

## **Impact of Brand Commitment on Brand Equity: A Conceptual Framework**

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### **ABSTRACT**

*The present study investigates the linkages between the brand commitment and brand equity through customer brand engagement (CBE). We propose a significant relationship between brand commitment and CBE. Also, there is a significant of CBE on brand equity. We measure CBE through its three dimensions, namely, affection, cognitive processing and activation. Rooted in the relationship marketing theory, the proposed linkages between the constructs are conceptualized. Limitations and issues for future research are discussed.*

**Keywords:** Brand commitment, brand equity, customer brand engagement, cognitive processing, affection, activation.

### **INTRODUCTION:**

Now-a- days, a lot of interactions taking place between the customers and the brands, developing robust connect between the two. This deep level of customer's connection with a particular brand or service organization results in engagement (Vivek et al., 2010). Engagement has been characterized diversely in the existing literature. Dessart et al., (2015) shares that most of the studies discussed the fundamental assumption of engagement which specifically focused on an object (e.g., brand). Esch et al., (2006) states that consumers engage in definite types of relationships with brands, both personal and firm related. Moreover, past studies have documented a direct relationship between emotional attachment and brand engagement (Solem, 2016; Auh et al., 2007). With the shifting focus of retailers towards predictors of consumer behavior, brand engagement has surfaced as a consequential predictor towards development of brand loyalty and increased brand equity (Dwivedi, 2015; Puligadda et al., 2012; Hollebeek, 2011; Sprott et al., 2009).

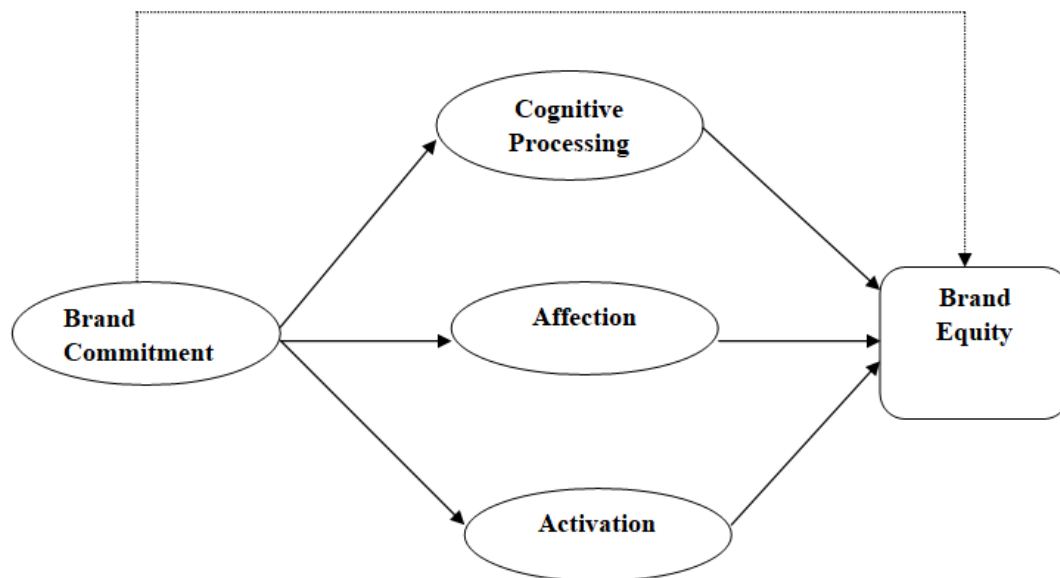
Hollebeek, 2011a propounded the extensive role played by CBE in branding strategies for the customer-centric marketing, by giving a competitive advantage (Kumar et al., 2010). In the present times, marketers are more engrossed in determining the ways to engage the customers in a more efficient way so as to shape positive customer experiences (Marbach et al., 2016). These experiences create long-term relationships with the customers (Vivek et al., 2012). Hollebeek (2011a, p.790) defines CBE as "the level of customer's motivational, brand related and context dependent state of mind characterized by specific levels of cognitive, emotional and behavioral activity in brand interaction".

Hollebeek et al., (2014) defined 'cognitive processing' as "a consumer's level of brand related thought processing and elaboration in a particular consumer/brand interaction". Second, 'affection' refers to "a consumer's degree of brand related affect in a particular consumer/brand interaction". Third, 'activation' is defined as "a consumer's level of energy, effect and time spent on a brand in a particular consumer/brand interaction". There is no study in the past which measures the impact of customer brand engagement dimensions on brand equity.

### **THEORETICAL BACKGROUND AND LITERATURE REVIEW:**

Now days, one of the primary objective of many marketing organizations is to have an engaged customer base

(Dessart et al., 2015). In many studies, marketing professionals are more concerned with how to engage customers so that favorable customer experiences can be developed (Marbarch et al., 2016), and helps in creating a long-term relationship between brands and customers (Vivek et al., 2012). Majority of the studies are conceptual in nature and few studies focused on what antecedents' leads to a strong customer brand engagement (CBE). Although the concept of CBE sounds very interesting, the past studies have not clearly identified the dynamics of the CBE processes, which may not only account for different customers motivations, but also explained customer intentions to engage with a brand. Furthermore, there is no single study that has identified the antecedent (brand commitment) of CBE and its impact on outcome variables such as brand equity (Leckie et al., 2016). Thus, this paper attempts to bridge this gap by discussing a framework that helps to develop a better understanding of the role that brand commitment plays in the CBE process and its impact on brand equity.



**Figure 1. Conceptual Model**

*Dotted lines symbolize the direct effects of the antecedent variables to the outcome variable (brand equity).*

### **Brand Commitment and CBE:**

The term commitment has been defined as an attachment that generates a desire to sustain a relationship with the supplier (Geyskens & Steenkamp, 1995; Moorman, Zaltman, & Deshpande, 1993). In the past studies, commitment is studied as a multi dimension construct that has three dimensions, namely, calculative, normative and affective (Mathieu & Zajac, 1990). In the domain of consumer behavior, commitment is often used interchangeably with loyalty (Bloemer & Kasper, 1995; Martin & Goodell, 1991). But, when it comes to the discipline of marketing, we demarcate between the commitment and dimensionality of CBE (Brodie et al., 2011a). However, Bloemer & Kasper (1995) assert the commitment is comparable to true loyalty, which implies that affective commitment can assert significant impact on CBE. Hence, we hypothesize that:

**H1:** Brand commitment has a significant and positive effect on cognitive processing

**H2:** Brand commitment has a significant and positive effect on affection.

**H3:** Brand commitment has a significant and positive effect on activation.

### **CBE and Brand Equity:**

Though CBE is a widely researched phenomenon, yet, there is little evidence about the nature of relationship between the dimensions of CBE and brand equity. In this regard, Hollebeek et al., (2014) in their study posits that loyalty and purchase intentions are consequences of CBE. However, highly engaged customers spend enthusiastically while interacting with the brands (Hollebeek and Chen, 2014) and develop intense relationship with the brand over a period of time (Dwivedi, 2015). Also, the benefits that customer brand engagement delivers has a profound impact on the generation of brand equity. Thus, we propose the following:

**H4:** Cognitive processing has a significant and positive effect on brand equity.

**H5:** Affection has a significant and positive effect on brand equity.

**H6:** Activation has a significant and positive effect on brand equity

## **RESEARCH METHODOLOGY:**

**Sample:** The data for this study will be collected from 500 respondents using a pre-determined well-structured questionnaire on 7-point likert scale anchored from “very strongly agree” to “very strongly disagree”. The questionnaire is categorized into two parts. The first part will record the opinions of the respondents of each variable in the proposed model and second part will record the perceptions of the respondents. The sample will be drawn through convenience sampling and judgement sampling. The sample will include the brand shoppers of luxury apparel brands and utilitarian electronics brand. Coefficient alpha and reliability test will be done to evaluate the consistency of the results measured. Further, to examine the propounded hypotheses and to analyze the results structural equation modeling (SEM) technique will be used.

## **Measures:**

The items were measured on a 7-point likert scale ranging from “very strongly agree” to “very strongly disagree”. Brand commitment scale was adopted from Eisingerich & Rubera (2010) using four items. For measuring the customer brand engagement three-dimensional scale comprising of ten items was adapted from Hollebeek et al., (2014). Brand equity was measured using the scale developed by Yoo and Donthu (2001) and comprises of ten items.

## **DISCUSSIONS AND CONCLUSION:**

There is a growing body of literature on customer brand engagement; however research in the context of utilitarian and hedonic brands is still not there. Only one study in the past examined the impact of CBE dimensions on to brand equity along with different key drivers. The conceptual model proposed in this study provides a conceptual framework to understand the relationship between brand satisfaction of CBE and its effect on brand equity. The objective of this study is to examine the conceptual representation of the model in line with theory of relationship marketing.

This study also acknowledged brand equity as a result of CBE. Moreover, it is also proposed in this study that there is a positive and direct impact of brand satisfaction on CBE and brand equity.

## **IMPLICATIONS, LIMITATIONS AND FUTURE RESEARCH:**

Customer brand engagement (CBE) provides different avenues for future research. There are few limitations to the study which can help in presenting opportunities for future research. Firstly, data collection will be of cross-sectional nature, so the results can only provide a picture of CBE with specific two product categories i.e. apparels (hedonic) and electronics (utilitarian). Moreover, this study developed the conceptual model on theoretical framework, namely relationship marketing theory. However, it can be studied through other theoretical lens like service dominant logic, social identity theory (Tajfel, 1978) and regulatory theory (Avnet and Higgins, 2006). Future research could also investigate the antecedents and consequences of CBE for other product categories and contexts.

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