ABSTRACT

The impact of identity on brand loyalty has taken precedence as an area of focus in recent marketing research. This has taken place in an era defined by technological revolution, which has created market disruptions, and there are implications for customer-brand relationships. Nonetheless, existing research has failed to acknowledge the impact of socio-psychological attributes and functional utility maximization. Knowledge that illuminates how firms can reposition themselves to sustain brand loyalty when disruptions occur in today’s complex and globalized business environment is also required. This study will present an empirical investigation into the phenomenon of brand switching behavior among consumers in a specific competitive market, the smartphone industry. It explores how resistance could be built from an identity theory perspective, as emphasis has historically been placed on the functional utility of products at the expense of social meanings. This study provides consideration for market disruptions in the smartphone industry and confirms that the literature does not capture other non-utilitarian factors such as socio-psychological benefits, hence there are underlying factors that motivate consumers to continue buying brands they buy.

DOI: 10.4018/978-1-5225-5993-1.ch009
INTRODUCTION AND BACKGROUND

Marketing research based on identity theory focuses on how individual consumers behave in agreement with the most salient identity (i.e. the highest in the hierarchy), because it provides the most meaning for the self (Arnett, German & Hunt, 2003; Reed, 2002; Farhana, 2014). This stream of research also frames the customer–brand relationship in the light of what is ‘me’ and what is ‘not me’ (Kleine, Kleine & Allen, 1995). Drawing on Bhattacharya, Rao and Glynn (1995), Da Siveira, Lages and Simoes (2013) and Wang and Yieh, (2016), this study posits that customers who identify with a brand are likely to be loyal to the brand, but all brand-loyal customers need not identify with the brand. This view necessitates a detailed analysis of two main aspects of brand loyalty literature to ascertain which perspective is preferred in a competitive market in order to establish and consolidate consumer loyalty.

The chapter examines two major limitations in brand loyalty. The first is that the sustainability of brand loyalty predictors refers to resisting both time and market disruptions (Lam, Arheane & Schillewaert, 2010). However, the brand loyalty literature has mainly focused on how brands perform under normal market conditions (Keller & Lehmann, 2006; Ozuem, Thomas & Lancaster, 2016). Yet as the business environment grows more complex, globalised and innovative, market disruptions become more prevalent. The second limitation in brand loyalty is that the perceived value of a brand is conceptualised and operationalised as a functional utilitarian value. As is prevalent in the brand loyalty literature, this does not capture other non-utilitarian factors, such as socio-psychological benefits, that might motivate customers to continue buying what they buy (e.g. Richins, 1994; Sweeney & Soutar, 2001; Hsu & Liou, 2017). This study proposes that customers identify with brands to satisfy one or more self-definitional needs (Lam et al., 2013; Ahearne, Bhattacharya & Gruen, 2005; Bhattacharya & Sanker, 2003).

This chapter seeks to examine consumer identification with brands in the Smartphone industry. This industry was specifically chosen as the product category for this study because it represents a context in which brand switching is most likely to occur due to multiple alternatives and short inter-purchase frequencies (Campo, Gijsbrechts & Nisol, 2000; Goldsmith, 2000; Jung, Hung & Ho, 2017). Notably, the market for Smartphones is probably the most dynamic of any product category, considering the degree and rate of change in technology (Azize, Hakan & Cemal, 2013; Cecere, Corroche & Battaglia, 2015).

Overview of the Smartphone Industry

There has been a huge increase in the number of Smartphone users recently as it is widely used as a communication tool that connects users through voice calls, text
The Role of Reputation on Trust and Loyalty: A Cross-Cultural Analysis of Tablet E-Tailing
www.igi-global.com/article/the-role-of-reputation-on-trust-and-loyalty/201882?camid=4v1a

ERP Software Selection Based on Intuitionistic Fuzzy VIKOR Method
www.igi-global.com/chapter/erp-software-selection-based-on-intuitionistic-fuzzy-vikor-method/227559?camid=4v1a