

Customers as advocates in times of brand crises: Why, when, and how?

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Customers as advocates in times of brand crises: Why, when, and how?

Abstract:

Existing literature showed that motivating consumers to defend a brand during a brand crisis can be an effective approach to deal with brand crises. However, antecedents of consumers' motivation to defend a brand and the feasibility of co-creation during a brand crisis are not well explored. The study explores the antecedents which influence consumers' motivation to defend a brand. The results indicate that brand attitude and perceived ethicality influence brand crisis evaluation positively. Brand familiarity and perceived importance impact on brand crisis evaluation negatively. We did not find enough evidence to support the effect of attitude certainty on brand crisis evaluation. Moreover, brand attitude and brand crisis evaluation affect consumers' motivation to defend a brand positively. Finally, the type of firm response has an effect on consumers' motivation to defend a brand. While an appropriate firm response increases consumers' motivation to defend a brand, an inappropriate response decreases the motivation.

Keywords: Brand crises, brand defense, brand co-creation

Track: Product and Brand Management

1. Introduction

A brand crisis may have devastating effects on different brand-related outcomes (e.g., Dawar & Pillutla, 2000), it can even threaten the brand's survival (Coombs & Holladay, 1996). Most of existing research in the area of brand crises focuses on consumer-related consequences of crises caused by a company and on the evaluation of possible post-crisis corporate responses that could help to restore confidence in the brand (e.g., Ahluwalia et al., 2000; Cleeren et al., 2007; Huber et al., 2010). However, recent developments in brand management and branding argue that a brand can be regarded as a continuous social and dynamic process and brand is dynamically constructed through social interactions between the legal brand owner and various stakeholders (e.g., Hatch & Schultz, 2010; Iglesias et al., 2018; Kristal et al., 2020). Hence, firm-centric approaches in brand theory and management are challenged since the creation of meaning and identity becomes a joint task based on interactions and negotiations (e.g., Ind et al., 2017). Social media provides consumers with additional tools to not only voice their opinions about brands (Rauschnabel et al., 2016), but also to be increasingly empowered to co-create brands (Ind et al., 2017) and possibly also to defend them in times of crises (Kristal et al., 2017; Pfeffer et al., 2013).

The typical perspective on crises management considers only the company as possible "brand-defender" and regards crisis-management as a management task (Stockmeyer 1996). However, motivating consumers to engage in co-created brand defense could be a powerful and "modern" way to successfully deal with crises and overcome shortcomings of solely relying on corporate actions (Kristal et al., 2017; Scholz & Smith, 2019). To the best of our knowledge, existing research lacks attention on (1) evaluating the feasibility of co-creation as a way of dealing with brand crises and (2) how to motivate consumers to engage in co-created brand defense.

The purpose of the paper is to approach these points and extend existing literature on brand crises management by one of the most dominant pillars in current brand management literature: co-creation (Veloutsou & Guzman, 2017). Also, practitioners should be acquainted with engagement strategies and ways of mobilizing consumers to defend a brand. Thereby, the paper extends the typical crises responses that are usually discussed in research (e.g., Coombs, 2007).

2. Theoretical framework

Based on previous research, brand crisis evaluation is possibly influenced by the following five factors: brand attitude (Pullig et al., 2006; Rea et al., 2014), brand familiarity (Dawar & Lei, 2009), attitude certainty (Pullig et al., 2006), perceived ethicality (Scholz & Smith, 2019), and perceived importance (Keller & Block, 1996; Dawar & Lei, 2009; Dutta & Pullig, 2011; Chiou et al., 2013). A strong brand attitude may directly affect customers' motivation to defend the brand during the brand crisis (Cheng et al., 2012). Moreover, we hypothesize that firm response and brand attitude have a direct effect on customers' motivation to defend (Pfeffer et al., 2013; Scholz & Smith, 2019). The conceptual model is displayed in Figure 1.

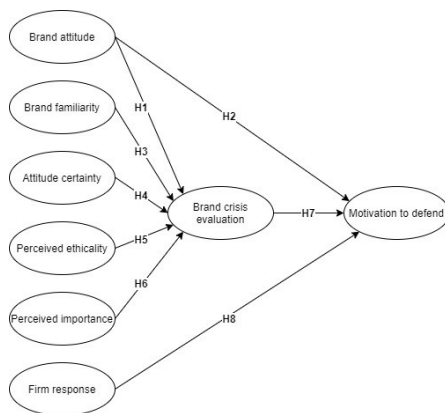


Figure 1. Theoretical framework

3. Methodology

The dataset was collected by an online survey which was distributed through multiple channels, i.e., survey forums (“SurveyCircle” and “SurveySwap”), the University of Twente SONA system, social media groups and an additional Facebook dissertation survey exchange. In total, we received 388 responses on the included items which were measured on a 7-point Likert scale. In the first step, respondents were asked to answer items on their existing brand attitude, brand familiarity, attitude certainty and perceived ethicality on the Apple brand. Apple was chosen as a treatment brand based on a ranking of the most valuable brands (Forbes, 2019). Additionally, we included a question about “public transportation” which is not directly related to our research to be able to assess the common method variance later in the analysis (Williams et al., 2010). Subsequently, respondents were exposed to a scandal related to Apple retrieved from The Guardian (Hern, 2019). After the respondents read the newspaper article, perceived importance and overall brand crisis evaluation were measured. Finally, the motivation to defend the brand was measured.

The data analysis consisted of two parts. Firstly, we examine the factors which influence the customers' motivation to defend a brand before they encounter the firm response with structural equation modeling (SEM). In doing so, we applied Mplus using the maximum likelihood estimation with robust standard errors (MLR) (Muthén & Muthén, 2017). Secondly, we conducted repeated measures ANOVA in SPSS to explore the effect of firm response on customers' motivation to defend. The analysis investigates the change in customers' motivation to defend a brand during a brand crisis.

4. Findings

Brand attitude positively affects customers' brand crisis evaluation during a brand crisis ($\beta_{std} = 0.215, p < 0.01$). Brand attitude also positively impacts customers' motivation to defend a brand during a brand crisis ($\beta_{std} = 0.383, p < 0.01$). Brand familiarity negatively influences customers' brand crisis evaluation during a brand crisis ($\beta_{std} = -0.148, p < 0.05$). The relationship between attitude certainty and brand crisis evaluation is not statistically significant ($\beta_{std} = -0.051, p > 0.1$). Perceived ethicality impacts on customers' brand crisis evaluation positively during a brand crisis ($\beta_{std} = 0.498, p < 0.01$). Perceived importance has a negative effect on brand crisis evaluation ($\beta_{std} = -0.109, p < 0.01$). Customers' brand crisis evaluation has a positive relationship with customers' motivation to defend the brand during a brand crisis ($\beta_{std} = 0.360, p < 0.05$). Table 1 summarized the results of direct effects.

Dependent variable	Independent variable	Estimate	S.E.	Est./S.E.	P-Value	R-Square	Hypothesis
BCE	BA	0.215	0.079	2.723	0.006	0.375	H1: supported
	BF	-0.148	0.073	-2.029	0.042		H3: supported
	AC	-0.051	0.045	-1.128	0.259		H4: not supported
	PE	0.498	0.059	8.446	0.000		H5: supported
	PI	-0.109	0.044	-2.486	0.013		H6: supported
MB	BCE	0.360	0.055	6.575	0.000	0.394	H7: supported
	BA	0.383	0.049	7.811	0.000		H2: supported

Table 1. Results of direct effects

The results of repeated measures ANOVA (Table 2) shows that customers' motivation after an appropriate firm response has the highest mean ($M = 4.08$), while motivation after an inappropriate firm response has the lowest mean ($M = 2.86$). The mean of motivation before a firm response is 3.41. Obviously, there is a significant change in customers' motivation to defend the brand during the brand crisis.

Tests of Within-Subjects Effects									
Measure: MEASURE_1									
Source		Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared	Noncent. Parameter	Observed Power ^a
Occasions	Sphericity Assumed	282.519	2	141.259	141.356	.000	.272	282.713	1.000
	Greenhouse-Geisser	282.519	1.938	153.675	141.356	.000	.272	259.873	1.000
	Huynh-Feldt	282.519	1.847	152.963	141.356	.000	.272	261.082	1.000
	Lower-bound	282.519	1.000	282.519	141.356	.000	.272	141.356	1.000
Error(Occasions)	Sphericity Assumed	755.481	756	.999					
	Greenhouse-Geisser	755.481	694.923	1.087					
	Huynh-Feldt	755.481	698.157	1.082					
	Lower-bound	755.481	378.000	1.999					

a. Computed using alpha = .05

Table 2. Results of repeated measures ANOVA

5. Implications

5.1 Theoretical implication

This study investigates (1) the factors which influence the motivation to defend a brand during a brand crisis and (2) the effect of firm responses on the motivation to defend. Based on our study, brand attitude and perceived ethicality impact the brand crisis evaluation positively. Moreover, brand familiarity and perceived importance influence the brand crisis evaluation negatively. However, we found no evidence that attitude certainty impacts customers' brand crisis evaluation. Furthermore, brand crisis evaluation and brand attitude affect the motivation to defend a brand positively. Notably, perceived ethicality of a brand has the highest positive effect on brand crisis evaluation. Besides the brand crisis evaluation, brand attitude largely affects the motivation to defend a brand as well.

The type of firm response impacts the motivation to defend a brand. Particularly, the motivation to defend a brand decreases when encountering an inappropriate firm response. In contrast, their motivation to defend increases when an appropriate firm response is encountered. Furthermore, this study contributes to investigating motivational factors in brand defense field and customer behaviour field and therefore, fills in this research gap.

Additionally, existing literature conceptually suggests that co-creation in brand defense is an effective firm response tactic, but there is no empirical evidence to support it. This study provides evidence that motivating customers to defend a brand during a brand crisis is feasible and co-creation defense can be regarded as a creative approach during a brand crisis. The results support the studies from Kristal et al. (2017) and Scholz and Smith (2019). Regarding brand co-creation field, customers as co-creators are willing to participate in preventing a brand during a brand crisis. The brands are not constrained to be defined by brand owners about what the brand really is, brands are also opened to be defined by their stakeholders (Kristal, 2019).

5.2 Practical implication

This paper provides a deeper insight to brand managers about what are the focal factors to care about when it comes to motivating their customers to defend a brand during a brand crisis. From a long-term strategic planning perspective, this study helps firms to understand the antecedents that impact on customers' motivation to defend a brand, which helps firms to prepare themselves beforehand. For instance, our study shows that perceived ethicality influences customers' brand crisis evaluation to a large extent. Therefore, firms can improve customers' perceived ethicality towards a brand, such as being sustainable, using recycled materials, supporting charities. When customers perceive higher ethicality from a brand, they are more motivated to participate in co-creation defense process.

From a short-term tactics perspective, an appropriate firm response towards a brand crisis is crucial. Firm responses affect customers' motivation to defend a brand directly. Motivating customers to defend a brand can be a new approach to overcome a brand crisis. Our study provides practical support to the co-creation defense approach for brand managers to overcome a brand crisis.

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