International Conference on Rural Development and Enterpreneurship 2019 : Enhancing Small Busniness and Rural Development Toward Industrial Revolution 4.0

Vol. 5 No.1

ISBN: 978-623-7144-28-1

THE INFLUENCE OF CONSUMER BRAND IDENTIFICATION ON BRAND LOYALTY: MEDIATED BRAND COMMUNITY COMMITMENT

Wawan Supriyanto¹, Rahab ², Nur Chourul Afif ³

¹²³ Faculty of Economics and Business, Jenderal Soedirman University, Indonesia.

Abstrack. The purpose of this study is to propose a research framework that is consumer brand identification of brand loyalty where brand community commitment is a mediating variable within the framework of this research. This conceptual research is compiled based on the existing theoretical and marketing literature, where marketing with the community is becoming the company's trend today. This paper is useful for the development of research models and provides opportunities for future research to make empirical contributions.

Keyword: Consumer brand identification, brand loyalty, brand community commitment

INTRODUCTION

Brand is one of the most important parts of a product. Brands can be an added value for products, both products in the form of goods and services. This added value is very beneficial for producers or companies. That's why the Company strives to continue to introduce its brands from time to time, especially consumers who are the target market. Besides that, one of the functions of the brand is also as the identification of product quality, both in the form of goods and services. Brands also function to increase the efficiency of buyers, with the name / brand it will make it easier for buyers to find products that are sought / in demand. This is certainly more efficient and effective.

Dynamic consumer behavior makes the concept of marketing strategies interesting, consumer attitudes towards brands are among consumer behavior. where many companies identify their brands to certain organizations / groups so that their brands have a close relationship with certain communities / groups such as research (Burnmann and Zeplin, 2005) that identify brands among employees who produce and offer brands that reflect ownership of the group determine brand experience, and perceptions related to group fate. According to the social identity perspective, consumers use brands to define themselves when brands satisfy themselves such as self-improvement (by reflecting themselves). As a brand that increasingly satisfies self-motives.

The subject of building customer brand loyalty has been extensively investigated, with studies largely focusing on examining key marketing concepts that serve as antecedents of loyalty, such

¹ Corresponding author email: wawansupriyanto46@gmail.com

ISBN: 978-623-7144-28-1

as trust (Chaudhuri & Ligas, 2009; Fung, King, Sparks, & Wang, 2013), and perceived quality services (Kandampully, Juwaheer, & Hu, 2011; Nikhashemi, Laily Paim, Samsinar, & Khatibi, 2014), Although the findings of this study contribute to the development of customer brand loyalty from a customer's perspective. the study has found the role of customer brand identification in building brand loyalty. The term identification of customer brands is created from social identity theory that can produce various customer outcomes such as customer brand loyalty (Fung et al., 2013; He & Li, 2011).

Brand loyalty is actually a measure of customer attachment to a brand. The size is able to give an idea of whether or not a customer might switch to another brand, especially if there are changes, both concerning prices or other attributes, A customer who is very loyal to a brand will not easily move his purchase to another brand, whatever happens with that brand. And, if loyalty increases, then the customer's vulnerability to attacks or other brand threats is nothing to worry about. Loyal customers are generally difficult to influence even when faced with many alternative brands.

Based on the description above, the researcher proposes the theme of Brand Consumer Identification towards Brand Loyalty because of the differences in previous research as presented in table 1.1

Table 1.1 Summary of Research Gap Effect of Brand Consumer Identification on Brand Loyalty

Research Gap	Results	Researcher
There Are Differences in Research Results on the Effect		Alaa M. Elbedweihy et al (2016)
of Brand Consumer Identification on Brand Loyalty	Significant	Urška Tuškej et al (2018)

Based on table 1.1 above, it can be seen that the results of research on the Brand Consumer Effect Identification of Brand Loyalty give different results. Therefore further research is needed to explain the relationship of Brand Consumer Identification to Brand Loyalty where the author adds Brand Community Commitment as a mediation between Brand Consumer Identification and Brand Loyalty.

THEORY DEVELOPMENT AND CONCEPTUAL MODEL

Consumer Brand Identification

The concept of identification stems from social identity and organizational identification theory, by which people articulate their feelings about self-development of social identities that internalize group categories as part of their self-concept (Ashforth and Mael, 1989; Tajfel and Turner, 1985). we argue that the identification of consumer-brands is an identity bond between consumers and brands (Papista and Dimitriadis, 2012; Stokburger-Sauer et al., 2012). Identification of consumer brands is "the psychological state of the customer in understanding, feeling, and assessing his ownership with a brand" (Lam et al., 2010, p. 129; Donavan et al., 2006; Lam et al., 2012). Consumers connect various consumption objects and brands with their own identities and regard these objects as part of themselves (Schultz Kleine et al., 1995; Escalas and Bettman, 2003). When an individual identifies himself with a group, he tries harder to achieve

ISBN: 978-623-7144-28-1

group goals because he considers himself part of a group (Kuenzel & Halliday, 2008). Brown et al. (2005) argue that this concept is also approached by branding theory that uses alternative terms, including self-connection to a brand (Fournier, 1998), theorists from the field of identification have also considered conceptual similarities with their respective concepts in the context of branding (Bagozzi and Dholakia, 2006; Scott and Lane, 2000).

Brand Community Commitment

Muniz and O'Guinn (2001, p. 412) define brand communities as "special communities, which are not geographically bound. Commitment refers to the desire to maintain a valued relationship. The term, "community commitment," as demonstrated by (Grzeskowiak, Sirgy, and Widgery (2003), shows that local people consider themselves part of a faithful community and will never want to move in any way. With the importance of the brand community that was emphasized recently, marketers are increasingly focused on building, managing, and maintaining brand communities (eg McAlexander et al., 2002; Muniz and O'Guinn, 2001). Brand community is defined as a group of people who have a particular brand or who have a strong interest in the brand, and who are active both online and offline (Muniz and O'Guinn, 2001; Jeppesen and Frederiksen, 2006).

Companies have begun to use brand communities for strategic purposes to be closer to certain target market segments. Brand community members determine certain community agendas and activities with relationships between members who have the same brand, and when they exchange information and / or meanings about brands (Muniz and Schau, 2005), therefore, interactions between companies and brand communities are very helpful for companies to identify customer characteristics and needs more accurately, so companies can manage long-term customer relationships at lower costs.

Brand Loyalty

Brand loyalty is usually defined as covering two dimensions: behavior and attitude (Day, 1969; Jacoby and Chestnut, 1978). Brand loyalty seems to be related to commitment to repeat purchases or promotions that are preferred by certain products or services in the future (Dick and Basu, 1994; Fatema et al., 2015; Rahi et al., 2017; Sasmita and Suki, 2015). Brand loyalty often allows consumers to buy brands and refuse to switch to other brands (Palazón and Delgado, 2009), Keller (2009) states that consumers tend to insist on buying the same brand and refuse to switch to another brand even though competitors have tempted customers to switch to their brands. Brand loyalty is generally seen as the main focus of each company's marketing strategy, especially in the service industry, where the market is relatively resilient and very different (Fournier and Yao, 1997).

Effect of Consumer Brand Identification on Brand loyalty

Marketing literature provides a lot of support for the idea that identification is related to long-term sustainable preferences for the company's products identified (Bhattacharya & Sen, 2003). Lam et al. (2010) show that CBI inhibits consumers from switching brands. CBI is a predictor of loyal brand behavior, which we define as a very strong intention to repurchase or reclassify selected brands in the future (Oliver, 1999). Greater consumer loyalty can be achieved through an increase in the identification of customers with brands (Libai et al., 2010). In the context of the sports team, Karjaluoto, Munnukka, and Salmi (2016) show that the more fans

ISBN: 978-623-7144-28-1

identify with the team, the higher the loyalty of their team. In the same case, we hope brand identification has a positive effect on brand loyalty. So the researchers proposed proposition.

P1. Consumer Brand Identification has a positive impact on Brand Loyalty

Effect of Consumer Brand Identification on Brand Community Commitment

Consumer commitment to a brand implies an emotional or psychological attachment that reflects the extent to which a brand is firmly embedded as the only acceptable choice in the product class (Warrington and Shim, 2000, p. 764).

Bhattacharya and Sen (2003, p. 83) claim that brand identification causes people to be psychologically bound to the organization, which motivates them. to commit to achieving its goals. In addition, suitability affects consumer identity (Bhattacharya and Sen, 2003; Dutton et al., 1994; Hamilton and Xiaolan, 2005), and consumer commitment to a brand (Foreman and Whetten, 2002; Kressman et al., 2006; Sirgy et al., 2007). Furthermore, consumer-brand identification can be one of the main factors that influence brand commitment (Bhattacharya and Sen, 2003; Brown et al., 2005). Therefore, the authors propose that consumer brand identification influences brand community commitment. This idea leads to the second research proposition:

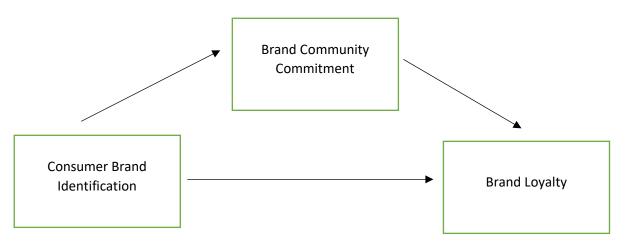
P2. Consumer Brand Identification has a positive impact on Brand Community Commitment

Effect of Brand Community Commitment on Brand loyalty

Previous commitments were defined as "eternal desires to maintain valued relationships" (Moorman et al., 1992), which were based on positive emotional ties and characterized as effective social identity (Dholakia et al., 2004; Bagozzi and Dholakia, 2002; Muniz and O'Guinn, 2001). This has been widely studied from various aspects because it plays a key mediating role in the formation of consumer loyalty and behavioral intentions (Cheung and Lee, 2009; Jang et al., 2008; Pritchard et al., 1999). Therefore, community commitment can be seen as a factor of ongoing relationships between members and the community, and their active involvement in the community. In the same case, we hope to propose that brand community commitment has a positive effect on brand loyalty. So the researchers proposed This idea leads to the second research proposition:

P3. Brand Community Commitment has a positive impact on Brand Loyalty

P4. The Brand Community Commitment mediates Consumer Brand Identification for Brand Loyalty



ISBN: 978-623-7144-28-1

DISCUSSION AND DIRECTION OF FUTURE RESEARCH

The model in the research that we propose can be useful in developing a further research framework to determine the effect of consumer brand identification on brand loyalty with brand community commitment as a mediating variable between two dependent and independent variables. The analysis that the authors consider appropriate to test these variables is path analysis that can be tested using the SPSS program in collecting data, the authors suggest using a questionnaire with a 7 Likert Scale where the range of answers ranges from strongly disagree and strongly agree, this is to facilitate preparation the results of the questionnaire score. While the target respondents of this study are the Indonesian backpacker community who use the osprey brand on backpacks / backpacks that they use to carry out their activities. Osprey brand is a product with a fairly high price compared to the prices of local brands such as eiger and consina, so most consumers do a thorough evaluation before buying the product. Evaluation is done to improve their understanding of a particular product or brand. The backpacker community regularly holds various activities, including online activities and official meetings. These activities are often held, and generally involve many participants. The backpacker community is thus a suitable subject for the investigation of this study. This research focuses on the osprey brand used by Indonesian backpacker members but from the many Indonesian backpackers who have the largest online or offline members are Jakarta regional backpackers, JABODETABEK regional backpackers (Jakarta, Bogor, Depok, Tanggerang, and Bekasi), Kediri backpackers and Yogyakarta regional backpacker. So that the sample in this study is the four Indonesian backpacker communities with regional above. This study uses online surveys, where survey links are sent to regional Indonesian backpacker members mentioned above. This study uses regression analysis with the help of the SPSS application. Sampling in this study uses purposive sampling technique that is a sample with a particular creativity. The criteria in question are from Indonesian backapeker members with the regions mentioned above and have an osprey brand backpack or daypack. In this study the sample size used was 50 respondents.

The things related to the techniques and processing of other data needed in testing the model we propose can be adjusted. The proposed model of this research does not mean without limits, the development of further research models in the future greatly helps refine the proposed research model.

ISBN: 978-623-7144-28-1

REFERENCES

- Aaker, J. L. (1997). Dimensions of brand personality. Journal of marketing research, 34(3), 347-356
- Bagozzi, R. P., & Dholakia, U. M. (2006). Antecedents and purchase consequences of customer participation in small group brand communities. *International Journal of research in Marketing*, 23(1), 45-61.
- Bhattacharya, C. B., & Sen, S. (2003). Consumer-company identification: A framework for understanding consumers' relationships with companies. Journal of marketing, 67(2), 76-88.
- Brown TJ, Barry TE, Dacin PA, Gunst RF. Spreading the Word: Investigating Antecedents of Consumers' Positive Word-of-Mouth Intentions and Behaviors in a Retailing Context. Journal of the Academy of Marketing Science 2005; 33 (2): 123-138.
- Burmann, C., & Zeplin, S. (2005). Building brand commitment: A behavioural approach to internal brand management. Journal of brand management, 12(4), 279-300.
- Chaudhuri, A., & Ligas, M. (2009). Consequences of value in retail markets. *Journal of Retailing*, 85(3), 406-419.
- Cheung, M.Y., Shek, P.W. and Sia, C.L. (2004), "Virtual community of consumers: why people are willing to contribution", Proceedings of the Eighth Pacific-Asia Conference on Information Systems, Shanghai, China, pp. 2100-7.
- Dick, A. S., & Basu, K. (1994). Customer loyalty: toward an integrated conceptual framework. Journal of the academy
- Donavan, D. T., Janda, S., & Suh, J. (2006). Environmental influences in corporate brand identification and outcomes. *Journal of Brand Management*, 14(1-2), 125-136.
- Fournier, S., & Yao, J. L. (1997). Reviving brand loyalty: A reconceptualization within the framework of consumer-brand relationships. International Journal of research in Marketing, 14(5), 451-472.
- Fournier, S. (1998). Consumers and their brands: Developing relationship theory in consumer research. Journal of consumer research, 24(4), 343-373.
- Grzeskowiak, S., Sirgy, M. J., & Widgery, R. (2003). Residents' satisfaction with community services: Predictors and outcomes. Journal of Regional Analysis and Policy, 33(1100-2016-89857).
- Jacoby, J., & Chestnut, R. W. (1978). Brand loyalty: Measurement and management. John Wiley & Sons Incorporated.
- Jang, H., Olfman, L., Ko, I., Koh, J., & Kim, K. (2008). The influence of on-line brand community characteristics on community commitment and brand loyalty. International Journal of Electronic Commerce,
- Jenkins, G. M., & Watts, D. G. (1969). Spectral analysis and its applications. Holden-Day Series in Time Series Analysis, London: Holden-Day, 1969.
- Jeppesen, L. B., & Frederiksen, L. (2006). Why do users contribute to firm-hosted user communities? The case of computer-controlled music instruments. Organization science, 17(1), 45-63.

ISBN: 978-623-7144-28-1

- Kandampully, J., Juwaheer, T. D., & Hu, H. H. (2011). The influence of a hotel firm's quality of service and image and its effect on tourism customer loyalty. *International Journal of Hospitality & Tourism Administration*, 12(1), 21-42.
- Karjaluoto, H., Munnukka, J., & Salmi, M. (2016). How do brand personality, identification, and relationship length drive loyalty in sports?. *Journal of Service Theory and Practice*, 26(1), 50-71.
- Keller, K. L. (2009). Building strong brands in a modern marketing communications environment. Journal of marketing communications, 15(2-3), 139-155.
- Kleine, S. S., Kleine III, R. E., & Allen, C. T. (1995). How is a possession "me" or "not me"? Characterizing types and an antecedent of material possession attachment. *Journal of consumer research*, 22(3), 327-343.
- Kressmann, F., Sirgy, M. J., Herrmann, A., Huber, F., Huber, S., & Lee, D. J. (2006). Direct and indirect effects of self-image congruence on brand loyalty. Journal of Business research, 59(9), 955-964.
- Kuenzel, S., & Vaux Halliday, S. (2008). Investigating antecedents and consequences of brand identification. *Journal of Product & Brand Management*, 17(5), 293-304.
- Lam, S. K., Ahearne, M., Hu, Y., & Schillewaert, N. (2010). Resistance to brand switching when a radically new brand is introduced: A social identity theory perspective. Journal of Marketing, 74(6), 128–146.
- Libai, B., Bolton, R., Bügel, M. S., De Ruyter, K., Götz, O., Risselada, H., & Stephen, A. T. (2010). Customer-to-customer interactions: broadening the scope of word of mouth research. Journal of service research, 13(3), 267-282.
- Moorman, C., Zaltman, G., & Deshpande, R. (1992). Relationships between providers and users of market research: the dynamics of trust within and between organizations. Journal of marketing research, 29(3), 314-328.
- Muniz, A.M. and O 'Guinn, T.C. (2001) Brand community. Journal of Consumer Research 27(4): 412-432.
- Mun iz, A.M. Jr and Schau, H.J. (2005), "Religiosity in the abandoned Apple Newton brand community", Journal of Consumer Research, Vol. 31 No. 4, pp. 737-47.
- Oliver, R. L. (1999). Whence consumer loyalty?. Journal of marketing, 63(4_suppl1), 33-44.
- Palazon, M., & Delgado-Ballester, E. (2009). Effectiveness of price discounts and premium promotions. Psychology & Marketing, 26(12), 1108-1129.
- Sasmita, J., & Mohd Suki, N. (2015). Young consumers' insights on brand equity: Effects of brand association, brand loyalty, brand awareness, and brand image. International Journal of Retail & Distribution Management, 43(3), 276-292.
- Schouten, J. W., & McAlexander, J. H. (1995). Subcultures of consumption: An ethnography of the new bikers. Journal of consumer research, 22(1), 43-61.
- SO, Kevin Kam Fung, et al. The influence of customer brand identification on hotel brand evaluation and loyalty development. *International journal of hospitality management*, 2013, 34: 31-41.
- Stokburger-Sauer, N. (2010). Brand community: Drivers and outcomes. Psychology & Marketing, 27(4), 347-368.

International Conference on Rural Development and Enterpreneurship 2019 : Enhancing Small Busniness and Rural Development Toward Industrial Revolution 4.0

Vol. 5 No.1

ISBN: 978-623-7144-28-1

Tuškej, U., Golob, U., & Podnar, K. (2013). The role of consumer—brand identification in building brand relationships. Journal of business research, 66(1), 53-59.

Warrington P, Shim S. An Empirical Investigation of the Relationship between Product Involvement and Brand Commitment. Psychology & Marketing 2000; 17 (9): 76-88.