Chapter 36 Social Media Brand Communities and Brand Loyalty: An Integrated AHP Approach

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ABSTRACT

The dynamic, omnipresent, and frequent on-the-go consumer-brand interactions via social media platforms are significantly changing the branding landscape. A profound comprehension of this change is crucial in assessing brand loyalty. Considering the enormous fame of social media and inherent capabilities of brand communities, the purpose of this paper is to exhibit the contributory role of Social media brand communities (SMBC) towards brand loyalty. A Survey-based empirical study involving young consumers was conducted in the selected cities of Bangalore, Kolkata, and Pune. In contrast to prior works (Algesheimer et al., 2005; Laroche et al., 2012), the authors have incorporated Analytical Hierarchy Process (hereafter AHP) in the study to implement and validate new scales. The outcomes of AHP methodology found shared consciousness and social networking as the most-preferred component and activity respectively. These outcomes would assist brand managers in the optimized allocation of communication budget and formulation of competitive branding strategies to tackle intense competition.

INTRODUCTION

(....) community is a vital human phenomenon that must be consciously preserved, promoted or protected in the contemporary world. (Fischer, Bristor, & Granier, 1996)

Stiffer rivalry, rising marketing costs, and shorter innovation life cycles have stimulated the firms to devise new ways to achieve and encash consumer relationships (Morgan & Hunt, 1994). Since last decade, marketers, and researchers have acknowledged the importance of relationship marketing in

DOI: 10.4018/978-1-5225-9282-2.ch036

enhancing customer loyalty (Gomez et al., 2005; Mitchell & Imrie, 2011, Hau & Ngo, 2012). At the outset, brand community is defined as "a specialized, non-geographically bound community, based on a structured set of social relationships among admirers of a brand" (Muniz & O'Guinn, 2001). Further, it furnishes novel, significant, and effective means for establishing the profound and long-term association between brands and consumers (Thompson & Sinha, 2008; Wang et al., 2012; Ahmed, 2014; Hsu et al., 2016). In relation to brand communities, co-creation activities are instrumental in nurturing strong social ties between community elements and consumers (McAlexander et al., 2002; Kang et al., 2013; Luo et al., 2015). Marketing experts commit hefty amount of time and effort to understand the role of co-creation activities in developing amicable relationships within the brand community (Nuttavuthisit, 2010; Schouten et al., 2007).

The advent of social networking technologies has rendered brand communities with an opportunity to lure new customers and retain the existing ones (Kietzmann et al., 2011). Also, social media brand communities (hereafter SMBC) constitute the underlying characteristics of non-topographically bound, high information transparency, and multi-party interactivity. Consequently, SMBC has attracted much attention, especially from brand managers as a crucial platform for consumer-brand interactions (Wirtz et al., 2013; Kaplan & Haenlein, 2010). Various brands are employing co-creation activities on SMBC to tap and comprehend consumer experiences (Alavi, 2013; Okazaki et al. 2015; Muniz & Schau, 2005).

Ethnographic studies by Muniz and O'Guinn (2001) ascertained the existence of the three conventional components of a community (i.e. Shared rites, rituals, and traditions, shared consciousness and social obligation) within brand communities. Schau et al. (2009) outlined the major thematic group of activities: community engagement, social networking, and brand use practices that led to value co-creation in such brand communities. Although previous researchers have highlighted the significance of these components and activities in fostering consumer loyalty (McAlexander et al., 2002; Muniz & Schau, 2005; Labrecque, 2014), few works has validated the constructs empirically (Laroche et al., 2012; Luo et al., 2015). Moreover, the prior investigations in this regard lacked a holistic view as it only tested the existing scales.

In response, considering the perspective of ascertaining the relevance of brand community elements (components and activities), this study follows an empirical approach to prioritizing these elements in the light of brand loyalty. Further, we formulated and validated new scales (AHP nine-point) to analyze the contributory effects of SMBC elements on brand loyalty. In order to achieve this objective, we firstly developed a network of relationships between SMBC components, activities, and brand loyalty. Then, we selected few personal grooming products (hair dryers, trimmers, perfumes, and deodorants) to test the proposed framework empirically by incorporating Analytical Hierarchy Process (hereafter AHP) methodology. The analysis was based on survey data collected from a specified sample of young consumers' who are actively engaged in SMBC. Thus, application of the SMBCBL-AHP scale can duly contribute to the managerial knowledge regarding means and ways for attaining brand loyalty. Along the same line, the above-mentioned scale will generate novel insights for the emerging "brand community" literature in the marketing domain. The remaining sections of this article adhere to the following sequence. Firstly, we start off with a review of literature related to the core concepts of social media, brand community, and loyalty. Then, we devise an SMBCBL-AHP framework that clearly defines the relationships followed by testing and reporting of the findings. At the end, we provide a brief discussion of practical significance, theoretical, and managerial implications, and limitation and scope for future research.

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