

Jacoby and chestnut 1978 marketing essay



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Attitudinal loyalty in contrast to behavioural loyalty is distinguished from repeat buying by the customer's mental and emotional states which then mediate between the stimuli and response.

Rauyruen and Miller (2007) defined attitudinal loyalty as the level of customer's psychological attachments and attitudinal advocacy towards the service provider or supplier. Attitude denotes the degree to which a customer's disposition towards a service is favourable.

Zeithmal et al. (1996) states that attitudinal loyalty is demonstrated by recommending the service to others and encouraging others to use the service.

Oliver (1999) defined customer's loyalty as a " deep held commitment to rebuy or repatronize a preferred product/ service consistently in the future, thereby causing repetitive same brand or same brand set purchasing despite situational influences and marketing effort that have the potential to cause switching behaviour.

Oliver (1999) reported that in the attitudinal approach, loyalty evolves from cognitive, affective, conative action loyalty.

Cognitive loyalty. In the first loyalty phase, the brand attribute information forms the basis for cognition and is purely based on performance of the product/service. It is shallow at best.

Affective loyalty. At the second stage, a liking or attitude toward the product/service has developed on the basis of cumulatively satisfying usage

occasions. Commitment at this stage is encoded in the customer's mind as cognition as well as affect.

Conative loyalty. Influenced by repeated episodes of positive affect towards the product/service, the customer develops a deep commitment to repurchase. However, this intention similar to any other good attention needs to be put into action.

Action loyalty. In this stage, the actual action of purchasing the product/service is exhibited and is accompanied by an additional desire to overcome any obstacles that may prevent the act.

(iii) Composite loyalty

Rauyruen and Miller (2006) define composite loyalty as the combination of attitudinal and behavioural measures.

Dick and Basu (1994) suggested that loyalty status can be assessed in terms of the strength of the relationship between relative attitude and repeat patronage, which could be compared with competing offerings.

Their composite understanding of loyalty is based on their beliefs that behavioural loyalty does not make attempts to understand the factors underlying repeat purchases. According to them, high repeat purchase may reflect situational constraints, such as brand stocked by retailers, whereas low repeat purchases may simply indicate different usage situations, variety seeking or lack of brand preferences within a buying unit. The behavioural definitions are insufficient to explain how and why brand loyalty is developed

and/or modified. Therefore, they opine that individual’s attitudes lead to attitude congruent purchase behaviour.

Their attitude-repurchase relationship matrix identified four possible categories: true loyalty, latent loyalty, spurious loyalty and no loyalty. (Dick and Basu, 1994) Visually, it is depicted in Table 1.

Repeat patronage

High

Repeat patronage

Low

True

loyalty

Latent

loyalty

Spurious

loyalty

No loyalty

Relative attitude-

Strong

Relative attitude-

Weak

Table 1- Attitude-repurchase relationship matrix (adapted from Dick and Basu, 1994)

Based on the above relative attitude-repurchase relationship matrix from Dick and Basu (1994) the following categories of loyalty are:

No loyalty. A weak relative attitude combined with low repeat patronage signifies an absence of loyalty. For example: this usually happens with newly launched products in which the efficacy of the product has not been proven yet, or with a market in which all products are seen as homogenous

Spurious loyalty. A weak relative attitude accompanied by high repeat patronage. This scenario is based on routine behaviour and is not linked to any particular positive attitude. It is conceptually familiar to the notion of inertia. For example: a person perceives very little differentiation among brands in a low involvement category and undertakes repeat purchases on the basis of situational cues such as familiarity, shelf positioning or sales promotions.

Latent loyalty. Strong relative attitude, with low repeat patronage. This scenario could be due to external factors that keep consumers from buying or using the brand including distribution problems or high prices. For example: a person might have a very high relative attitude towards a brand, but due to the fact that their supermarket does not carry this brand, they will not be able to purchase the product.

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Loyalty (true) A strong relative attitude with high repeat patronage. For example, a person with a high relative attitude would probably not accept an alternative regardless of situational/social conditions. If a visited store was out of the brand, the consumer would likely go to another store or wait until the next purchase cycle. Similarly, the price of alternatives could not be reduced low enough to alter a person's loyalty.

2. 2. 2 Theoretical underpinnings: The theory of cognitive-affective-conative-behavior

Despite much research into defining the concept of loyalty, there is still no universal agreement on its definitions. (Dick and Basu, 1994, Jacoby and Chestnut, 1979 and Oliver, 1999) Thus, measuring it would prove to be difficult for researchers.

According to Sawmong and Omar, 2004, the most significant measurement model of customer loyalty is put forth by Oliver (1999) His model follows the cognitive-affective-conation pattern and suggests a four stage loyalty model. Visually, it is depicted in Table 2.

Stage

Identifying marker

Stage 1-

Cognitive loyalty

Stage 2-

Affective loyalty

Stage 3-

Conative loyalty

Stage 4-

Action loyalty

Loyalty to information such as price, features and so forth. Purely cost and benefit

Loyalty to a liking, “ I buy it because I like it”

Satisfaction is derived

Loyalty to an intention, “ I am committed to buying it”

Recommend and repurchase

Loyalty to action inertia coupled with the overcoming of obstacles

Number of visits

Table 2: Loyalty phases with identifying markers (adapted from Oliver, 1999)

Stage 1: Cognitive loyalty. At this stage, customer loyalty is determined by information or knowledge regarding the product, such as price, quality, etc. It is the weakest form of loyalty because it is directed to the cost and benefits of the product only. Consumers are making purchasing decision based on pricing and will readily switch once they find another retailer that is offering the same product at a cheaper price. (Oliver, 1999, Sawmong and Omar, 2004)

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Stage 2: Affective loyalty. At this stage, loyalty is related to a favourable attitude towards a specific brand, and is built on affect. It is built over time by the basis of cumulatively satisfying