



Influence of Brand following on Facebook towards Brand Loyalty and Brand Consumption

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Abstract

By transforming the conventional one-way communication model into a platform where customers actively interact with brands, social media has emerged as a critical component of contemporary marketing. There is a noticeable lack of empirical research that explicitly quantifies the influence of social media on brand performance, even though the value of social networking sites for creating powerful brands is well known and backed by numerous descriptive studies. With an emphasis on the customer-brand connection on social networking sites, this study fills this research vacuum by putting forth a model to measure empirically the Influence of Brand following on Facebook towards Brand Loyalty and Brand Consumption. Because Facebook is so widely used, it serves as the main platform for this investigation. The study views brand following as a latent construct that is influenced by involvement in brand communities. Customers' purchase intention is used to quantify brand consumption, which is a dimension influenced by this following and leads to brand loyalty. The results of this study will offer a more thorough and precise knowledge of how social media platform user involvement translates into observable brand loyalty and purchasing patterns.

Key Words: - Social Media, Facebook, Brand Community, Brand Loyalty, Brand Following and Brand Consumption.

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Introduction

Presently Social Media Platforms like Facebook, Twitters are under focus of marketers for promotion of their brands. Companies are using social media platforms to enhance their consumer communications. In conventional marketing, the marketer oversees their physical interactions with customers. But nowadays consumers opt in on social media platforms voluntarily to receive brand related communication and share with their friends and family.

Shen et al, 2013 suggests that social networking sites help in building brands. Much research already highlights the effectiveness of these platforms for building strong brands globally. Researchers have devoted considerable attention to developing ways to study the influence of social networking sites on online marketplace.

(Edelman, 2010; Hanna, Rohm, & Crittenden, 2011; Kaplan & Haenlein, 2010; Kietzmann, Hermkens, & McCarthy, 2011). Previous studies in the context are of descriptive narratives of social media and discussed the definition, opportunities and challenges of the social media in brand building.

(Gensler et al, 2012; Weinberg et al, 2011; Kenisko, 2012) social media is an important component of marketing and research for the use of social media in brand building is very little. As per Hsu & Tsou, 2011 there are very few empirical studies which dealt with the need for branding and its adoption of social media. While a lot of research has also examined customer or consumer motivation of joining a brand community and liking brand related pages on Facebook. Very limited research has looked at trusted measures of brand loyalty and brand consumption. So, it is important to gauge the impact of brand following on brand loyalty and brand consumption (Eun Sook Kwan et al, 2014) and further support an understanding on customer-brand relationships on social networking sites.

In further discussion, brand following is considered as by product of following brand communities, blogs, brand pages on social networking sites. Most consumers interact with each other through brand communities (Abrahamsen & Hartmann, 2006). So, the brand community is considering brands following construct which is a latent construct.

Brand loyalty is considered as a dimension influenced by brand community following and resulting in brand consumption. Brand consumption represents by customers purchase intention and considered to measure brand consumption. For study of this impact relationship

Facebook is considered as mostly used medium for brand following on social networking sites by the consumer and considered as important media for all demographics.

Review of Literature and conceptual Background

Brand Followers on Facebook

As per the details from Factsheet 2012 there are over 845 million users of Facebook, and it is currently the largest social media platform. Facebook enables users to make interactions online, express themselves and show their liking and experiences online which makes Facebook a very important (Kerpen, 2011) tool for marketing, PR persons and advertising persons to increase their reach. It is evident from fact that companies like Coca cola and Walt Disney are having strong presence on Facebook. Nowadays brands are having a wide presence of Facebook pages where consumers follow their Favorite brand and help in maintaining close association with the consumers. This led to more and more companies creating brand pages on social media and making brand communities related to these brands. It is also shown by Palazon et al 2015 that brand pages are an important part of marketing communication by the companies. The brand pages on Facebook held marketers to create online brand communities which are used as platforms for product related discussions, benefits of the product and any consistency or lacking in the product offering. Through these online brand community's customers feel associated with the brand. Further the option of like button on these brand pages helps the other members to know that the brand is like by that person and it reaches to other audience as well. This enables marketers to consider social media a platform to create brands and maintain the longevity of the brands.

Online Brand Community

As per Muniz & O'Guinn, 2001 a brand community is place where there is association of brands with its users. Brand community is a more specialized way where customers contact the brand non-geographically and make a traditional community. Further it is defined as the shared belongings among community members.

As of 2011, more than half of the customers are following different brands on Facebook (De Vries et al., 2012). Fournier & Avery, 2011 suggest that social brand communities fulfil customer desire and create social identity of brands with which they interact. Social media is that open platform which is critical in promoting brands through consumer participation.

(Habibi et al., 2013) Brand communities created on social media platform enable marketers to access the consumers and supporters of the brand globally. Through social media platforms brands can share product information with their followers and further the followers can share the same with their friends (De Vries et al., 2012). However, social media is now becoming a popular mode through which marketers interact with the customer (Gensler et al. 2013). Christodoulides et al 2012 suggest that it is very beneficial for brands to create brand pages on social media and it has been shown that people who are involved with brands on social media feel more connected to these brands and have more loyalty towards such brands. (Gensler et al., 2013) Brand loyalty improves purchase intention and brand pages available on social media are the facilitator for customer brand engagement. It is also mentioned by the author that Facebook was the ideal channel for brands to interact with its consumers, and it is suggested that brands must provide relevant and updated information related to brands on these pages and respond to customer generated content. (Mangold & Faulds, 2009) in its study mentioned that if consumer can submit their feedback, they feel more connected with the brand, so brand pages must provide option to customer feedback for more such engagement and improve brand loyalty.

Consumer – brand relationship

Aggarwal 2004 shows that customers interact with brands as they interact in their social environment. Casalo et al. 2008, Customer participate in the marketing communication created through these brand pages where customers show identification of the brand.

Brand Loyalty

Brand loyalty is the main indicator which shows the importance of experience, as past purchase experience of the consumer clearly shows its future purchases. Generally, it is observed that good consumer experience leads to a loyal customer and if any bad experience causes it to switch to other brands. The most complete definition of brand loyalty was given by Jacoby and Otson (1970). As per them “brand loyalty is the result from non-random, long existence behavior response and it was a mental purchase process formed by some certain decision units who considered more than on brands”.

According to American Marketing Association dictionary:

“Brand loyalty is defined in two ways. From a sales promotion perspective, it refers to “the situation in which a consumer generally buys the same manufacturer originated product or service repeatedly over time rather than buying from multiple suppliers within the category. In view of consumer behavior, it represents the degree to which a consumer consistently purchases the same brand within a product class” (Brand loyalty term AMA Dictionary 2012).

Dawes, 2009; Riecheld,1993 in their Research on brand loyalty shown that high profitability of business attribute to high customer brand loyalty.

Shang et al. (2006) explored brand loyalty from an attitudinal standpoint, focusing on consumers' emotional connection and commitment to brands. Similarly, Casaló et al. (2010) highlighted how participation in consumer communities can significantly impact brand loyalty. According to Hur et al. (2011), when consumers trust members of an online brand community, they are more likely to exhibit strong loyalty toward that brand.

Brand purchase intentions, brand loyalty and Brand community

Wilimzig (2011) in its study suggests that any association with brand community implies that there is brand loyalty irrespective of participation by community. Punjumiei, 2001 shows that customers use brand pages for product related reliable information. These brand communities are easy to access and contact consumers with the same preferences in the marketplace. Lee (2009) also suggests that participation in the brand community by the customer shows their brand loyalty and influences their future purchases of the brand. Wilimzig (2011) further said that participation in brand community and its association shows that in future customers will purchase that brand. Punjumieimi, 2009 shows that the association with brand more likely is purchase of that brand by the consumer.

Objectives: - The aim of the present study is to evaluate social media Facebook as tool in hand of marketer to increase customer brand relationship, brand loyalty and improve customer purchase intention.

H1. Social media-based brand communities have a positive effect on customer-brand relationships.

H2. Customer –brand relationship has positive effect on brand loyalty.

H3. Brand loyalty has a positive effect on purchase intention.

RESEARCH METHODOLOGY

To study the effect of brand following on brand loyalty and effect of brand loyalty on purchase intention on Facebook, the target population, which is selected through random sampling, exposed to set of questions related to Facebook. *Sampling unit*: Households; *Extent*: Chandigarh; *Time*: April 2016- May 2016

The Edict of Chandigarh, 1959 has been used to take random samples from households of Chandigarh. The Edict of Chandigarh, 1959, is an abbreviated form of Le Corbusier document- The Establishment Statue of the Land (1959-12-17)' The sample size for the study is 50. Simple random sampling method is used for sample selection. The sample is drawn by a random method from the sampling frame and each element is selected independently of every other element and has a known and equal chance/probability of selection.

Development of the model

Brand community consists of triad of Customer, Customer and Brand Muniz & O'Guinn, 2001. Further McAlexander et al. (2002) included product and community as part of the brand community and consider these entities important for community to exist.

Proposed Model

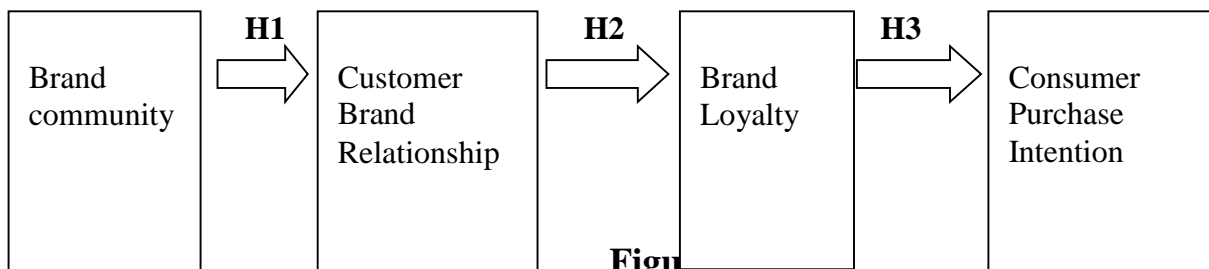


Figure 1

Results and Discussion: -

1.1 Reliability Test

Section	Cronbach's Alpha	N of Items
Brand Community	0.643	3
Consumer – Brand Relationship	0.758	3
Brand Loyalty	0.704	3
Purchase Intention	0.786	2

Table 1: Source: Primary Data.

Interpretation

The above table showing the Cronbach's Alpha values of each section (greater than 0.6) shows that the scales used are reliable.

Hypothesis Testing

2.1 Regression Analysis

Section	Beta (b)	significance
H1	0.993	0.000
H2	0.773	0.000
H3	0.502	0.000

Table 2: Source: Primary Data.

H1: Social media-based brand communities have a positive effect on customer brand relationship

The p- value for the hypothesis between Brand Community and Consumer-Brand Relationship was obtained as .000 which is less than 0.05. Our alternate hypothesis is hence **accepted**. On the evidence of this data, it appeared to be that there is a Positive effect between Brand Community and Consumer-Brand relationship of the population.

Regression equation:

$$\ln (\text{Consumer-Brand relationship}) = 0.435 + 0.813(\text{Brand Community})$$

H2: Customer brand relationship has positive effect on brand loyalty

The p- value for the hypothesis between Consumer-Brand Relationship and Brand loyalty effect was obtained as .000 which is less than 0.05. Our alternate hypothesis is hence **accepted**. On the evidence of this data, it appeared to be that there is a Positive effect between Consumer-Brand relationships and Brand Loyalty of the population.

Regression equation:

$$\ln (\text{Brand Loyalty}) = 1.101 + 0.728 (\text{Consumer-Brand Relationship})$$

H3: Brand loyalty positively influences consumer purchase intention

The p- value for the hypothesis between Brand loyalty effects on purchase intention was obtained as .000 which is less than 0.05. Our alternate hypothesis is hence **accepted**. On the

evidence of this data, it appeared to be that there is a Positive effect between Brand Loyalty and purchase intention of the population.

Regression equation:

$$\ln (\text{Purchase Intention}) = 1.908 + 0.560 (\text{Brand Loyalty})$$

So as per above, it clearly illustrates the effect of brand following on brand loyalty and further effect of brand loyalty on brand consumption. Our results clearly show that the variables considered in the proposed model show a considerable effect on each other.

Limitations

Despite the potential contribution of this study, this study had limitations. First, the sample size taken for the study is not so large, which limits the generalization of the findings. Second, the access to relevant information regarding the study was limited because people chosen for study were not willing to participate. Third, the ability to comprehend the research questions was not satisfactory, which limits the quality of responses.

Conclusion and Scope for future Research: - The current study demonstrates a substantial effect between the variables and attempts to close the research gap mentioned by Eun Sook Kwan et al., 2014. It is evident from our research that brand consumption is positively impacted by brand loyalty. Additionally, this study offers room for more investigation. Other factors that are pertinent to social networking sites can be examined, such as the impact of brand loyalty. The modest sample size used in this study can be expanded for subsequent research.

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