



Consumer preference for national vs. private brands: The influence of brand engagement and self-concept threat

Richie L. Liu^{a,*}, David E. Sprott^b, Eric R. Spangenberg^c, Sandor Czellar^d, Kevin E. Voss^a

^a Department of Marketing, Oklahoma State University, Stillwater, OK, USA

^b Department of Marketing, Washington State University, Pullman, WA, USA

^c Department of Marketing, University of California, Irvine, Irvine, CA, USA

^d Department of Marketing, University of Lausanne, Lausanne-Dorigny, Switzerland

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ABSTRACT

Previous research on self-brand connections has not considered the inclusion of brand categories (e.g., national and private brands). The current work examines consumers' preference for national and private brands and their tendency to include brands as part of their self-concept (measured by the brand engagement in the self-concept (BESC) scale and manipulated using a tagline). Study 1 revealed higher BESC consumers to prefer national (vs. private) brands. Study 2 identified a boundary condition for our initial study by demonstrating consumers higher in BESC to prefer national brands (relative to private brands) less when presented a self-concept threat. Additionally, results showed lower BESC consumers deferring to national (vs. private) brands when facing a self-concept threat. Finally, Study 3 results were consistent with Study 2 findings when brand engagement was manipulated (vs. measured). Our work suggests that when a self-concept threat unrelated to the branded self is presented, the central importance of brands, for those consumers more highly engaged with brands, will decrease to the point of impacting preferences.

1. Introduction

National brands are typically positioned as premium products (e.g., Cunningham et al., 1982; Steenkamp et al., 2010) via national promotional campaigns (e.g., Woodside and Taylor, 1978) touting the quality of components or construction. On the other hand, private brands are typically competitively positioned as lower priced, reasonable quality and value alternatives (e.g., Goldsmith et al., 2010; Rosen, 1984). The relationship between national and private brands is unique as national brands often rely on retailers to carry their products in order to reach consumers while those same retailers may offer their own competing private brand alternatives (Hoch and Banerji, 1993). The relationship is further complicated by the fact that retailers recognize the customer-attracting value of carrying national brands (Shapiro, 1993) and the same manufacturers are often relied upon to produce both national and private brands. Such interdependencies notwithstanding, a fundamental fight for market share and associated revenues persists between national and private brands in many retail environments (Gielens, 2012).

Motivated by this unique competitive juxtaposition, marketing scholars have conducted considerable research on private and national

brands. Prior work has explored perceived differences between national and private brands, often focusing on profiles of respective customers. For example, researchers have identified various demographic variables (e.g., education, income, household size; e.g., Richardson et al., 1996), as well as traits (e.g., Lichtenstein et al., 1993), related to seeking out and paying for the lowest prices for products (i.e., those typically associated with private brands). Drivers of market share for these respective types of brands have also been extensively explored as well as consumers' varying perceptions of quality (e.g., Bao et al., 2011) and risks associated with differing types of brand purchases (e.g., Erdem et al., 2004).

While early research and market observation have typically shown a stronger position for national brands compared to private brands (e.g., Dunn et al., 1986), more recent research finds a growing preference for private brands among some consumers who have positively experienced such goods (e.g., Kaswengi and Diallo, 2015; Lamey et al., 2007). The growth in private brand popularity raises questions regarding conclusions from past research finding relatively consistent negative consumer responses to private brands (e.g., in terms of quality perceptions).

In the current work we draw upon theoretical advances regarding

* Corresponding author.

E-mail address: richie.liu@okstate.edu (R.L. Liu).

the role of brands relative to the self-concept (e.g., Escalas and Bettman, 2003, 2005; Hammerl et al., 2016), exploring and helping to clarify what drives preferences for national brands over private brands and vice versa. In particular, our main objective is to investigate the impact of consumers' brand engagement with their self-concept (BESC; Sprott et al., 2009) and the effect of such engagement regarding national or private brand preferences. Brand engagement has been shown to impact consumers' willingness to pay and to wait for a favorite brand to release a new product (Sprott et al., 2009), as well as to provide meaning to users and connections between a brand and users (e.g., Escalas and Bettman, 2005). Following Sprott et al. (2009) theorizing regarding a consumer's tendency to include brands in the self-concept, we propose that such brand engagement will influence consumer preferences for national and private brands. Our second objective is to explore a theoretically-relevant boundary condition for brand engagement's draw to national versus private brands. In particular, we explore self-concept threat and its moderating effect on the influence of brand engagement on preferences for national versus private brands. Given that the self-concept is typically considered to be composed of two dimensions (Campbell, 1990), namely knowledge (e.g., important brands used to define the self) and evaluative (i.e., self-esteem), examining the moderating impact of a self-concept threat is in line with self research. Investigating boundary conditions from the moderating influence of a self-concept threat is relevant due to past research demonstrating consumers draw to meaning-laden products as a means to recover from a lowered self-view (e.g., Gao et al., 2009; Sivanathan and Pettit, 2010). Further, we determine whether brand engagement can not only be measured, but also manipulated. To date, brand engagement has been examined primarily from a consumer's dispositional standpoint. We explore whether marketers potentially have the capability to instill an importance of brands, in general, amongst their target market.

Hypotheses are derived from relevant literature; we then present three experiments testing them. First, we test in Study 1 whether a relationship exists between a consumer's disposition of brand engagement and preference for national vs. private brands. In Study 2, we extend findings from Study 1 by testing self-concept threat as a boundary condition for national vs. private brand choice depending on a consumer's level of brand engagement. Our last study tests for the robustness of results from Studies 1 and 2 by manipulating, rather than measuring, brand engagement. We close with a discussion of theoretical and practical implications to research and practice.

2. Conceptual development and hypotheses

2.1. National brands, private brands and the self

Consumer perceptions regarding national and private brands have been shown to influence choice of both. For example, the greater market share associated with national (vs. private) brands has been attributed to higher quality perceptions of such brands (e.g., Bao et al., 2011; Steenkamp et al., 2010). Related research has shown that quality perceptions are heavily influenced by extrinsic cues (e.g., advertising, packaging; Richardson et al., 1994), especially when intrinsic cues are unavailable (Sprott and Shimp, 2004). Perceived risk also contributes to differing responses to national and private brands, with higher risk typically being associated with private brands (Batra and Sinha, 2000). Despite apparent advantages of national brands in terms of perceived quality and risk, private brands maintain noteworthy market share for retailers due to lower prices (e.g., Ailawadi et al., 2001), which can be especially attractive to consumers during an economic downturn (e.g., Lamey et al., 2007). Even after a recession, consumers may not return to national brands suggesting that private brands cannot be overlooked as viable retailer-based competition relative to national brands (Hoch and Banerji, 1993). While demographic and socioeconomic factors

(e.g., Murphy, 1978) have yielded somewhat inconsistent results (Richardson et al., 1996), psychological constructs such as price consciousness (e.g., Sinha and Batra, 1999) and value consciousness (e.g., Garretson et al., 2002) have been shown to differentiate between national and private brand buyers with higher levels of both constructs being associated with private brand buyers.

Research has primarily examined responses to the underlying characteristics of national and private brands (e.g., quality, extrinsic cues) without consideration of how self-concept is impacted or affects preferences. This situation is somewhat surprising, given the considerable amount of research exploring the role of the self-concept with regard to brands (e.g., Belk, 1988; Cheng et al., 2012; Escalas and Bettman, 2003, 2005; Hammerl et al., 2016; Johnson et al., 2011; Rindfleisch et al., 2009). We contend that self-brand connections can provide new insights into preferences for national or private brands (e.g., Sprott et al., 2009).

Underlying our work is the notion of the "branded self"—a multifaceted view of the self-concept (Markus, 1977), in which each of its components influence a person's judgment and behavior (Markus, 1983; McConnell, 2011). Belk (1988) introduced the idea of self-brand connections as related to the extended self, whereby possessions can become part of a person's self-concept; Fournier (1998) further elaborated this idea suggesting that consumers can form relationships with brands similar to those formed with humans. Escalas and Bettman (2003) empirically supported Fournier's (1998) work, demonstrating that people do indeed form connections between the self and a brand. Once formed, consumer self-brand connections can fulfill self-defining purposes like approval and self-representation (Rindfleisch et al., 2009).

Drawing from Escalas and Bettman's (2003, 2005) brand connection work as well as that of scholars showing important others to contribute to one's self-concept (Cross et al., 2000), Sprott et al. (2009) proposed that brands correspondingly can make up part of the self—a notion represented by the construct "Brand Engagement in the Self-Concept (BESC)." The BESC construct, measured using a scale developed by Sprott et al. (2009), is an individual difference variable reflecting consumers' self-construal in terms of important (often multiple) brands. Supporting BESC's importance to the self, consumers with higher levels of BESC are better able to access favorite (vs. least favorite) brands from memory and to recall branded products they own. Importantly, BESC has been shown to impact reactions to brand-specific marketing. For example, brand engagement can help predict consumer attention to favorite brands that are overtly branded, as well as brand loyalty (Sprott et al., 2009).

The construct of BESC addresses an inherent limitation associated with prior branding work by providing a broader perspective regarding the relationship between consumers and brands in their lives. BESC is distinct from related branding constructs, such as self-brand connections (Escalas and Bettman, 2003, 2005) and attachment to possessions (Ball and Tasaki, 1992). The latter constructs are focused on a relationship with a specific brand or object while BESC is a "generalized tendency for consumers to include multiple brands as part of the self" (Sprott et al., 2009). As such, BESC is particularly relevant to understanding how consumers relate with broader categories of brands such as national and private brands, both of which include multiple specific brands across various product categories.

We expect that consumers with a greater tendency to include important brands in their self-concept (i.e., high BESC) will be more drawn to national (vs. private) brands, as these brands are likely to be more widely marketed and therefore better known. Often, national brands enjoy more favorable market perceptions, thereby supporting a (high BESC) consumer's self-concept. Supporting this postulation is research showing more favorable brand images and associations to have been built for national brands through costly and impactful communication strategies (e.g., Hoch and Banerji, 1993). Further, national

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