A CONCEPTUAL FRAMEWORK TO BUILD BRAND LOYALTY IN THE MODERN MARKETING ENVIRONMENT

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ABSTRACT

Building brand loyalty in a competitive market can play an efficient role in the modern marketing environment. It is now widely acknowledged by companies and business enterprises that strong brand loyalty will make a competitive advantage in the marketplace that will increase their overall knowledge with experiences and trustworthiness. Indeed, recent trends in modern marketing have changed tremendously, and study of brand loyalty is increasingly becoming essential to keep pace with this change. In this conceptual paper, we have summarized the literatures on currently prevailing concepts and approaches on brands that will allow us to identify the necessary components of brand loyalty, and therefore will help companies and business enterprises to improve their marketing efficiency. Based on a comprehensive review of several earlier works, here we propose a plausible framework for building brand loyalty in sequential order, namely, familiarity of the brand, satisfaction of customer of the brand, trust on the brand and attitudinal loyalty of the brand. In this review, we put forward the perception that brand loyalty-building challenge need to be connected with organizational processes which will support to bring the promises as well as commitments to the customers through organizational aggregate activities. We suggest that these aggregate activities could play an imperative role in building brand loyalty among customers. As a whole, based on the existing literatures, we have tried to provide a comprehensive view on the essential components of brand loyalty for building brand loyalty in a competitive market.

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Contribution/ Originality

In this conceptual paper, we attempted to discuss the conceptual framework of brand loyalty and its implication of the necessary components of brand loyalty namely, familiarity, satisfaction, trust and attitudinal loyalty (FSTA model) in the modern marketing environment. In light of the current literatures, we tried to summarize how loyalty may play role in marketing strategy in a competitive market.

1. INTRODUCTION

The success of a company and business enterprise often depends on its marketing ability. Marketing has thus appeared as a core function for a company as well as business enterprise and is a process that engages the expectation and satisfaction of customer needs where there is mutual benefit. Kotler and Keller maintain that a major component to the marketing process is insightful, creative marketing strategies and plans that control marketing activities [1]. Developing the right marketing strategy over time often involves a blend of discipline, flexibility and innovation that companies and business enterprises need to bear by in order to achieve a competitive advantage. To enhance the competition requires concrete marketing knowledge with experiences and accuracy in marketing decision-making. A company’s positioning and the positioning of its products depend on the formulation and implementation of an intelligent and constructive marketing strategy which needs to be united to the overall business strategy. For the time being, the marketing environment has continuously developed. These important changes have resulted in a renovated effort by marketing academics and practitioners to understand and serve the needs and wants of customers. These renovated efforts have resulted in the improvement of several orientations to marketing, such as the production, product, selling, marketing and societal marketing orientations [2].

The abovementioned renovated efforts have advance resulted in a marketplace that is becoming concurrently more competitive, more specialised, more globalised, and more technology driven. To succeed in today’s challenging and competitive environment, successful marketing requires stability among creativity, innovation and knowledge with experiences [3]. Branding has appeared as a more current orientation that provides marketers with that stability of creativity, innovation and knowledge with experiences. Branding has emerged as a prime tool used to differentiate a company’s products from the rival’s products. Branding, according to Lamb et al., has three main purposes: product identification and differentiation (brand), repeat sales (loyalty) and product development by considering customers level of expectation [3]. Companies in the last decade have recognised the significance of branding on these three levels and have uncovered the advantages of retaining customers rather than looking for new ones. In this regard, companies and business enterprises have recognised the significance of brand loyalty [3].

The concept of brand loyalty first emerged as a uni-dimensional construct. In the 1950s, two separate loyalty concepts were developed. Both the loyalty concepts use to measure attitude and behaviour. The bi-dimensional composite model presented by Jacoby and Chestnut in 1971 united both the attitudinal and behavioural construct signalling the beginning of much concern in brand loyalty research [4]. From the 1990s, the concept brand loyalty became one of the most researched topics within the field of service marketing. Since 2001, brand loyalty has grown in spite of the nonstop entry of new products entering the market. This trend can be accelerated to the consumer
becoming aware of the benefits of well known brands, like the advantage of saving time searching for products [5]. Indeed, brand loyalty is constructed over time through a collection of positive experiences that requires continuous effort and concentration to detail. Loyal customers are repeat customers who choose a company’s brand without even considering other alternatives. They buy more and regularly and also they frequently recommend as well as advice about a brand to others [6].

This paper presents a conceptual framework in the form of FSTA (Familiarity of brand, Satisfaction of customer, Trust on brand and Attitudinal loyalty) framework for building brand loyalty that is based on a comprehensive review of the existing literatures. An attempt has been made in the discussion section to discuss the managerial implications of the concepts presented in this paper.

2. ESTABLISHING BRAND LOYALTY

Aaker underlies brand loyalty as symbolized a creative mind-set on the part of a brand that leading to continuous purchasing of the brand over time [7]. Aaker added wrangles that brand loyalty is an essential element when it comes to appraise a brand in terms of value forasmuch as loyalty can make profit [7]. According to Yoo et al., indicates that brand loyalty is the heart of a brand’s value [8]. In addition, Strategic Marketing and Research Techniques observe that there is a strong positive relationship as well as bonding between customer loyalty and brand image [9]. Brand loyalty has been demonstrated like a behavioral response as well as the achievement and kind of a function of psychological processes [10]. Loyalty is again defined as an intensely taken commitment to repurchase or repertories a favored product/service constantly over time, despite situational immensity and marketing efforts that might have the prominent reason for switching behavior [11]. Brand loyalty can therefore be illustrated as a function of both attitudes and behavior (habit) [12] as shown in below:

![Fig.-1. Attitudes, Habit, Loyalty and Brand Equity Model (Adapted from Jensen and Hansen [12])](image)

In above fig. 1 which is constructed through brand attitudes, habit, brand loyalty and brand equity outcomes where attitudes, habit and loyalty can be treated as outcomes of brand equity [12]. From this point of view brand loyalty, according to Moisescu, is closely associated with brand
equity [13]. Due to the reason all the more loyal customers are interested to the brand and the higher value of the brand can be projected. Additionally, brand loyalty can qualitatively be differentiated from the other dimensions of brand equity forasmuch as it is braced closer to the experience factor. Even though the purchase and use experiences are fundamental factors in brand loyalty, the loyalty of a customer is also persuaded by other dimensions of brand equity [7]. Aaker persists and categories the loyalty of the customer in five different levels [7] as depicted below:

Dick and Basu underlie that brand loyalty favors positive word of mouth communication and greater altercation within loyal customers to competitive strategies [14]. Appreciably like these findings influence marketers to build and maintain brand loyalty within customers. The final aspiration for marketers is maintaining brand loyalty with customers. Brand loyalty is the customer’s conscious or unconscious decision, expressed by intention or behavior, to repurchase a brand determinedly. It occurs forasmuch as the customer perceives that the brand offers the right product features or characteristics, image, or level of quality at the right price for which customers become committed and cooperated to a brand as well as considers a brand as a friend. From the customer’s standpoint, loyalty to a brand is based on three deployments: First, cognitive- which articulates the customer’s faith that the chosen brand is superior to that of other brands that compete in the similar product category; Next, affective- which articulates the customer’s attitude toward the brand; After next and last, Connotative- which articulates the customer’s aim to buy the brand again [10, 11, 15].

For that reason, brand loyalty is encompassed brand resonance which objective is to build strong relationships with consumers in that case not only construct strong relationship but also maintain relationship for a long period of time that is called consumer relationship management.
with a “consumer mindset of connections sensor” ground. Therefore, brand loyalty makes important action to build resonance with familiarity, customer satisfaction, trust and attitudinal loyalty of a brand.

3. FSTA FRAMEWORK: A CONCEPTUAL FRAMEWORK FOR BUILDING LOYALTY

Based on the literature review, the conceptual framework for brand loyalty building in a competitive market, known as FSTA Framework, has been proposed. The four elements of this framework, namely, familiarity of the brand, satisfaction of customer of the brand, trust on the brand and attitudinal loyalty of the brand are discussed below.

Familiarity of the Brand. The concept of brand familiarity, that has established much concentration in marketing literature, has been conceptualized in various ways. One conceptualization of brand familiarity is product familiarity which is cleared as the number of product experiences that a customer has [16]. On the other hand, it is somehow diverse from brand familiarity, which is the effect of experiences with barely one brand for the reason that a customer’s product familiarity could be the effect of experiences with more than one brand in the product category. An additional view of brand familiarity is an information processing view [17]. Regarding this view of brand familiarity that underlines to the cognitive representations of experiences stored in memory as an alternative of prior experience with a brand. These cognitive representations of experiences with a brand are structured in the memory as a construction or plan in the form of representations of brand names, attributes, uses, choice criteria etc. Emerged on this information processing view, brand familiarity is a nonstop variable [18]. As a result, people with different cognitive structures or schemas may differ in their levels of brand familiarity that show the charisma of customer attitudes. A substitute view of brand familiarity is the amount of time exhausted in processing of brand information despite the consequences of the type or content of processing that was implicated [19, 20]. The greater the amount of time fatigued processing brand information, the greater the level of familiarity with that information regardless of how much the type of processing is semantic (e.g., words, name, logo) or sensory (e.g., pictures, attributes) [21]. Alba and Hutchinson’s definition of brand familiarity focuses in this view; they delineate brand familiarity as the number of brand-related experiences that a customer has developed [22]. As a result, it not only accentuates the entire time consumed processing information about the brand [19] but also implies the direct and indirect knowledge available to the customers [22]. In this regard, marketers should consider familiarity of a brand for building brand loyalty.

Satisfaction of Customer of the Brand. Customer satisfaction, a significant concept of satisfying customer’s needs and desires in marketing process [23] is an important determinant of long-term consumer behavior [24]. According to Oliver defines customer satisfaction as “the summary of psychological assert resulting when the emotion surrounding disconfirmed expectations is tied with the customer’s past feeling about the consumption experience” [25]. Even though the definition of customer satisfaction is common in marketing and service literature, it is usually conceptualized as an individual’s emotional evaluation resulting from a judgment on a product’s perceived performance or result, whether the product meets or exceeds his or her expectations that come from consumption experiences [25-27]. In their empirical analysis
regarding customer satisfaction, Jones and Suh and Yi and La encompass two concepts of satisfaction: transaction-specific satisfaction and cumulative satisfaction [28, 29]. Transaction-specific satisfaction underlies to a customer’s reaction or evaluation of an individual service encounter [30, 31] and is formed by immediate evaluative judgment of the most current post-consumption experiences [32]; while, cumulative satisfaction is the customer’s in general evaluation of the consumption experiences up to now [33]. In applied marketing research, the general level of customer satisfaction with the different facets of a company, product or brand is more repeatedly used than an episode specific satisfaction [34]. Customer’s overall satisfaction is articulated as “an overall evaluation based on the total purchase and consumption experiences with a good or service over period of era” [35]. Thus, customer satisfaction will be encompassed by an overall satisfaction unto a certain brand based on earlier experiences in a customer’s mind and play a key role to build brand loyalty.

**Fig-3. FSTA Framework**

<table>
<thead>
<tr>
<th>Familiarity</th>
<th>Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Information processing view</td>
<td>• Customer’s needs and wants oriented</td>
</tr>
<tr>
<td>• Cognitive representations of experiences</td>
<td>• Emotional evaluation</td>
</tr>
<tr>
<td>• Knowledge about brand</td>
<td>• Positive consumption experiences</td>
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<table>
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<tr>
<th>Trust</th>
<th>Attitudinal loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Customer satisfaction</td>
<td>• Emotional commitment</td>
</tr>
<tr>
<td>• Commitment and cooperation</td>
<td>• Favorable attitude</td>
</tr>
<tr>
<td>• Relationship marketing</td>
<td>• True brand loyalty</td>
</tr>
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**Trust of the Brand.** Weitz and Anderson underlie to brand trust as “one party’s faith that its needs will be satisfied in the future by actions undertaken by the other party” [36]. Trust has become one of the major variables in discussions of relationship marketing [37]. Relationship marketing is articulated as the process of creating, maintaining, and enhancing strong, value-laden relationships with customers and other stakeholders [38]. Similarly, Morgan and Hunt explain relationship marketing as “all marketing activities directed unto establishing, developing, and maintaining successful relational exchanges with customers” [39]. Usually, commitment trust theory, a significant theory in relationship marketing research, which is concerned in business-to-
business relationships and business-to-customer relationships, encompasses on the long-term relational exchanges between sellers and buyers. According to this theory, three vital formations including trust, relationship commitment and cooperation are identified and determined. Morgan and Hunt include that both commitment and trust are essential for successful relationship marketing [39]. In their study of commitment-trust theory, trust had a positive impact and was a major determinant of relationship commitment and cooperation. Additionally, trust and relationship commitment were essential antecedents of cooperative behaviors of relationship marketing success. As a result, for building brand loyalty marketers should emphasize trust on a brand.

**Attitudinal Loyalty of the Brand.** Attitudinal perspective of loyalty is commonly used by marketing researches to examine attitudinal loyalty that focuses on customer’s preference of emotional commitment unto a brand or individual’s behavior intention for example intention to recommend and intention to repurchase [14, 40, 41]. Attitudinal brand loyalty centers on customer’s commitment unto a certain brand, therefore it represents a favorable attitude unto an exact brand in a chain of cognition, affection, and conation [42]. Commitment has been defined as “an enduring desire to maintain a valued relationship with assurance” [43]. In Bloemer & Kasper’s model, true brand loyalty with customer’s commitment underlies to this type of attitudinal brand loyalty [44]. Jacoby and Chestnut accentuate that attitudinal aspects of loyalty is needed apropos approach the perspective of customers’ beliefs, affection and intention [15]. For this reason, attitudinal loyalty, which represents the nature of loyal customers, is specified through what people express in place of what people really do [45]. Researchers measure attitudinal loyalty based on numerous factors: customer’s intention of repeat purchase [30, 46, 47], recommendation to others [48-50], low switching to better rivals [51], attachment [52, 53], or willingness to pay a price premium [51, 54]. For this reason, attitudinal loyalty indicates strong resonance regarding brand for building brand loyalty.

4. DISCUSSION

The suggested FSTA framework can serve as a guideline to managers and executives in building loyalty of their brands in their target markets. In today’s competitive market managers and executives face challenges to bend their brands with changed expectations of their consumers. In this regard, the influences of familiarity, satisfaction of customer, trust and attitudinal loyalty in creating brand loyalty is important to formulate marketing and promotions strategy. With the help of marketing and promotions strategy that generated from brand loyalty, managers and executives maintain strong resonance with customers. Due to maintain strong resonance, companies and business enterprises take advantages form their target markets and defense their rivals into a competitive market as well as serve with the level of customer expectations. Indeed, building a brand loyalty the marketers should consider brand familiarity this includes information processing view regarding brand, cognitive representations of experiences and high level of knowledge about a brand. Additionally, marketers should emphasize satisfaction of customers this includes orientation of customer’s needs and wants, emotional evaluation with cognitive level and positive consumption experiences about a brand. On the other hand, marketers also focus trust on brand this includes customer satisfaction level with positive consumption experiences about a brand, maintaining relationship marketing and commitment as well as cooperation within customer relationship.
marketing. At the end, marketers underlie attitudinal loyalty this includes emotional commitment with behavioral intention, favorable attitude with positive perception and true brand loyalty with psychological involvement. Basically all influences assist to build brand loyalty and help to set marketing as well as promotions strategy into target markets. By achieving all influences successfully, managers and executives get competitive advantages into a competitive market in the modern marketing environment.

Every company and business enterprise needs to not only position their brands in the minds of customers but also maintain a long term relationship with the help of brand loyalty. In this regard, the suggested FSTA framework will reveal how customers perceive the loyalty of brands. Thus, this framework may assist managers to maintain customer relationship to their brands and help them in developing clear directions to maintain loyalty with their brands based on customer preferences. With the help of proposed framework, the brand managers and executive managers continuously track their brand’s level of loyalty in opposition to the effect of competition and to track the progress as well as enlargement as to how their brands are doing in the marketplace. Monitoring the improvement of brands in terms of familiarity, customer satisfaction, level of trust and attitudinal loyalty assist the managers to adjust their strategies of marketing to accomplish loyalty performance of their brands which easily conducting by FSTA framework. Due to FSTA framework, an organization can reduce the vulnerability of the customer base to long term relationship that point out and denote regular purchase and positive worth of mouth. Brands that have acknowledged desired brand resonance in the marketplace can have strong loyalty through this proposed framework. To build a strong brand loyalty, the right knowledge about a brand must exist in the minds of actual or prospective customers so that they respond positively to marketing activities and programs. In this standpoint, FSTA framework can play a crucial role for developing brand knowledge along with positive experiences. This proposed framework can contribute to brand equity by establishing the brand within memory and creating a brand with strong loyalty.

Finally, this proposed framework will not only provide theoretical authentication that supports the importance of brand loyalty but also present an accomplishment process which shows how the loyalty of a brand can impact of organization’s market performance into the marketplace. Thus, this proposed framework provides the much needed evidence that high level of brand familiarity, customer satisfaction, brand trust and attitudinal loyalty increase the possibility of brand loyalty.

5. CONCLUSION

This paper discusses the FSTA framework for building loyalty and this paper is based on the review of pertinent literatures. Consistency of relationship marketing and comprehensive knowledge about the different dimensions within elements of brand loyalty targeted towards customers is imperative to the success of brand loyalty-building efforts. In developing successful brand, companies and business enterprises need to undertaking that the brand remains strong even during complicated times and offers value that is consistent with the brand commitments as well as cooperation with relationship marketing. The four stages suggested in FSTA framework namely, familiarity of the brand, satisfaction of customer of the brand, trust on the brand and attitudinal loyalty of the brand can enable companies and business enterprises to build strong brand loyalty in the modern marketing environment.
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