Importance of Brand Personality To Customer Loyalty: A Conceptual Study

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Abstract

Customer loyalty is viewed as the strengths of the relationship between an individual's relative attitude and repeat patronage. Here an attempt has been made to probe into the behaviour of a customers' willingness to buy a brand/product, of what are the related factors which influences his buying behaviour and attitude towards the brand. An investigation is done to highlight a point of what are the influencing factors which compels him to be a loyal for a brand. The theoretical study and the conceptual model, here, envisages the concept of brand loyalty by passing through the concept of brand personality. The study findings suggest a conceptual model that combines the theories of brand personality with the necessary dispositional variables to explain the customer's loyalty processes. This model also rises to the marketing challenge of building long-term consumer relationships. Customer's loyalty, therefore, might be strengthened or retained by keeping in consideration various other factors through communicating a good brand relationship by involving the concept of brand personality, thus, enhancing the customer relationship building with social and resource exchanges and thus positively affecting the satisfaction of the customer. The theoretical framework will help the researches to further investigate into the concept of brand personality enhancing the customer loyalty.

Keywords: Brand Personality, Customer Loyalty, Conceptual Model

1.   Introduction

In building a brand value 'perception is more important than reality' (Duncan and Moriarty, 1998), and as brands only exist in the minds of customers then the management of brands is all about the management of perceptions. The brand manager's job is to see that satisfaction of the customer is maintained, in terms of product performance as well as perception. In this regard, in the present prevailing competitive scenario, brands are new business warriors and customer retention plays a vital role so that the customers are glued to an offering on a long-term basis. Hence the success of any strategy to attract consumers largely depends on its capability to maintain its customer retention and to build protected enclaves of consumers.

Today brand loyalty has become a focal point of interest for marketing researchers and practitioners. Few of the researches summarises that the loyal customers spend more than non-loyal customers, act as advocates for a brand by engaging in positive word of mouth, and are therefore "at the heart of a company's most valuable customer group" (Ganesh et al., 2000, p. 65; Zeithaml et al.,1996). Moreover, many studies reveal that brand loyal customers are willing pay any prices and are less price sensitive (see e.g. Krishnamurthi and Raj, 1991). Perhaps the marketing cost is significantly less when the brand enjoys a large group of loyal customers. However, the literature on brand loyalty is incomplete in several important respects.

Many of the past researches reveal that it is more profitable to follow the strategy of customer retention than to go for new customers. Capturing new customers is expensive because of advertising promotion and sales cost, and start-up operating expenses (Reichheld, 1996). Also, promotion is also restrained in the presence of brand loyalty there is less need of promotion. Brand loyal customers reduce the marketing costs of the firm as the costs of attracting a new customer have been found to be about six time higher than the costs of retaining an old one (Rosenberg and Czepiel, 1983).

Firms with large groups of loyal customers have been shown to have large market shares, and market share, in turn, has been shown to be associated with higher rates of return on investment (Buzzell et al., 1975; Raj, 1985; Reichheld and Sasser, 1990). Hence a loyal customer allow marketers to reap the advantage of customer retention. Loyal customers are less likely to engage in an information search and exhibit less openness to information that extols rival offerings.

So it becomes inevitable for the brand mangers of today to probe into the context of appropriate relationship between the constructs such as brand personality and customer loyalty. It costs less to serve loyal customers because familiarity with the company's products and services makes customers less dependent on its employees for help and information. In this study we assess the relative importance of various antecedents to customer loyalty, including brand personality. Only a few researchers, such as Plummer (1985) and David Aaker (1996) have pointed out the importance of brand personality in building a competitive advantage and brand loyalty. This paper presents a theoretical framework for understanding any affect of the personality on the brand loyalty.

The conceptual study presented here will be in the interest of the academicians as well as businessmen. Furthermore, the consequences and the research implications will help in understanding the concept of brand personality and its role in building a positive attitude towards the brand and hence making the brand driven customers loyal towards the brand. Beyond such identifications, this study, examines how brand personality affects brand loyalty.
The research here has borrowed the methodology and concepts of Aaker (1997) and investigates the importance of brand personality to customer loyalty of brand personality.

The motivation of this study is formed to:
1. To explore the concept of brand personality,
2. To study the influence of brand personality on brand loyalty,
3. To analyse the factors leading to customer loyalty.

2. Literature Review
2.1 Studies of Brand Personality

In the business world of today, every company is trying to get the attention of the customers by creating a distinctive brand image for their products. Pepsi is often perceived by consumers as more "young," Coke as more "real and honest," Dr. Pepper as more "non-conformist and fun" (Aaker 1997, p. 348). These kinds of human characteristics associated with the brand are called "brand personality". Brand personality mainly comes from three sources: the first one is the association consumers have with a brand, secondly, the image a company tries hard to create. Aaker (1997) defines brand personality as "a set of human characteristics associated to a brand." Hence, brand personality offers the functions of self symbolization and self-expression (Keller, 1993). Levy (1959) indicates that brand personality contains demographic features, such as gender, age and social class, and they may be directly influenced by the image of the brand users, personnel and product spokespersons, and indirectly affected by product attributes as well.

The Brand Personality construct enjoys a certain consensus as an explanatory element for symbolic consumption and the affective bonds that consumers establish with brands (Keller, 1993; J. Aaker & Fournier, 1995; D. A. Aaker, 1996; J. Aaker, 1997; J. Aaker et al., 2004). Brand Personality is a differentiating element in an environment of symbolic consumption (Lannon, 1993), which is presented to the consumer as a vehicle of self expression and the expression of an ideal (Sirgy, 1982; Malhotra, 1988), and a source of personal and social meaning (Levy, 1959; Allen & Olson, 1995; J. Aaker, 1995, 1997). Brand Personality is thus a factor that influences consumer choice and preference (Biel, 1993) and, as such, is an element that generates value for the consumer and for the company (D. A. Aaker, 1991, 1996).

Also a strong, favourable brand personality can provide consumers with emotional fulfilment, image enhancement, an increased willingness to remain loyal to the brand, to try a new brand or brand extension and to pay premium prices for a brand. BP can be the principle differentiation basis when

there is little or no distinction other than the brand (Aaker 1997, Freling & Forbes 2005b, Venable *et al* 2005, Chang & Chieng 2006).

2.2   Studies of Brand Loyalty

Brand Loyalty is an important concept of today's brand marketing world. Many definitions were being proposed by many researchers, among which the most complete definition was being proposed by Jacoby and Olson (1970). They defined brand loyalty as the result from non-random, long existence behaviour response, and it was a mental purchase process formed by some certain decision units who considered more than one brands. In early researches, researchers usually took the act of repurchase as the method of measure brand loyalty. But some researchers indicate that to measure brand loyalty the best way is to measure by affective loyalty (Bennett and Rundle-Thiele, 2000).

Brand loyalty, in marketing, consists of a consumer's commitment to repurchase or otherwise continue using the brand and can be demonstrated by repeated buying of a product or service or other positive behaviours. Jacoby and Chestnut (1978) defined the concept of brand loyalty as: "The (a) biased, (b) behavioural response, (c) expressed over time, (d) by some decision-making unit, (e) with respect to one or more alternative brands out of a set of such brands, and (f) is a function of psychological (decision-making, evaluation) processes". This definition identifies six requirements of brand loyalty.

According to the study conducted by Oliver (1999), the brand loyalty was classified into four parts: cognitive loyalty, affective loyalty, conation loyalty and action loyalty. Day (1996) added two indicators, action and affection for brand loyalty and divided brand loyalty into true brand loyalty and spurious brand loyalty. The spurious brand loyalty consumers may make repeated purchases only because the brand they purchase is the only one choice in the stores. On the other hand, true brand loyalty consumers should show both psychological and affective commitments in addition to repurchase consistency. As shown in Figure 1, Dick and Basu (1994) classified loyalty into:

1. True loyalty.
2. Spurious loyalty.
3. Latent loyalty.
4. No loyalty.

Figure 1: Model of Loyalty

Repeat Purchase Possibility

		High	**Low**
	High	True Loyalty	Latent Loyalty
Related Attitude			
	Low	Spurious Loyalty	No Loyalty

(***Source: Dick and Basu (1994, p.101)***)

Customer loyalty is viewed as the strength of the relationship between an individual's relative attitude and their repeat patronage. Kotler and Keller (2005) indicated that "based on a 20-80 principle, the top 20% of customers may create 80% of profit for a company." Thus, the longer relationship between a company and its customers may create more profit and benefit for the company. Studies have shown that small reductions in customer defections can produce significant increase in profits because:
- Loyal customers buy more products.
- Loyal customers are less-price sensitive and pay less attention to competitors' advertising.

- Servicing existing customers, who are familiar with the firm's offerings and processes, is cheaper.
- Loyal customers spread positive word-of-mouth and refer other customers (Reichheld and Sasser, 1990).

2.3 Relationship between Brand Personality and Brand Loyalty

Many of the studies are conducted to show the relationship between the brand personality and the brand loyalty of the customer and the consequences have being analysed. Additionally, it is found that by involving the concept of brand personality, the brand loyalty can be enhanced.
Guo (2003) also explored that brand personality has significant influence on brand preference.
Because brands have their own particular personalities, consumers may treat brands as real human beings. In this case, consumers will expect the people's words, attitudes, behavior or thoughts and so on to meet their respective personality traits (Aaker, 1996).

It might be that consumers like the brands having more distinct brand personality, and it is also likely that consumers are more familiar with the brands they prefer. Consumers may likely use the brand and products in line with their own personality traits, in other words, all the marketing activities are aimed at having consumers believe and recognize a brand personality, and reinforcing the communication between the brand and the consumer (Govers and Schoormans, 2005), in order to enhance the brand's loyalty and equity.

Mengxia (2007) investigated the Influence of brand personality on consumers' brand preference, affection, loyalty and purchasing intention. The results of his study shows that brand personality has a positive influence on brand preference, affection, loyalty and purchase intention. A brand personality should be shaped to be long-lasting and consistent. Besides, it should also be different from other brands and meet consumer's demands (Kumar et al., 2006). Also a study conducted by Kumar et al. (2006) sorted out the connection between brand personality and brand loyalty, and separately used durable goods (cars), and consumer goods (tooth-pastes) to explore the relationship between brand personality and brand loyalty. The result shows that brand personality may influence consumers' brand loyalty to consumable goods.

3.   Research Model

Brand loyalty is always developed post purchase. To develop brand loyalty, an organization should know their niche market, target them, support their product, ensure easy access of their product, provide customer satisfaction, bring constant innovation in their product and offer schemes on their product so as to ensure that customers repeatedly purchase the product. It, therefore, creates the brand trust in the minds of the customer towards the brand.

Fig. 2: Conceptual Model

Brand Satisfaction
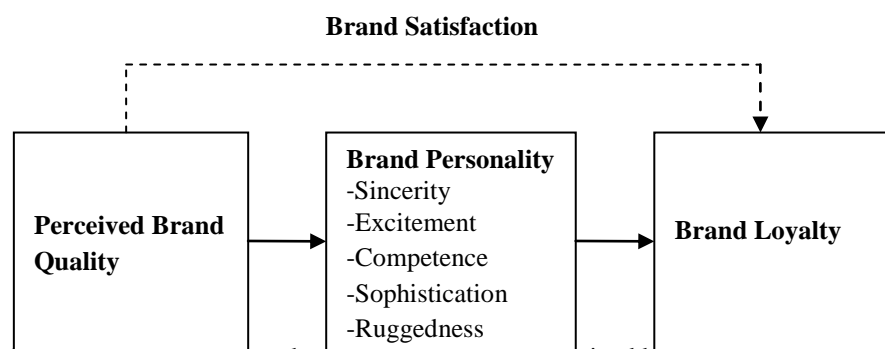
It is proposed in the above model that there is a linkage from perceived brand quality through customer satisfaction to create brand loyalty. Although the extant literature reports that customer satisfaction has stronger impact on brand loyalty than perceived brand quality. With the specific brand personality

(with dimensions of Sincerity, Excitement, Competence, Sophistication, Ruggedness), consumers of varying personality traits will be attracted and their brand preference will then be further developed. The customers go for a brand which ultimately suits his personality and once the concept of personality matches with that of the choice of the consumer, the purchase intention takes place. The impact of creation of brand personality in the minds of the customer is seen by the repetitive buying behaviour and perceived brand satisfaction of the customer, wherein, he becomes loyal towards the perceived brand quality.

Customer loyalty has been a major focus of strategic marketing planning (Kotler, 1984) and offers an important basis for developing a sustainable competitive advantage – an advantage that can be realized through marketing efforts. Although satisfaction measures seem to be an important barometer of how customers are likely to behave in the future, there are two issues to consider:

- Satisfaction measures are likely to be positively biased (Peterson & Wilson, 1992),
- Establishing the relationship between satisfaction and repurchase behavior has been elusive for many firms (Mittal & Kamakura, 2001).

In addition, a company can maintain a good relationship with customers through its brand personality (Aaker and Biel, 1993). The direct impact of perceived brand quality on brand loyalty is examined in this study. Consequently, perceived brand quality exhibits both direct and indirect effects on brand loyalty. The indirect effect of perceived brand quality on brand loyalty through customer satisfaction is indicated by the dotted arrows, and its direct effect on service loyalty is indicated by the solid line.

4. Discussion and Conclusion

Brand personality not only plays a crucial role in customer retention, but also has profound influence on a company's performance. A successful brand requires the building of a distinct brand personality (Doyle, 1990; Kumar et al., 2006). By using various marketing approaches, a company may convey their brand personality to consumers and have the consumers of varying personality traits believe and recognize the company's brand personality; thus, consumers may develop some kind of relationship with the brand, which will further influence their brand loyalty.

The relationship between satisfaction and loyalty seems almost intuitive, and several researchers have attempted to confirm this in their research (Cronin & Taylor, 1992; Newman & Werbel, 1973; Woodside, Frey, & Daley, 1989). Over their buying lifetimes, customers' loyal to a given seller may be worth up to 10 times as much as its average customer (Health, 1997; Newell, 1997). Without customer loyalty, even the best-designed e-business model will soon fall apart. In their quest to develop a loyal customer base, most companies try their best to continually satisfy their customers and develop long-run relationships with them.

Brand loyalty in consumer contexts is well researched (e.g., Ajzen and Fishbein. 1991: Baldinger and Rubinson, 1996; Day, 1969; East and Hammond 1996, Ehrenberg;-1-988; Guest, 1942: Jacoby. 1971 Oliver, 1999). Academically, this study has the following theoretical implications. Unlike previous research, this study probed into the possible relationships between various dimensions of brand personality thus influencing the brand loyalty. Most of these relationships are supported by the current data. In short, careful management of brand personality helps consumers to develop a favorable image of the company.

By the above loyalty model, we can demonstrate support for many of the relationships identified in previous research, as well as a conceptualization of the overall loyalty construct. The encouraging news from this study is that brand personality consistently appear as most influential in fostering loyalty. These results have direct implications for industrial marketing practitioners. Marketing practitioners might consider focusing beyond customer satisfaction toward integrated marketing strategies that foster brand trust and quality in the customer base in support of customer loyalty programs.

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