

# Impact Of Brand Loyalty States On Word Of Mouth Behavior - In The Context Of Virtual Smartphone Brand Communities

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**ABSTRACT:** *As virtual brand communities are evolving, Marketers are recognizing growing importance of Word of Mouth behavior. The objective of this paper is to find the impact of oliver's 4 stage loyalty phases on word of mouth behavior in the context of virtual smartphone brand communities. Study was conducted on a sample of 260 members from a virtual smartphone brand community based in Trivandrum district of Kerala in India. Result showed that last 3 phases of oliver's 4 stage loyalty model - Affective, Conative and behavioral loyalty have positive impact on Word of mouth behavior*

**Key Words:** : Brand Loyalty, Word of Mouth, Brand Communities

## I. Introduction

Word of mouth is an aspect of marketing that can affect a brand both in a positive or negative way (Hasan et al., 2012:213). Consumers often depend on word-of-mouth in making purchase decisions as it is perceived more credible compared to other means (Belch & Belch 2009). Marketers are recognizing growing importance of Word of Mouth, As virtual brand communities grow in size. Word of Mouth generates an exponentially greater impact on the products people suggest, buy, and become loyal to. A report by McKinsey shows that major factor behind 20 to 50 percent of purchasing decisions. And the report also states that influence of Word of Mouth will probably grow to a point where it's no longer an act of personal, one-on-one communication. Brand loyalty is a consumer behavior pattern where consumers develop a positive feeling and become committed to a particular brand and dedicated to make repeat purchases. Oliver (1999) proposed brand loyalty as a sequential process which includes cognitive, affective, conative, and action loyalty phases. This study aims to find the effect of different brand loyalty states on Word of Mouth Behavior.

## II. Objectives

1. To find the impact of cognitive loyalty on Word of Mouth Behavior
2. To find the impact of affective loyalty on Word of Mouth Behavior
3. To find the impact of conative loyalty on Word of Mouth Behavior
4. To find the impact of behavioral loyalty on Word of Mouth Behavior

## III. Literature Review

Garnefeld (2011) Based on self-perception theory, argues that suggesting a brand/product improves the current customers' brand loyalty. They also state that positive Word of Mouth Behavior is not only effective for customer acquisition but also for customer retention. They conducted experiments in two different settings and found that word of mouth behavior positively impacts the senders' attitudinal and behavioral loyalty. The impact is found to be stronger for customers with low expertise in the category and with the provider. This means that encouraging customers in the early stages of their customer life cycle to give recommendations is specifically effective in increasing loyalty to the provider. This Study recommends that brands should consider using positive word of mouth as a loyalty boosting instrument.

Anne Martensen et al (2017) investigates how received word-of-mouth (WOM) impacts consumer emotions and behavioral intention and attitude. They developed a conceptual model by extending the theory of reasoned action framework by including word of mouth and emotions, and found that consumers respond differently to both positive and negative word of mouth.

Nischay K. et al (2016) examines the role of brand image, corporate image and word of mouth in marketing. They established a theoretical framework supported by review of literature. According to literature, the results indicate that corporate image; brand image has strong relationship with customer loyalty. Corporate

image and brand image plays a significant role in impacting word of mouth (WOM). Thus, customer loyalty has strong relationship with word of mouth (WOM). Final finding is that both positive or negative word of mouth can mould the brand image and behavior of the consumer.

Worthington (2009) argues that human behavior is a composition of three dimensions: Cognitive, emotional, and behavioral. The author considers brand loyalty as a mix of these 3 aspects. They follows the Oliver’s (1999) model of brand loyalty by excluding conative dimension of loyalty. They also formulated a brand loyalty audit framework that uses tri-dimensional approach to brand loyalty.

Oliver (1997) proposed a conceptual framework of brand loyalty, with sequential brand loyalty states - cognitive, affective, conative, and behavioral loyalty. Thus, brand loyalty is a commitment to re-purchase a brand consistently in the future, thereby resulting same-brand purchasing, despite other influences and efforts having the potential to cause brand switching

**IV. Research Methodology**

Research was carried out on members of the virtual brand community based in Trivandrum district of Kerala in India. A sample of 260 members was chosen by simple random sampling and data collected through questionnaires. Data collected were analyzed using regression in MS Excel.

**IV. RESULTS AND DISCUSSION**

**4.1 Effect of Cognitive Loyalty on Word of mouth Behavior**

Hypotheses:

H<sub>0</sub> : There is no significant effect of cognitive loyalty on Word of Mouth Behavior

H<sub>1</sub> : There is an effect of cognitive Loyalty on Word of Mouth Behavior

Observations	260.000
Sum of weights	260.000
DF	258.000
R <sup>2</sup>	0.588
Adjusted R <sup>2</sup>	0.587

Table 4.1: Regression statistics

Source	Value	Standard error	t	Pr >  t	Lower bound (95%)	Upper bound (95%)
Intercept	-0.148	0.197	-0.753	0.452	-0.536	0.240
Cognitive Loyalty	1.032	0.054	19.207	< 0.0001	0.926	1.138

Table 4.2: Model Parameters

WOM = -0.148+1.032\*Cognitive Loyalty

Inference:

P value = 0.452 (Table 4.2), which is greater than 0.05. Hence Accepting the null hypothesis. There is no significant relationship between cognitive loyalty and Word of Mouth Behavior

**4.2 Effect of Affective Loyalty on Word of mouth Behavior**

Hypotheses:

H<sub>0</sub> : There is no significant effect of behavioral loyalty on Word of Mouth Behavior

H<sub>1</sub> : There is an effect of behavioral Loyalty on Word of Mouth Behavior

Observations	260.000
Sum of weights	260.000
DF	258.000
R <sup>2</sup>	0.755
Adjusted R <sup>2</sup>	0.754

Table 4.3: Regression statistics

Source	Value	Standard error	t	Pr >  t	Lower bound (95%)	Upper bound (95%)
Intercept	-0.630	0.152	-4.144	< 0.0001	-0.930	-0.331
Affective Loyalty	1.087	0.039	28.172	< 0.0001	1.011	1.163

Table 4.4: Model Parameters

WOM = -0.630+1.087\*Affective Loyalty

Inference:

P value is less than 0.05. Hence Rejecting the null hypothesis. There is an effect of affective loyalty on word of Mouth Behavior. R<sup>2</sup>= 0.755, Which shows that Affective loyalty is showing 75.5% variance on word of mouth Behavior

**4.3 Effect of Conative Loyalty on Word of Mouth behavior**

Hypotheses:

H<sub>0</sub> : There is no significant effect of conative loyalty on word of mouth behavior

H<sub>1</sub> :There is an effect of conative Loyalty on word of mouth behavior

Observations	260.00
Sum of weights	260.00
DF	258.00
R <sup>2</sup>	0.47986
Adjusted R <sup>2</sup>	0.47785

Table 4.5: Regression statistics

Source	Value	Standard error	t	Pr >  t	Lower bound (95%)	Upper bound (95%)
Intercept	0.89439	0.17882	5.00155	1.05E-06	0.54225	1.24652
Conative Loyalty	0.75411	0.04887	15.4281	1.71E-38	0.65786	0.85037

Table 4.6: Model Parameters

WOM = -0.89439+0.75411\*Total Conative loyalty

Inference:

P value is less than 0.05. Hence Rejecting the null hypothesis. There is an effect of conative loyalty on word of Mouth Behavior. R<sup>2</sup>= 0.47986, Which shows that conative loyalty is showing 47.9% variance on word of mouth Behavior

**4.4 Effect of Behavioral Loyalty on Word of mouth Behavior**

Hypotheses:

H<sub>0</sub> : There is no significant effect of behavioral loyalty on Word of Mouth Behavior

H<sub>1</sub> :There is an effect of behavioral loyalty on Word of Mouth Behavior

Observations	260.00
Sum of weights	260.00
DF	258.00
R <sup>2</sup>	0.4314
Adjusted R <sup>2</sup>	0.4297

Table 4.7: Regression statistics

Source	Value	Standard error	t	Pr >  t	Lower bound (95%)	Upper bound (95%)
Intercept	1.038363	0.186356	5.571948	6.33E-08	0.671392	1.405335
Behavioral Loyalty	0.811373	0.057982	13.99351	1.73E-33	0.697194	0.925551

Table 4.8: Model Parameters

WOM =  $-1.038363 + 0.811373 * \text{Behavioral Loyalty}$

Inference:

P value is less than 0.05. Hence Rejecting the null hypothesis. There is an effect of behavioral loyalty on word of Mouth Behavior.  $R^2 = 0.4314$ , Which shows that Affective loyalty is showing 43.14% variance on word of mouth Behavior

## V. Recommendations

Result of the study shows that Affective, Conative and behavioral loyalty has significant positive relationship with Word of Mouth behavior, i.e the last 3 phases of oliver's 4 stage loyalty model has a positive relationship with word of mouth behavior. Marketers should take steps in improving these loyalty states. positive word of mouth behavior can be enhanced through boosting affective, conative and behavioral loyalty states.

## VI. Conclusion

The objective of this paper was to find the impact of brand loyalty states on word of mouth behavior in virtual brand communities. Study was conducted on a sample of 260 members in a virtual brand community based in Trivandrum. Result showed that cognitive loyalty does not have significant relationship with word of mouth behavior. Affective, Conative and behavioral loyalty has a positive impact on word of mouth behavior. Marketers can boost positive word of mouth behavior by improving affective, conative and behavioral loyalty states. More studies should be conducted to find the influence of demographic variables on word of mouth behavior

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