The effects of self-congruity constructs on brand loyalty and word of mouth toward brand HYUNDAI

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Abstract: This study aims to examine the effects of three self-congruity constructs; the brand's personality congruity (BPC), the brand's user imagery congruity and the brand's usage imagery congruity, in brand loyalty and word of mouth toward brand HYUNDAI. Using a sample of Iranian consumers, this study examines the brand of HYUNDAI from the automobile product category. Structural equation modeling is used to test the hypotheses. This study finds that brand personality and usage imagery congruity are stronger predictors for brand loyalty than user imagery congruity in the context of the automobile brand tested. Future studies should include more populations, product categories and more brands in each category. Symbolic benefits are key motivations behind luxury brand purchases. Symbolic benefits are from non-product-related attributes like imagery. Because most luxury brands market exist in multiple product categories, attention should be paid to the core perceptions of user and usage imagery for the brand when designing communication strategies for different categories.

Key words: Brand personality congruity; Brand user imagery congruity; Brand usage imagery congruity; Brand loyalty; Word of mouth

1. Introduction

Consumer-brand relationship in the last decade has gained much attention from both practitioners and academics. Understanding the relationships between consumers and their fashion brands has practical relevance to marketers due to the significant impact of this relationship on a company's profitability. Increasingly, brands are considered to be important in creating individual identity, a sense of achievement and individuality for consumers. It is also evident that certain brand dimensions and associations lead to increased marketplace recognition and economic success for brand owners, as a result of the value consumers place on them. A company's economic superiority is frequently implied by the strength of its brand name, enabling it to differentiate itself and improve its competitiveness. This illustrates the significance of brands (O'Cass & Frost, 2002). Aaker (1996) and Kapferer (1997) argue that brand image is an essential part of powerful brands. A strong brand can differentiate a product from its competitors, reduce search costs, minimize perceived risks and represent high quality from a consumer's point of view (Hosany et al., 2006).

Consumers imitate each other following a social or vicarious learning paradigm, but perhaps more importantly, they also talk to each other. Word of mouth is described as the process that allows consumers to share information and opinions that direct buyers toward and away from specific products, brands and services (Hawkins et al., 2004). There is recent focus on word of mouth in the literature on relationship marketing as a potential responses that can emerge from efforts directed at forming relationships with consumers (e.g. Sheth and Parvatiyar, 1995; Verhoef et al., 2002). The basic idea behind word of mouth is that information about products, services, stores, companies and so on can spread from one consumer to another. Our purpose in this study is to examine the effects of self-congruity constructs on brand loyalty and word of mouth.

This paper is organized as follows. The next section provides the conceptual model of how self-congruity constructs effects on brand loyalty and word of mouth. The methods undertaken to examine the relationships between the constructs are then detailed. The results of the empirical part of this study and conclusion are then presented. Future research directions and some recommendations based on the findings and future research are presented in next section and finally some limitations of the study are presented followed by the conclusions and implications.

2. Conceptual development

2.1. Brand personality

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Although brands are inanimate objects, consumers often view them as having human characteristics. These characteristics could be traits such as being youthful, outdoorsy, sporty, energetic, or sophisticated. For instance, one may use the following words to describe some popular brands: "cool" for the soft drink Coca Cola, whereas "young" for Pepsi , "masculine" for Marlboro cigarettes , "sophisticated" for a BMW car , and "unique" in the case for Dr. Pepper (Usakli & Baloglu, 2011). Brand personality results from the endowment of human characteristics and traits to brands allowing consumers to have relationships with brands similar to those observed in social contexts, and has been posited to be of relevance in the evaluation and consumption of brands (Mathur et al., 2012). Aaker (1997, p. 347) defines the concept of brand personality as "the set of human characteristics associated with a brand". This definition, although having the advantage of clarifying the concept for the first time, is subjected to many criticisms, particularly in respect to its overly vague and "catch-all" character (Valette-Florence & De Barnier, 2012).

2.2. Self-congruity

There are three important brand self-congruity concepts:
(1) Brand Personality Congruity;
(2) Brand User Imagery Congruity; and
(3) Brand Usage Imagery Congruity.
Brand Personality Congruity refers to the relationship between the consumer's perception of a brand's personality and his perception of his own personality. For example, the brand personality of an automobile brand may be perceived as outgoing or aggressive. A potential consumer would be expected to judge if their personality was outgoing and aggressive to match the perceived personality of the automobile brand. Many studies have reported that Brand Personality Congruity has a significant effect on brand evaluations. However, most of these studies have looked at Brand Personality Congruity as the only independent variable so the importance of brand personality may have been exaggerated due to its association with other more salient variables.

Brand User Imagery Congruity is defined as the degree of perceived similarity a potential buyer sees of the typical user of a brand with himself or herself. Unlike brand personality, the user imagery perceptions are typically based on visual aspects of the user such as age, gender, culture or trappings of status like jewelry or clothing. Keller (1998) states that user imagery attributes are mainly created directly from the consumer's own experience with the brand users and are likely to be related to highly visible products such as automobiles and fashion goods. Numerous empirical studies have demonstrated that Brand User Imagery Congruity has a significant effect on brand evaluations. Brand Usage Imagery Congruity refers to the association between consumers' perceptions of the typical use of a brand and how the brand is perceived appropriately regarding the usage situations. For example, an expensive Channel bag may be regarded appropriate for a formal function but not for an everyday use. Despite its importance, empirical studies on usage imagery are rarely reported (Liu et al. 2012).

2.3. Brand loyalty

Loyalty to a brand is conceptualized as being the intention to purchase a brand or a product and to encourage others to do so. For Walters et al., (1989), loyalty is "the consumer's propensity to buy the same product (brand) or to frequent the same shop whenever he needs this product". It is implied from this definition that loyalty is a routine purchasing behavior. It is perceived as a positive result of a recurrent relationship between the buyer and seller (Achouri & Bouslama, 2010).

2.4. Word of mouth

Word-of-mouth (WOM) communication is generally acknowledged to play a considerable role in influencing and forming consumer attitudes and behavioral intentions. Research has shown that WOM communication is more influential than communication through other sources such as editorial recommendations or advertisements because it is perceived to provide comparatively reliable information. Consequently, this type of communication is considered as having a great persuasiveness through higher perceived credibility and trustworthiness.

Whereas WOM communication initially referred to the idea of person-to-person conversation between consumers about a product, the worldwide spread of the internet brought up a less personal but more ubiquitous form of WOM communication, so-called online WOM communication (Jalilvand & Samiei, 2012).

3. Methodology

3.1. Questionnaire design

The questionnaire was designed as the survey instrument including all the constructs in the proposed model to investigate the hypotheses of interest.

3.2. Sample design and data collection

Data were collected using a survey method and usable Questionnaires were completed by 200 HYUNDAI owners in Yazd, Iran. The respondent profile is summarized as Table I. The sample was 76.5 percent male, 23.5 percent female and, in terms of age group, 42 percent were between 26 and 35, 23.5 percent were between 36 and 45, 15 percent were between 46 and 55 and 14 percent were 25 or less and 5.5 percent were 56 or above.

3.3. Data analysis

Structural Equation Modeling was used to test the Hypotheses using LISREL 8.72.

4. Findings

The research findings were analyzed using measurement models for exogenous variables (i.e. PBC, BUserIC, BusageIC) and endogenous variables (i.e. BL and WOM) through the approaches of confirmatory factor analysis and confirming the relationships between the variables, using structural equations on LISREL Software, and will be presented later.
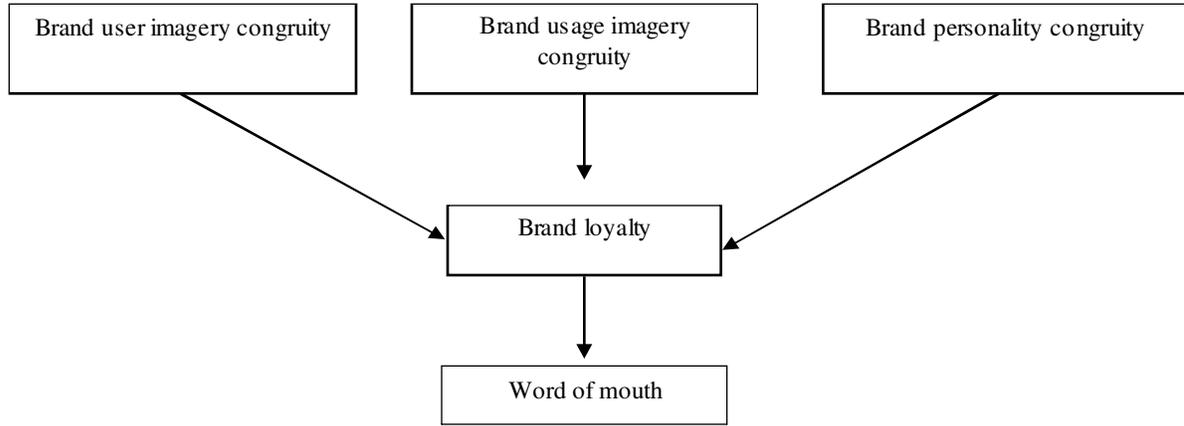
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┌──────────────────────┐   ┌──────────────────────┐   ┌──────────────────────┐
│ Brand user imagery   │   │ Brand usage imagery  │   │ Brand personality    │
│ congruity            │   │ congruity            │   │ congruity            │
└──────────────────────┘   └──────────────────────┘   └──────────────────────┘
                      ↘              ↓               ↙
                          ┌────────────────────┐
                          │    Brand loyalty   │
                          └────────────────────┘
                                    ↓
                          ┌────────────────────┐
                          │   Word of mouth    │
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Fig. 1: Conceptual framework

Table 1: Variables

Variable	Role in research	Number of question in questioner	Scale	References
Word of mouth	Dependent	4	Likert5	Ismail & Spinelli, 2012
Brand Personality Congruity	Independent	5	Likert5	Ranjbar, 2010
Brand User Imagery Congruity	Independent	5	Likert5	Parker, 2009 Ranjbar, 2010
Brand Usage Imagery Congruity	Independent	5	Likert5	Parker, 2009 Ranjbar, 2010
Brand Loyalty	Mediator	5	Likert5	Brakus et al., 2009

Table 2: Reliability test using Cronbach's alpha

Cronbach's alphs	Number	Variable
.750	5	Brand Personality Congruity
.747	5	Brand User Image Congruity
.690	5	Brand Usage Image Congruity
.916	5	Brand Loyalty
.893	4	Word of Mouth
.741	24	Total Questionnaire

Table 3: Demographic features

Variable	Group	Abundance	Percentage
Gender	Male	153	76.5
	Female	47	23.5
Marital Status	Single	68	34
	Married	132	66
Age	-25 years	28	14
	26-35 years	84	42
	36-45 years	47	23.5
	46-55 years	30	15
	+56 years	11	5.5

4.1. Models for Measuring the Variables

It is necessary to make sure of the accuracy of measurement model before examining the hypotheses and conceptual model. Therefore, the models for measuring the variables will be presented in a table. Measurement equations will be presented as many as the observed variables. Each equation consists of the path coefficient between the observed variable and the latent variable, and measurement error for the observed variable, as well as the significance test based on t-statistic and the value of R^2, which is the coefficient of determination or the ratio of the variance explained by the latent variable.

According to the above table, all variables have a t-static higher than 1.96 and the value of their coefficient of determination has been acceptable. Therefore, none of the items is eliminated, and we get to examine the model.

4.2. Model Confirmation

Generally in working with LISREL, none of the obtained criteria can solely indicate the fitness of the model; rather, these criteria must be interpreted in relation with each other. There are a couple of components for the assessment of the model. As it

can be observed the value of χ^2 in degrees of freedom is 1.16 that is smaller than 3, which is regarded as acceptable. Lowness of this index shows the slight difference between the conceptual model and the observed data. Also the value of RMSEA is 0.028 that is smaller than 0.08. In addition to χ^2, lowness of RMSEA shows better fitness of the model. Also CFI, IFI, NNFI, and NFI are all greater than 0.9 and GFI and AGFI are greater than 0.8. Therefore the model shows acceptable fitness and is confirmed.

Table 4: Results of confirmatory factor analysis for the variables

Error	Coefficient of Determination	t-statistic	Standard Coefficient	Observed Variables	Latent Variables
0.059	0.50	9.33	0.71	C1	
0.064	0.19	5.55	0.44	C2	
0.060	0.35	7.64	0.59	C3	BPC
0.054	0.30	7.06	0.55	C4	
0.063	0.21	5.85	0.46	C5	
0.064	0.26	6.99	0.51	C6	
0.073	0.47	9.86	0.68	C7	
0.062	0.61	11.59	0.78	C8	BUserIC
0.063	0.45	9.54	0.67	C9	
0.071	0.34	8.13	0.58	C10	
0.064	0.25	6.23	0.50	C11	
0.061	0.24	6.16	0.49	C12	
0.070	0.38	7.74	0.61	C13	BUsageIC
0.063	0.43	8.30	0.66	C14	
0.066	0.19	5.44	0.44	C15	
-	0.66	-	0.81	Q1	
0.063	0.65	13.17	0.80	Q2	
0.062	0.71	14.02	0.84	Q3	BL
0.072	0.63	12.83	0.79	Q4	
0.060	0.79	15.24	0.89	Q5	
-	0.80	-	0.89	Q6	
0.051	0.81	18.69	0.90	Q7	WoM
0.053	0.60	13.95	0.77	Q8	
0.063	0.50	12.07	0.71	Q9	

4.3. Structural Model of the Research

After conducting confirmatory factor analysis, in this section, we will examine the hypotheses through structural analyses. Structural equations model has been used for examining the hypotheses. The structural model in standard mode is shown in the below.

Table 5: Examining the criteria of fitness

Criteria	Reported Value
χ^2	281.61
Degree of freedom	243
χ^2 in degrees of freedom	1.16
RMSEA	0.028
GFI	0.89

AGFI	0.87
NFI	0.94
NNFI	0.99
IFI	0.99
CFI	0.99

The above picture shows the model in standard estimation mode. Only in this mode it is possible to compare the observed variables explaining the latent variable. Also model in standard mode indicates the extent to which the variance corresponding to the latent variable is explained by the observed variables. Standard coefficients are summarized in the following table together with the t-statistic for each path.

Table 6: A summary of standard coefficients, determining coefficients, t-statistic, and the result

Result	Coefficient of determination	t-statistic	Standard coefficients	Paths
Confirmed	0.27	-4.29	-0.37	BPC ← BL
Rejected		0.99	0.08	BUserIC ← BL
Confirmed		-3.54	-0.29	BUsageIC ← BL
Confirmed	0.88	13.98	0.94	BL ←WOM

According to the above table, the coefficient of determination for loyalty was calculated as 0.27 and shows that BPC, BuserIC, and BusageIC can, altogether, explain 27 percent of brand loyalty. With regards to the value of standard coefficient and t-statistic, it can be said that the effect of BPC on brand

loyalty has been greater than that of BusageIc on it. Furthermore, BuserIc does not have any significant effect. On the other hand, it can be said that 88 percent of the changes in WOM can be explained by BL.
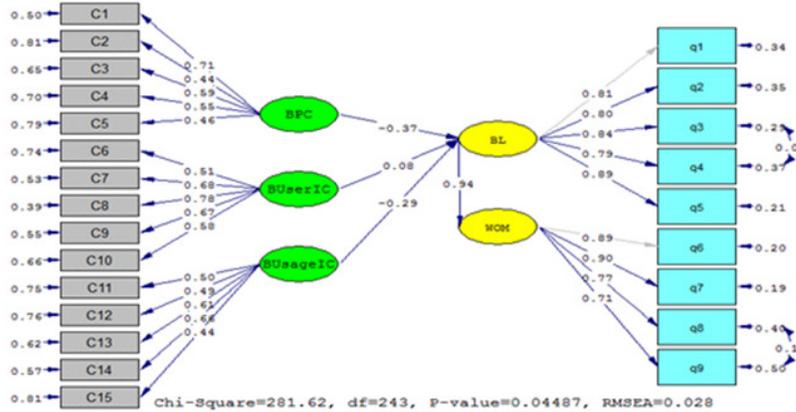

Fig. 2: Model in standard coefficients mode

4.4. Examining Research Hypotheses

After the model was examined and confirmed, research hypotheses have been examined as presented below.

H1: Brand Personality Congruity affects Brand Loyalty

According to the table 2-1, the absolute value of t-statistic for the path of BPC → BL is 4.29 and is greater than 1.96; therefore, the null hypothesis is rejected. Hence, BPC affects BL and the greatness of this effect is equal to 0.37. This means that by increasing BPC, the level of BL is also increased.

H2: Brand User Image Congruity affects Brand Loyalty

According to the table 2-1, the absolute value of t-statistic for the path of BUserIC → BL is 0.99 and is smaller than 1.96; therefore, the null hypothesis is not rejected. Hence, BUserIc does not have any significant effect on BL.

H3: Brand Usage Image Congruity affects Brand Loyalty

According to the table 2-1, the absolute value of t-statistic for the path of BUsageIC → BL is 3.54 and is greater than 1.96; therefore, the null hypothesis is rejected. Hence, BUsageIC affects BL and the greatness of this effect is equal to 0.29. This means that by increasing BUsageIC, the level of BL is also increased.

H4: Brand Loyalty affects Word of Mouth

According to the table 2-1, the absolute value of t-statistic for the path of BL → WOM is 13.98 and is greater than 1.96; therefore, the null hypothesis is rejected. Hence, BL affects WoM and the greatness of this effect is equal to 0.94 and is positive. This means that by increasing Brand Loyalty, the level of Word of Mouth is also increased.

5. Conclusion

The finding that brand user image and brand usage can improve consumer's loyalty and positive attitude towards the brand demonstrates that the apparent convergence of these two variables is not only important but also it must be consistent with the expected image of the potential market. Therefore these two components of self-congruity can be key factors in establishing long-term relationships between the consumers and the brand. In an ideal state, brand user image and brand usage image must be employed in marketing relationships to achieve a significant status within the market. However, this ideal solution is not stable in many conditions. For example, drawing both images of brand user and brand usage in a 30-second commercial is very difficult. In such conditions, the managers should consider the difference between the effects of brand user image and brand usage image in various categories of the product and select the best substitute (Liu et al. 2012). According to conceptual model, branding strategy should be based upon characterization and making image of the brand in order to improve the emotional relationship between the consumers and the brand. As a result of this emotional relationship, consumers state positive points concerning the brand in their conversations. Having this realized, the number of the consumers using the brand will increase and the company can be more hopeful to increase its commercial profitability (Ismail and Spinelli, 2012).

5.1. Recommendations based on the findings

With regards to the findings and the existence of significant relationships between the studied variables and word of mouth, marketing managers and industry owners are recommended to provide consumers with good feelings and pleasure through making good characters for their brands, and in this manner, make them interested in the brand. They should also achieve a positive attitude toward their brand among the consumers by improving the quality of their products. As it is apparent, consumers prefer a brand which is consistent with their ideals and their real self-concept. Therefore,

paying attention to the characteristics of the target market and characterizing the brand is of great significance. Attracting and maintaining loyal consumers should be the main strategy of the company because in addition to re-purchase the brand, they also recommend it to others.

5.2. Recommendations for future research

- Regarding the fact that in this research the relationships between the variables have been considered only in respect with Hyundai Automobile Industries, it is recommended to repeat to research in various industries.
- In this study, the effects of image congruity and brand loyalty, towards the brand on word of mouth have been investigated. Future research can investigate the effect of other variables such as buying experience, brand credit, brand illustration, and cultural values on word of mouth.
- The self-concept used in this research refers to real self-concept. Sirgi (1986) sated that the effect of real self-concept is stronger than other types of self-concept including ideal self-concept, social self-concept, and ideal-social self-concept. However, due to the symbolic values created by luxurious brands, the effect of ideal or social self-concept in these brands seems more significant than in other brands. Therefore future research can consider other types of self-concept.
- Another interesting recommendation for future research can be intercultural studies. People in collectivist societies are affected by others much more than in individualist communities. This shows that in collectivist societies, the role of brand user image is much more important than that of brand usage image and brand personality in affecting word of mouth (Liu et al., 2012). Findings of the present study are based on data collected among people in Yazd, Iran. An intercultural study consisting of both collectivist and individualist communities can demonstrate whether or not culture affects the relationships studied in this research.

5.3. Limitations

- ✓ One of the limitations of the present study is selecting a single category of products. The study has considered only one of the luxurious goods and a specific brand within the target market.
- ✓ Respondents were the owners of Hyundai cars in Yazd Township, Iran. This is likely that owners of these cars in other cities offer different attitudes toward this brand and the examination of the hypotheses in other cities give absolutely different results.
- ✓ Another limitation of the research was the use of questionnaire and its innate restrictions.

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