Relationship between Brand Identification with Word Of Mouth and Repurchase

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ABSTRACT

Background: In current research, we tried to investigate effect of brand identification and two consequences like repurchase and word of mouth in Iran Khodro and Porton companies. Scopes of this research included customers of Zagros Khodro Company in Borojerd city and customers of Iran Khodro in Dorod city. We used questionnaire in order to collect information, therefore method of research was descriptive and analyzing. Method of research is applicable and descriptive. Results of research indicate that brand identification of Porton was not more than brand identification of Borojerd and Dorod. Following, effect brand identification of Porton was not more than repurchase of brand identification of Samand in Borojerd and Dorod

INTRODUCTION

In competitive industries, firms are looking for ways to give their brands a distinct identity and competitive advantage. One means to accomplish this involves engaging in both strategic and tactical efforts to develop brands that consumers can strongly identify with. Prior research indicates that consumers tend to identify with other like-minded individuals. Social identity (ID) occurs when a person believes he belongs to a particular group. These groups prescribe how one should think and act in a particular social context. Organizational identification is a more specific type of ID that occurs when an organization (e.g., sports team, company, etc.) becomes self-referential or self-defining.

Most of the current ID literature focuses on defining ID with few studies exploring its antecedents. These studies, primarily in the employee context, have found such antecedents as tenure, prestige and instrumentality in reaching one’s goals. Similarly, research on membership group ID (e.g., becoming a museum member) has discovered tenure and prestige as key antecedents. Prior research has also discussed several positive consequences of identifying with an entity. Such outcomes include organizational citizenship behaviors, lower turnover, 9 positive word-of-mouth and increased self-esteem.

Word-of-mouth (WOM) marketing has recently attracted a great deal of attention among practitioners. For example, several books tout word-of-mouth as a viable alternative to traditional marketing communication tools. One calls it “the world’s most effective, yet least understood marketing strategy” [17]. Marketers are particularly interested in better understanding word-of-mouth as traditional forms of communication appear to be losing effectiveness [10]. For example, one survey showed consumer attitudes toward advertising plummeting between September 2002 and June 2004. Forrester [10] reported that 40% fewer agree that ads are a good way to learn about new products, 59% fewer say they buy products because of their ads, and 49% fewer find ads entertaining.

WOM communication strategies are appealing because they combine the prospect of overcoming consumer resistance with significantly lower costs and fast delivery – especially through technology such as the Internet. Unfortunately, empirical evidence is currently scant regarding the relative effectiveness of WOM marketing in increasing firm performance over time. This raises the need to study how firms can measure the effects of word-of-mouth communications and how WOM compares to other forms of marketing communication.

WOM marketing is a particularly prominent feature on the Internet. The Internet provides numerous venues for consumers to share their views, preferences, or experiences with others as well as opportunities for firms to take advantage of WOM marketing. As one commentator stated, “Instead of tossing away millions of dollars on Superbowl ads, fledging dot-com companies are trying to catch attention through much cheaper marketing strategies such as blogging and word-of-mouth campaigns”. As many of these companies have “grown up” and begin to spend significantly on traditional marketing (e.g., the Superbowl ads of Careerbuilder.com and

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GoDaddy.com, it is important to understand whether word-of-mouth is truly effective and, if so, how its impact compares to traditional marketing activities.

Brands:
Brands are almost the opposite of products. Where a product has a physical presence, brands exist in the hearts and minds of people. Brands convey a character, a promise, and a vision that connects with consumers. Where product attributes can be communicated quickly, a brand's character requires takes time to mature.

Brand Identification:
Just as corporate identity scholarship [3;4;5;6] [20;16;24] has, increasingly, focused on the defining characteristics of an organisation (corporate identity) so have the defining characteristics of corporate brand been stressed in the literature. Whereas corporate identity scholarship emphasizes the centrality of strategy, structure and culture of corporate identity [5,3;6;7] the literature on corporate branding emphasizes the importance of corporate values, coordinated corporate communications and consistency in corporate brand promise.

Repurchase intention:
The individual's judgement about buying again a designated service from the same company, taking into accounts his or her current situation and likely circumstances.

Customer satisfaction and Brand Identification:
The extant research provides mixed evidence of the nature of the relationship between satisfaction and brand identification. Some researchers [8;25] including those who conceptualized loyalty based upon attitudes or intentions[9;26], found evidence of a positive relationship between satisfaction and loyalty. However, other researchers [21] found no relationship between satisfaction and loyalty. Furthermore, the literature reports instances of a large proportion of satisfied consumers not engaging in repeat purchase [12]. Some researchers have noted weak correlations between satisfaction and loyalty [22], whereas others have argued that satisfaction is a necessary, but not sufficient, condition leading to loyalty or repeat purchase [4]. Despite this, there seems to be a predominant belief that satisfied customers are often loyal and that they engage in repeat business [8;11].

Given that satisfied consumers are more likely to hold favorable attitudes and loyalty towards a retailer than their less-satisfied counterparts are, we envisage a positive relationship between customer satisfaction and retailer loyalty.

Other Consequences of organizational and brand identification:
The literature points to other desirable consequences of organizational identification beyond effort and performance, such as increased job satisfaction, reduced employee turnover, enhanced cooperation, and organizational citizenship behaviors [1;14;18]. Organizational citizenship behaviors are discretionary behaviors beyond formal job requirements that promote the effective functioning of the organization. The relationship between organizational identification and organizational citizenship behaviors stems from the desire to protect, support, and improve the organization that surfaces when organizational identities and self-identities converge.

Organizational identification aligns the interests of the organization with self-interest, and thus engaging in positive extra-role behaviors is a natural extension of the self.

Literature review:
The effect of brand preference on willingness to buy has rarely been examined. Encouraging approaches to the more precise specification of customer choice behaviour are provided by developments in consideration set theory by Kardes et al. [13], Roberts and Lattin and Shocker et al. [19]. Constructive advances also appear in the structural models of customer preference and repurchase by Andreassen and Lindestad [2]. This paper contends that there is a causal link between the disposition of the customer to favour the service of a specific supplier (brand preference) and the customer's willingness to buy that service again from the same supplier.

Methodology:
Objective of research is applicable. Since, it is useful for market. This research is descriptive and analyzing too. Because, data have been collected in order to test hypothesis and respond to questions related to current situation. Furthermore, this research is Correlative and seeks to effect of variables. This research tries to collect date by questionnaire and we use 7-point ordinal scale of likeart. Indexes of questionnaire are preferences, brand name, and brand logo, use of experiences, brand association, and communications.
Hypotheses:
H1: Significant relationship exists between brand identification and word of mouth
H2: Significant relationship exists between brand identification and repurchase

Variables:
Dependent variables:
Brand identification:
Due to fundamental role of brand identification can change demand from a product to other products even productions are equal. Brand reputation can provide value for customers such as trust for (Honda) and security (Volvo).

Independent variable:
Word of mouth:
Importance and power of individual relations is obvious and maybe the most important reasons of marketing managerial have to proper percept advertising by word of mouth and it has amazing economical potation. Word of mouth advertising is process throughout opinion leader and has effect on activities directly.

Repurchase:
Maintaining customer is very important in diverse fields. Strategy of maintaining customers is long-term surviving and profitability. Furthermore, different studies show that maintaining customer and reduce customer’s escape leads to more profits. Therefore, many of organizations are following to word of mouth and related factors.

Table 1: Frequency of respondents.

<table>
<thead>
<tr>
<th>Agency</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zagros Khodro company</td>
<td>60</td>
<td>40</td>
</tr>
<tr>
<td>Iran Khodro company</td>
<td>90</td>
<td>60</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100</td>
</tr>
</tbody>
</table>

In according to the table, from 150 respondents of the questionnaires, 60 questionnaires about 40 percentages belongs to Zagros Khodro and 90 questionnaires approximately 60 percent belongs to Iran Khodro.

Table 2: Result of binominal test.

<table>
<thead>
<tr>
<th>Factors</th>
<th>Found agree</th>
<th>Ratio of agree</th>
<th>Z</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Iran Khodro</td>
<td>Poroton</td>
<td>Iran Khodro</td>
<td>Poroton</td>
</tr>
<tr>
<td>Social status of Brands</td>
<td>68</td>
<td>37</td>
<td>75.3</td>
<td>61.6</td>
</tr>
<tr>
<td>Customer Satisfaction of Brand</td>
<td>80</td>
<td>38</td>
<td>88.8</td>
<td>63.3</td>
</tr>
<tr>
<td>Communications and promotions of brands</td>
<td>61</td>
<td>40</td>
<td>67.7</td>
<td>66.6</td>
</tr>
<tr>
<td>Brand reputation</td>
<td>74</td>
<td>42</td>
<td>82.2</td>
<td>70</td>
</tr>
<tr>
<td>New and updated information about products</td>
<td>40</td>
<td>29</td>
<td>44.4</td>
<td>48.3</td>
</tr>
<tr>
<td>Others' views and opinions about the brand</td>
<td>66</td>
<td>38</td>
<td>73.3</td>
<td>63.3</td>
</tr>
<tr>
<td>Media reports are positive</td>
<td>52</td>
<td>37</td>
<td>57.8</td>
<td>61.7</td>
</tr>
<tr>
<td>Brand reputation</td>
<td>46</td>
<td>36</td>
<td>51.1</td>
<td>60</td>
</tr>
<tr>
<td>Impact of brand identity on repurchase</td>
<td>69</td>
<td>41</td>
<td>76.7</td>
<td>68.3</td>
</tr>
<tr>
<td>Utility Brand</td>
<td>62</td>
<td>37</td>
<td>68.9</td>
<td>61.7</td>
</tr>
</tbody>
</table>

Conclusion and discussion:
In present research, we investigated effect of brand identification and two consequences like world of mouth and repurchase in two famous companies in Iran such as Iran Khodro and Porton companies. Scopes of this research were customers of Zagros Khodro Company in Brojerd city and customers of Iran Khodro in
Dorod city. Objective of research is applicable. Since, it is useful for market. This research is descriptive and analyzing too. Because, data have been collected in order to test hypothesis and respond to questions related to current situation. Furthermore, this research is Correlative and seeks to effect of variables. This research tries to collect date by questionnaire and we use 7-point ordinal scale of likeart. Indexes of questionnaire are preferences, brand name, and brand logo, use of experiences, brand association, and communications. Results of research indicate that brand identification of Poroton was not more than brand identification of Borojerdi and Dorod. Following, effect brand identification of Poroton was not more than repurchase of brand identification of Samand in Borojerdi and Dorod

Suggestion for Further Research:
Based on the findings of this study, the following is suggested for further studies:

- In order to examine and compare difference among different nations, more geographical regions can be selected and a larger sample should be collected.
- Other factors which affect the behavior of Impulse Buying behavior during shopping based on fashion such as consumer’s traits, and situational factors like personality, consumer desires, pleasure of shopping, faithfulness and availability of time and money can also be examined.
- This study can also be extended to branding and different categories of products in fashion (such as clothing, internal decoration, make-up and jewelry)
- It is suggested to examine online shopping concerning the behavior of Impulse Buying behavior during shopping of certain brands, and to find out the meaning of these brands for consumers who do the Impulse Buying behavior during shopping.

REFERENCES


