquisitions (M&A) decision effectiveness, focusing on four critical dimensions: brand accounting practices, brand valuation practices, brand accounting information, and disclosure of brand-related intangible assets. The findings provide clear evidence that all four dimensions positively and significantly impact merger and acquisition decision-making, demonstrating that intangible brand-related resources are essential drivers of strategic corporate outcomes. The results indicate that firms that systematically measure, value, and disclose brand assets are better positioned to make informed and effective acquisition decisions. Brand accounting practices ensure that the financial and strategic value of brands is properly recognized, while robust brand valuation practices provide objective metrics for evaluating target firms. Furthermore, accurate brand accounting information and transparent disclosure of intangible assets enhance the reliability of decisions by reducing information asymmetry and improving stakeholder confidence. Collectively, these practices contribute to higher quality merger and acquisition decisions, aligning with the principles of the Resource-Based View, which emphasizes the strategic importance of unique and valuable resources in achieving competitive advantage. In conclusion, this study underscores that brand accounting is not merely an accounting or reporting exercise, but a strategic tool that enhances corporate decision-making in acquisitions. Firms that integrate comprehensive brand accounting practices into their merger and acquisition evaluation frameworks are more likely to achieve successful and value-enhancing transactions

5.2 Policy Recommendation

Based on the findings of this study, the following policy recommendations are proposed to enhance the effectiveness of mergers and acquisitions decisions through improved brand accounting practices:

(1) Organizations should develop and implement formal brand accounting frameworks that systematically recognize, measure, and report brand-related intangible assets. This will improve the accuracy of firm valuation and support more informed acquisition decisions.

(2) Regulatory agencies and professional accounting bodies should encourage the adoption of standardized and internationally accepted brand valuation techniques. This will reduce inconsistencies in valuation processes and minimize the risk of overvaluation or undervaluation during mergers and acquisitions.

(3) Firms should strengthen their accounting information systems to ensure the availability of reliable, timely, and relevant brand-related information for strategic decision-making. Integrating brand metrics into financial and managerial reporting systems will improve the quality of acquisition analysis and due diligence processes.

5.3 Limitations of the Study

Despite the significant findings, this study is subject to certain limitations that should be considered when interpreting the results. First, the study relied on a relatively small and purposively selected sample of respondents, which may limit the generalizability of the

findings to all firms engaging in mergers and acquisitions. Second, the use of structured questionnaires introduces the potential for response bias, as participants may have provided socially desirable answers rather than reflecting their true practices or perceptions. Finally, challenges in accurately measuring intangible assets and brand-related information, especially in emerging markets, may affect the precision of the analysis.

5.4 Areas for Further Study

(1) Future studies could explore additional dimensions of brand accounting, such as brand loyalty metrics, customer perception, and social media brand engagement, to examine their impact on strategic decision-making.

2) Longitudinal studies could be conducted to assess how brand accounting practices influence M&A outcomes over time, allowing for a better understanding of causality and the sustainability of acquisition benefits.

3) Comparative studies across different industries or countries would also provide insights into how contextual factors, such as regulatory environments and market maturity, affect the integration of brand accounting into acquisition decisions.

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