

# The Role Of Loyalty Program (LP) And Brand Attachment In Establishing Word-Of-Mouth Intentions: An Empirical Investigation In The Mobile Sector

Nedra Bahri-Ammari, IHEC of Carthage, Carthage, Tunisia

---

## ABSTRACT

*The focus of this study is to examine jointly the impact of the Loyalty Program Quality and brand attachment on W-O-M intentions through: satisfaction and loyalty. Exploratory and confirmatory analyses were adopted give a new measurements' structures. The authors used the structural equation method to confirm the different relationships. The results show that LPQ affect positively the satisfaction, and negatively the loyalty. LPQ has an indirectly effect on WOM intentions but through satisfaction. The mediating effect of satisfaction in the relationship between LPQ and Loyalty is rejected. This finding can be explained by the nature of mobile sector in Tunisia. Operators must listen to customers and better communicate with them to develop programs based on their expectations. The brand attachment reinforces the customer loyalty by helping operators to develop an efficient loyalty program. The results gave explanations to their model but they also showed the possibility of integrating other concepts which can improve the quality of contributions. These are particularly related to trust, consumer retention, personal interaction quality.*

*Keywords: Brand Attachment, Loyalty, Loyalty Program Quality, Mobile Sector, Tunisia*

---

## INTRODUCTION

The loyalty concept has an important role, namely, in the saturated market. This last is characterized by: competition intense and recruitment costs are higher than those associated with retention (e.g., Bolton and Drew, 1994; Norizan et al., 2010). Retention strategy is a plausible alternative to develop the company's

business and to defend its market share. The firm should determine the specific customers' profiles (specific information) to respond to their needs or expectations and to satisfy them (e.g., Peppers et al., 1999). *In fine*, it aims through rewards to have customer retention (e.g., Beker et al., 2009; Berné et al., 2001; Dwyer et al., 1987; Gummesson, 1999; Lewis, 2006; Peck et al., 1999). The effect of loyalty program is then

DOI: 10.4018/ijcrmm.2014070104

manifested in the duration of the relationship (e.g., Bahri-Ammari, 2014; Bolton et al. 2000; Sharp and Sharp, 1997; Verhoef & Langerak, 2002) and by the efficient WOM intentions (Kim & Lee, 2011). Generally, the more customer stay loyal to the firm, the more propensities to recommend the firm are strongly and the more are appropriate the recommendations. This interpersonal and informal (WOM) communication takes benefits from the free aspect and especially of the conviction effect. This last has a direct connection with the affective emotion of the customer, that is the reason for what we must evoke the brand attachment concept. Some of several approaches are related to the determinant role of brand in the contribution of the evaluation of customer emotion and of the strong sense of adhesion. The customer perception to the brand is thus manifested by attachment (e.g., Belaïd & Temessek-Behi, 2011; Feldweck, 1996). Other concerns the marketing paradigm which focuses on the long term relationship consequences, such: brand engagement. This one has two dimensions: cognitive and affective. According to Belaïd & Temessek-Behi, (2011), the cognitive emotion integrated the perception of the risk and the switching cost, whereas the affective is referred to attachment. In the theory, the brand attachment is an emergent concept that can explain the affective relationship between the customer and the brand. It is an affective reaction and a sustainable emotional relationship (e.g., Belaïd & Temessek-Behi, 2011; Cristau, 2001; Fournier, 1998; Lacoëuille, 2000). Despite a lack of research concerning the determinant of the brand attachment, Webster (1992) argues the importance of relationship variables between the individual aspects and the brand attachment. There are also for the satisfaction, loyalty, trust.....

Through this paper, we will try to explain if the loyalty program perception affects the WOM? To show if the impact is direct or indirect through others variables such: satisfaction and loyalty? And finally, by evaluating the contribution of the brand attachment to reinforce the WOM?

In this paper, we will start by presenting the literature review on the different concepts of our research. Once the relationships between the different variables of the research have been established, then we test the structural model through second generation methods. We will after present and interpret the results, discuss and conclude this work by advancing suggestions for other future research in the same sector.

## CONCEPTUAL FRAMEWORK

### Loyalty Program Quality

Customer loyalty program is defined as: "... mechanism for identifying and rewarding loyal customers" (e.g., Rayer, 1996). The objectives consist in: selling more expensive, making profits generated by customer, reducing costs and the recommendation effect or free advertising (Reichheld, 1996). The company, through its loyalty tools, seeks to increase the number of products purchased (e.g., Strauss et al., 2005; Yau et al., 2000) and to enhance the customer relationships duration that generate higher income (e.g., Vesel & Zabkar, 2009). These techniques are also chosen to improve the cross selling (e.g., Bult, 1993; Roberts & Berger, 1998; Spring et al., 2001). The loyalty program affects customer retention but indirectly through loyalty (e.g., Bolton et al., 2000; Sharp & Sharp, 1997; Verhoef & Langerak, 2002). Loyal customers are willing to pay more for the same product since they fear contacts with cheaper and unknown competitors for them (e.g., Reichheld & Sasser, 1990). The customer will consider the surcharge as lower total price of the new product purchased, and which may dissatisfy him. Loyalty programs, through promotion, contribute positively to enhance purchases and consumption (e.g., Bell et al., 1999; Neslin *et al.*, 1985; Shor & Oliver, 2006; Wansink & Deshpande, 1994; Yau et al., 2000). Relying on tools, their aim is retaining customers with a high financial value. These profits generated following the purchasing frequency and average amount of purchases made by customers (e.g., Ryals & Knox, 2006). The more

18 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: [www.igi-global.com/article/the-role-of-loyalty-program-lp-and-brand-attachment-in-establishing-word-of-mouth-intentions/122251](http://www.igi-global.com/article/the-role-of-loyalty-program-lp-and-brand-attachment-in-establishing-word-of-mouth-intentions/122251)

## Related Content

---

### Involvement, Hedonism, and Luxury: Managing Fans in the Music Industry

Monica J. Favia and Kenneth D. Hall (2020). *Handbook of Research on the Impact of Fandom in Society and Consumerism* (pp. 259-279).

[www.irma-international.org/chapter/involvement-hedonism-and-luxury/237695](http://www.irma-international.org/chapter/involvement-hedonism-and-luxury/237695)

### Where Is Digital Retailing Evolving?: An Evaluation From the Perspective of Digital Retailing Technologies

Cansu Gökmen Köksal (2024). *Navigating the Shifting Landscape of Consumer Behavior* (pp. 139-173).

[www.irma-international.org/chapter/where-is-digital-retailing-evolving/338586](http://www.irma-international.org/chapter/where-is-digital-retailing-evolving/338586)

### The Influence of Customers Social Media Brand Community Engagement on Restaurants Visit Intentions

Muhammed Alnsour and Hadeel Rakan Al Faour (2019). *International Journal of Customer Relationship Marketing and Management* (pp. 1-14).

[www.irma-international.org/article/the-influence-of-customers-social-media-brand-community-engagement-on-restaurants-visit-intentions/236055](http://www.irma-international.org/article/the-influence-of-customers-social-media-brand-community-engagement-on-restaurants-visit-intentions/236055)

### Applying Semantic Web Technologies to Meet the Relevant Challenge of Customer Relationship Management for the U.S. Academic Libraries in the 21st Century Using 121 e-Agent Framework

Sharon Q. Yang and Amanda Xu (2012). *Customer Relationship Management and the Social and Semantic Web: Enabling Clients' Conexus* (pp. 284-311).

[www.irma-international.org/chapter/applying-semantic-web-technologies-meet/57965](http://www.irma-international.org/chapter/applying-semantic-web-technologies-meet/57965)

### Designing an Electronic Supply Chain Management System in an Electronic Market Considering Customer Satisfaction and Logistic

Hamed Fazlollahabadi, Hamed Hajmohammadi and Amir Mohajeri (2012). *International Journal of Customer Relationship Marketing and Management* (pp. 74-88).

[www.irma-international.org/article/designing-electronic-supply-chain-management/69952](http://www.irma-international.org/article/designing-electronic-supply-chain-management/69952)