Chapter 8
Brand Engagement and Brand Loyalty

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ABSTRACT

Marketers value and seek brand loyalty. Consequently, they have developed a variety of strategies to encourage both behavioral (repeat purchase) and attitudinal (emotional) loyalty among customers. A recent concept has emerged related to the latter goal: brand engagement. Although marketers give a variety of definitions for brand engagement, the essential concept is an emotional attachment to a brand as though the customer has an emotional relationship with it perhaps because the brand acts as an important reflection of self-identity or is an important symbol of something meaningful to the consumer. Consumers manifest different types of engagement (with advertising, media, web sites, a company, as well as specific brands). Engagement is also conceptualized at different levels of abstraction: engagement with the marketplace, engagement with a product category, engagement with a specific brand, and brand engagement in self-concept, which refers to differences in how much consumer use brands in general to represent themselves to others. This chapter discusses these issues in some detail and presents theoretical, managerial, and theoretical implications of this concept.

INTRODUCTION

Marketing has a tradition of studying consumers and their brands. These topics include brand loyalty, brand commitment, brand equity, and relationship marketing. Brand engagement is one of the most recent manifestations of this interest. The Webster’s Seventh New Collegiate Dictionary (1965) lists several synonyms for engagement (e.g., involved, entangled committed) and defines “engaging” as “tending to draw favorable attention.” The marketing and advertising community
uses the term engagement in a variety of ways, but they all share this core concept of engagement as a conscious emotional and cognitive reaction to marketing stimuli. The present chapter first discusses the traditional topic of brand loyalty. It then presents brand engagement from three perspectives: theoretical, managerial, and methodological. The theoretical component describes types and levels of engagement and emphasizes their antecedents and consequences. The managerial component briefly describes management interests in branding and brand loyalty and how brand engagement is related to loyalty. Finally, the methodological component briefly describes how the engagement concepts can be operationalized.

BRAND LOYALTY

Marketers have long desired loyal customers because it is easier and cheaper to sell to the loyalist than to attract a new customer, but loyalty to specific brands could only occur after brands themselves appeared. As manufacturers created branded products toward the end of the nineteenth century, consumers learned to trust certain brand names as quality guarantees, and over time, brand loyalty began to characterize the behavior of many consumers (Robinson & Etherington, 2006). The concept of customer brand loyalty as a managerial and academic concern seems to have emerged in the 1950’s with the publication of Cunningham’s (1956, 1961) Harvard Business Review articles. Once he showed empirically that loyal customers did exist and that their loyal purchasing behavior had a financial impact, customer loyalty became increasingly the goal of many marketing strategies. Not only is it less expensive to market to loyal customers; they tend to buy more of the brand; they pay higher prices for “their” brand; they see subtle differences in brands; they are more likely than non-loyalists to purchase brand extensions, to provide suggestions for improving the brand, and to spread positive word-of-mouth about the brand, including advocating for it.

Brand loyalty, however, presents marketers and consumer researchers with definitional and operational problems. Jacoby and Chestnut (1978) pointed out that at that time there were over fifty different definitions and operationalizations of brand loyalty, and that there was little agreement among them. Ehrenberg (1988) demonstrated that at least in the area of fast-moving consumer goods, most customers show multi-brand purchasing; that is, they have a repertoire of brands from which they buy, but they frequently switch among these brands (see Foxall, 1999). Often, managers and researchers think of loyalty as a pattern of consistent buying over time, but from another perspective, loyalty can be conceptualized as an emotion, attitude, or predisposition. It is common for the former (i.e., consistent buying) to be termed “behavioral loyalty” and the latter (i.e., emotion) as “attitudinal loyalty” (Dick & Basu, 1994). Clearly, customer loyalty is a wide-ranging and varied phenomenon with many useful dimensions and perspectives. Customers may buy the same brand repeatedly for its low price or out of inertia because it is the easiest thing to do, but they may have few real feelings about these brands. Customers may like several brands, but not see pronounced differences among them and so vary their purchases among this acceptable set. Some customers seek the lowest prices and are largely indifferent to branding appeals; point of sale marketing strategies or circumstances might influence their purchases of some brands. However, most consumers do develop strong feelings about some brands so that they feel they have a relationship with the brand. Loyal buyers trust the brand and feel it is relevant to their values and lifestyles. This is the realm of brand engagement, which strives to understand this aspect of brand loyalty.
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