Examining a psychological sense of brand community in elderly consumers☆

Krist Swimberghe[a], Mahmoud A. Darrat[b,*], Brent D. Beal[a], Marina Astakhova[a]

[a] The University of Texas at Tyler, Department of Management and Marketing, Tyler, TX 70310, United States
[b] Auburn University at Montgomery, P.O. Box 244023, Montgomery, AL 36124, United States

ARTICLE INFO

ABSTRACT

As the affluent baby-boomer segment rapidly approaches retirement, marketers are becoming more aware of elderly consumers. Carlson, Suter, and Brown (2008) recently introduced the psychological sense of brand community (PSBC) construct. This research extends their work by examining new antecedents and consequences of PSBC in the context of elderly consumers. Moreover, the study examines how older consumers' brand equity perceptions contribute to brand advocacy through a psychological sense of brand community (PSBC). Survey data is collected from 592 elderly customers (all over the age of 60) of a luxury motorcycle components and accessories manufacturer. Results suggest that three core facets of consumer-based brand equity contribute to older consumers' PSBC: perceived quality, perceived value for the cost, and brand uniqueness. Moreover, a PSBC motivates older consumers to participate in (and pay for) social brand communities as well as increases positive word of mouth and brand evangelism.

> "The purpose of any business is to create a customer who creates customers."
>
> Shiv Singh, Head of Digital Marketing, Visa Inc.

1. Introduction

Marketing managers are increasingly aware of the importance of constantly perpetuating customers. Research from more than a dozen industries suggests that companies' sustained growth and profitability are strongly linked to the percentage of customer advocates, or brand enthusiasts that actively promote the brand to others (Reichheld, 2003). Remarkably, the findings indicate that 'word of mouth' surpasses brand image and even satisfaction in predicting profitability and growth. New customers evaluate the credibility of brand claims based on the experiences and judgments of past users (Filieri, 2015). One segment that is particularly relevant and lucrative to marketers is elderly consumers. United Nations' estimates project that people aged 65 and older currently earn roughly half of all discretionary income in the US and will constitute more than one fourth of the total population in Western countries by 2050 (Uncles & Lee, 2006; United Nations, 2008). A growing body of research suggests that, compared to their younger counterparts, elderly consumers are more brand-loyal, experience higher emotional attachment to brands, and are more likely to pay a premium for trusted brands (Amatulli, Guido, & Nataraajan, 2015; East,

Uncles, & Lomax, 2014; Jahn, Gaus, & Kiessling, 2012). Seniors are also more likely to ascribe brand perceptions from employee interactions leading researchers to call for more age-friendly policies (Wang, Ma, Hsu, Jao, & Lin, 2013).

Elderly consumers tend to be community-oriented and served as a point of reference for brand community research in the past (Muniz & O'Guinn, 2001). A social brand community refers to a group of acknowledged brand admirers that have structured relations based on their attachment to the brand, its products, marketing agents, and/ or its parent institution (McAlexander, Schouten, & Koenig, 2002). Research suggests that social interaction between members of brand communities leads to positive word of mouth, educating and socializing new customers, forgiveness of product failures and/or lapses in customer service, resistance to switching temptations, participation in marketing research efforts, generating and testing product innovations, and purchasing related products and brand extensions (Algesheimer & Dholakia, 2006; Dholakia & Vianello, 2011; Muniz & O'Guinn, 2001; Schau, Muñiz, & Arnould, 2009; Zhou, Zhang, Su, & Zhou, 2012).

Virtual exchanges of branded content or entertainment between customers are also encompassed under social brand communities (Muniz & O'Guinn, 2001). Social network services like Facebook, Instagram and Snapchat have revolutionized the way customers interact and share their experiences with brands and each other. Companies are increasingly utilizing social media to reach customers with branded

information and many have established loyal followings as a result. Brand communities embedded within social networks ascertain a degree of authenticity and camaraderie not easily achieved through traditional mediums making them highly effective tools for customer acquisition and relationship management (Brodie, Ilic, Juric, & Hollebeek, 2013; Zaglia, 2013). However, populating virtual communities with the critical mass of engaged and loyal supporters remains a daunting challenge given online distractions and customers' increasing selectivity toward digital content. Virtual communities expand as new members join and become acculturated to the norms of interaction and reciprocity.

The next level of abstraction is a psychological sense of brand community (PSBC), or the extent to which brand admirers *perceive* a relational bond with other brand users (Carlson et al., 2008). The authors illustrate that, "the brand, not communal relations or shared consciousness, is the impetus behind their sense of community" (p.285). Therefore, PSBC is a perceived affiliation with other brand users that is rooted in the brand and not based on any form of communication or interaction. Given this interpretation, are certain brand attributes more likely to incite a sense of brand community? Are consumers with PSBC more likely to evangelize their affection for the brand and participate in brand communities? If so, can managers influence brand impressions by focusing marketing communications on brand equity? Extant research has largely overlooked PSBC, and the only study that exists on the topic does not examine customer-based brand equity as an antecedent (Carlson et al., 2008).

2. Theoretical background and hypotheses

2.1. Brand community

Social identity theory postulates that individuals identify with similar others and derive a sense of social identity from joining groups and/or communities (Tajfel & Turner, 1986). Community membership is characterized by a sense of belonging to the in-group and a desired differentiation from the out-group. Therefore, it is not necessarily tied to the acknowledgement of other members and may only be perceived by the individual (Tajfel & Turner, 1986). This conceptualization extends to brand communities. Branded possessions are often viewed by consumers as extensions of self and communicators of identity to others (Belk, 1988; Schau et al., 2009). While some consumers express their brand attachment by joining loyalty programs and brand communities, others may merely perceive a psychological connection with a brand and its affiliates. Despite the commercial nature of brand communities, strong mutual bonds are forged between members that may resemble those of a benevolent family (Muniz & O'Guinn, 2001).

In a traditional sense, brand communities are comprised of three components 1) shared consciousness, 2) rituals and traditions, and 3) a sense of moral responsibility (Muniz & O'Guinn, 2001). Shared consciousness refers to the collective sense of solidarity that binds members to the brand and each other. Communalities between members of brand communities are rooted in mutual affection for the brand, opposition to other brands, and perceived differences between the in-group and out-group. Research suggests that members of brand communities view corporate employees as manifestations of the brand extending feelings of trust and commitment accordingly (McAlexander et al., 2002). Moreover, members express their allegiance to the community and vet the commitment of other members based on participation in branded events and/or rituals. These venues are used to congregate members under the umbrella of the brand and establish a sense of community and tradition. Such events cultivate shared behaviors among members such as certain dress codes or vernacular that reinforce community bonds. Lastly, a sense of moral responsibility reflects the perceived obligation felt by members toward the community and the brand. Members can express their devotion in various ways such as providing voluntary feedback to brand representatives, integrating new members into the

community, and spreading positive word of mouth.

The dearth of prior brand community research and theory focuses on the post hoc outcomes of membership with significantly less attention on the conception of brand attachment in the minds of consumers. Alternatively, this research extends current knowledge by providing a retrospective view of brand communities in elderly consumers. Carlson et al. (2008) propose that a PSBC reflects the degree to which consumers cognitively 1) identify with a brand, and 2) identify with users that purchase or utilize that brand. That is, identification with the brand unites the minds of PSBC consumers *before* any formal acknowledgement is made. In extension of this premise, the current study investigates the impact of customer-based brand equity on PSBC.

2.2. Customer-based brand equity

Customer-based brand equity refers to "the differential effect of brand knowledge on consumer response to the marketing of the brand" (Keller, 1993, p.2). Although some frameworks identify a number of common facets of customer-based brand equity such as perceived quality (PQ), perceived value for the cost (PVC), and brand uniqueness (Aaker, 1996; Keller, 1993), there has been no consensus on how the construct should be conceptualized or measured. Conceptual models that link price, perceived quality, and perceived value are based upon the means-end chain model. This model suggests that consumers store brand-related information in memory at different levels of abstraction; and retrieve this information from memory when making brand decisions (Zeithaml, 1988). Proponents assert that lower levels of brand abstraction are concerned with the functional benefits and/or utilitarian value of owning the brand. Conversely, higher levels of abstraction reflect more personal experiences with the brand (symbolic or experiential) that are both memorable and easily accessible (Netemeyer et al., 2004).

Perceived quality (PQ) is a consumer-based assessment of a brand's relative performance as compared to other brands and represents a higher level of abstraction than functional quality (Netemeyer et al., 2004). The authors define perceived value for the cost (PVC) as a comparative evaluation of brands based on two factors: what can be derived from the brand in terms of utilitarian and/or hedonic value and what must be sacrificed to obtain it (time, money, efforts). Though conceptualized at different levels of abstraction, research suggests that consumers are unlikely to distinguish between a brand's PQ and its PVC (Aaker, 1996). Holbrook and Corfman (1985) argue that an understanding of PQ is necessary in making accurate PVC judgments and is a component of "what is received" in PVC. Likewise, Netemeyer et al. (2004) asserts that PVC is conceptualized at a higher level of abstraction than any combination of attributes or benefits (functional, experiential, or symbolic), and, thus includes PQ.

Following the long tradition of viewing possessions as part of the extended self (Belk, 1988), customer-brand identification theory suggests that consumers attach symbolic meaning to brands not only based on how brands help define the inner self, but also the social self. Symbolic and experiential attributions (including an assessment/evaluation of other users of the brand) are more accessible, in a cognitive sense, than functional benefits and costs. Evidence suggests that elderly consumers pay less attention to functional deficiencies when emotional attachment to the brand is high (Carstensen, Fung, & Charles, 2003; Sikkel, 2013). Therefore, symbolic attributions about PQ and PVC may contribute to elderly consumers' perceived value and attachment to the brand.

Research indicates that perceptions about brand quality and/or cost impact the level of engagement experienced by customers in brand communities (Brodie, Whittome, & Bush, 2009). Customers are increasingly immersed in brand claims Elderly customers are especially prone to brand attachment and are likely to associate with those that exhibit high value for the cost (Charles & Carstensen, 2010; Jahn et al., 2012). As such, brands that demonstrate superior value for the cost may