

Consumers' Brand Loyalty: Nike

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Introduction

This study examines Nike. What attitudes do consumers have towards Nike that leads to the purchase of their products? Moreover, what makes consumers loyal to Nike brand? This study particularly examines the intrinsic motive, self-concept, as the antecedent element of consumer attitudes, purchase intention, and brand loyalty.

Consumers ultimately assess how use of Nike products represents themselves. The research is being conducted because of the prominent role of sports in society, and the role of

Nike as the leading brand in sport apparel Nike has reported in recent years that their marketing efforts are targeted on generation Y (Cendrowski, 2012). The research will use data collected from surveys distributed among generation Y college students. Generation Y, also referred to as millennials, are people who were born in the late 1980's and early 1990's (Business Dictionary, 2014). This generation has grown and matured with constant access to always improving technology. Douglas Main said that millennials are "more focused on materialistic values" (Main, 2013). The same author describes generation Y as being more concerned with extrinsic values as opposed to intrinsic. On the positive side, they are also more confident and open to new ideas (Main, 2013). Because this generation is more extrinsic, they are often concerned with outward appearance and perception of their peers. Therefore, this study focuses on a target market, generation Y, which uses the Theory of Reasoned Action as a theoretical framework of this study.

Theory of Reasoned Action

The Theory of Reasoned Action (TRA) provides a model that can be used to predict behavior based on consumers' attitudes and normative beliefs (Southey, 2011). According to Southey (2011), the model has been used to evaluate a range of consumer decisions"(p. 44). The theory emphasizes important factors, beliefs, attitudes, subjective norms, intention, and behavior (Southey, 2011). The past studies demonstrate that consumers' decision making can be examined by TRA. Thus, TRA is applied to understand consumers' motivations of purchasing Nike products.

Self-Concept

Self-concept (congruity) states, “Consumers assess the attributes of brands and products and that those are of unquestionable symbolic value” (Beerli, Meneses, & Gil, 2007). This is the basic principle of self-concept congruity (Beerli, Meneses, & Gil, 2007, p. 573). Every individual has images of themselves and their personal decisions need to agree with these images. In addition, there are simpler ways to describe self-concept. Julie Fitzmaurice lists a few of these. They include; “doing this activity is part of who I am, I’m the type of person who would do this activity, doing this activity fits my image of myself, and I think of myself as someone who would do this activity” (Fitzmaurice, 2005, p. 929). In the past, researchers have typically found that when an individual’s self-concept and a proposed behavior match together, the consumer is ultimately more motivated to act (Fitzmaurice, 2005). Self-concept also refers to how the way in which a consumer perceives others’ opinions of themselves (Malhotra, 1987). Malhotra states that, “We generally want other people to think of us as a certain type of person, and make efforts to insure that they do” (Malhotra, 1987, p. 3). While self-concept encompasses one’s opinion of themselves, it also affects opinions of others. Models of self-concept have been used to predict consumers’ brand value, purchase intention, attitude, and loyalty (Sirgy J. S., 1991).

Attitude

Attitude can be broken into different characteristics: hedonic and utilitarian (Voss, Spangenberg, & Grohman, Measuring the Hedonic and Utilitarian Dimensions of Consumer Attitude, 2013). As stated by Voss, Spangenberg, and Crowley (1997), “We use goods in two ways. We use goods as symbols of status, and simultaneously as instruments to achieve some end in view” (235). While utilitarian and hedonic characteristics are different in nature, they are not necessarily exclusive from one another. Many times, a consumer will weigh both attitudinal

functions when making a purchase decision. Depending on the situation, one factor could have more weight than another (Batra & Ahtola, 1990).

Hedonic Attitude

According to Voss, Spangenberg, and Grohman, (2003) “The hedonic dimension results from sensations derived from the experience of using products” (p. 310). Hedonic attitude generates from an individual’s sensory attributes. It has also been described as the functions of consumer behavior that relate an individual’s emotions to their product experience (Voss, Spangenberg, & Crowley, 1997). Hedonic attitude can be described as how a consumer feels towards and agrees with a product or service (Batra & Ahtola, 1990). Based on how a consumer feels about a product or service, it is easy to see that hedonic attitude aligns with self-concept.

Utilitarian Attitude

As mentioned previously, utilitarian attitude concepts align with many of the same concepts as functional congruity. Sharaon Shavvit (1989) states that, “The role of attitude in maintaining rewards is referred to as the utilitarian function” (125). Utilitarian dimensions are generated from the functions that consumer’s receive from products (Voss, Spangenberg, & Grohman, Measuring the Hedonic and Utilitarian Dimensions of Consumer Attitude, 2013). In other words, how useful/functional is a product/service to a given consumer?

Purchase Intention

Simply stated, purchase intention is the likelihood of a consumer to purchase a product/service (Sirgy J. , Use of Self-Congruity and Ideal Congruity to Predict Purchase Motivation, 1985).

Brand Loyalty

As stated by Sirgy and Samli, “Store loyalty is perhaps the singular most important concept for the retailer” (265). Brand loyalty is explained as a consumer response over time to favor one particular brand over other alternatives (Sirgy & Samli, A Path Analytic Model of Store Loyalty Involving Self-Concept, Store Image, Geographic Loyalty, and Socioeconomic Status, 1985). In other words, as said by Sirgy and Samli, loyalty “refers to the disposition of consumers to shop repeatedly in a given store” (271). Brand loyalty has also commonly been found to have a direct link with purchase intention (Macintosh & Lockshin, 1997).

Development of Hypotheses

In a study by Helgeson and Supphellen (2004), they supported their hypothesis showing that self-concept had a positive relationship with attitude. Also, in a study by Beverly Metcalfe (1981), adolescents with high self-concept were found to have much more positive attitudes than those with low self-concept (p.66). Based on past studies, the current study hypotheses are:

H1: Consumers’ self-concept will lead to positive hedonic attitudes toward Nike.

Sirgy and Johar performed a study in which they determined that congruity has an important role in predictioning utilitarian attitude (Johar & Sirgy, 1991).

H2: Self-Concept will lead to positive utilitarian attitudes toward Nike.

In a study by Macintosh and Lockshin, they showed that hedonic attitude had positive correlations with purchase intention in retail relationships (Macintosh & Lockshin, 1997). In addition, Ivan Ross (1971) explained how individuals with strong self-concept and attitude were more likely to consume in a product or brand. Finally, Yan, Hyllegard, and Blaes (2010) tested

their own hypothesis stating that “attitude toward brand will predict purchase intention toward brand” (157).

H3: Consumers’ hedonic attitudes toward will lead to purchase intention for Nike products.

Narges Delafrooz conducted a study and found that shoppers who develop a strong utilitarian attitude have a much higher intent to purchase than those who do not (Delafrooz, 2009). In a different study by Lee and Yun, they found that “intentions were significantly positively influenced by utilitarian attitudes (265)”.

H4: Positive utilitarian attitude will lead to high purchase intention for Nike products.

Macintosh and Lockshin verified in their retail study that purchase intention directly leads to brand loyalty (Macintosh & Lockshin, 1997). In another recent study from the International Journal of Business and Social Science, purchase intention and brand loyalty were found to have direct correlation to one another (Malik, et al., 2013).

H5: Consumers’ purchase intention will lead to brand loyalty toward Nike.

Bellinger, Steinberg, and Stanton found that self-concept was a strong predictor for brand loyalty ((Sirgy & Samli, A Path Analytic Model of Store Loyalty Involving Self-Concept, Store Image, Geographic Loyalty, and Socioeconomic Status, 1985). In another study by Kressman, Sirgy, Herrman, Huber, Huber, and Lee, they tested and supported their hypothesis that “the greater the self-congruity with a brand, the greater the brand loyalty” (957).

H6: Consumers’ self-concept will lead to brand loyalty toward Nike.

Data Collection

To conduct this study, a survey was distributed to 107 college students at McKendree University.

Table 1: Demographics

Gender	Percentage
Male	48.6
Female	51.4
<i>Ethnic Group</i>	
Caucasian	81
African-American	8
Other	11
<i>Age</i>	
18-20	57
21-23	39
24 & Older	4

Table 2: Scale Items & Reliability

Constructs	Items	Reliability
Self-Concept	I can completely identify with Nike products	0.941
	Nike products are a lot like me	
	Nike products reflect what I am	
	Nike products are made for me	
	Nike products correspond with my self-image in many regards	
Purchase Intention	It is very likely that I would purchase Nike products	0.936
	I am willing to pay a price premium for Nike products	
	I would consider purchasing Nike products even if they are expensive	
Brand Loyalty	I am satisfied with my overall experience with Nike	0.968

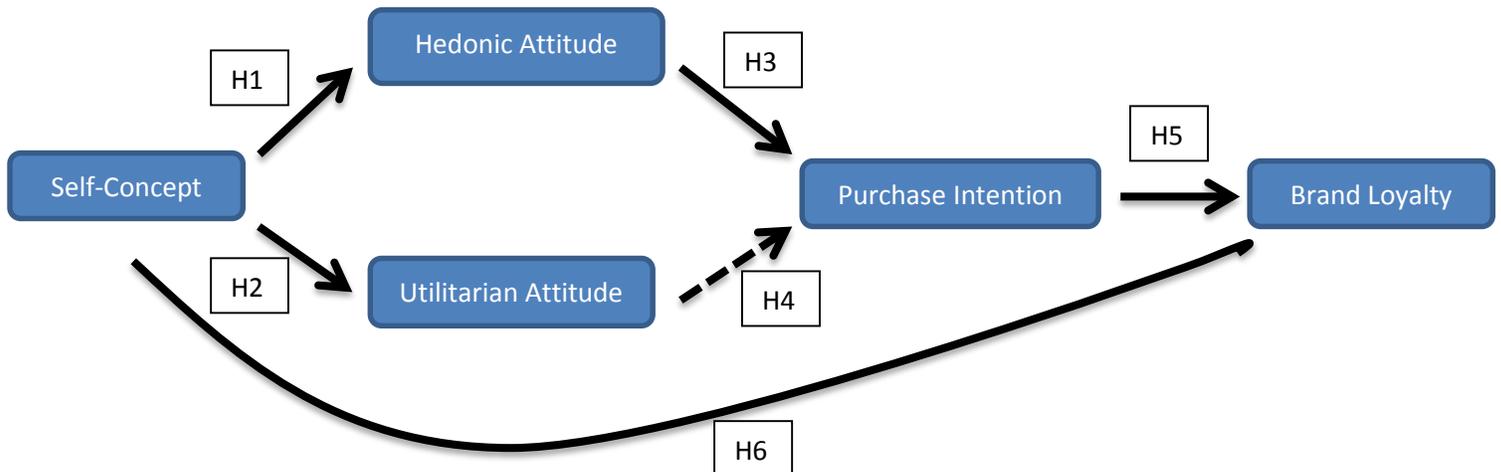
	<p>Overall, I am satisfied with the quality of Nike products</p> <p>I would choose Nike again at any time</p> <p>I would recommend Nike to my friends and acquaintances</p> <p>I want to stay a Nike customer for a long time</p> <p>If I had to decide on a brand again, I would consider Nike</p> <p>I prefer Nike over other brands</p>	
Hedonic Attitude	<p>pleasant, unpleasant</p> <p>agreeable, disagreeable</p> <p>nice, awful</p> <p>harmonious, dissonant</p> <p>sociable, unsociable</p> <p>positive, negative</p> <p>like, dislike</p> <p>good, bad</p>	0.951
Utilitarian Attitude	<p>useful, useless</p> <p>beneficial, harmful</p> <p>important, unimportant</p> <p>meaningful, meaningless</p> <p>intelligent, unintelligent</p>	0.911

Table 3: Multiple Regression Analysis

	SC → U	SC → H	H → PI	U → PI	PI → BL	SC → BL
Beta (β) Coefficient ^a	.543	.478	1.174	-.022	.807	.704
t-value	8.557	9.488	7.357	-.167	20.558	10.910
p-value	.000	.000	.000	.868	.000	.000
	Adjusted R ² = .422 R ² = .428 F=77.086,	Adjusted R ² = .459 R ² = .464 F=90.017	Adjusted R ² = .564 R ² = .572 F=68.796	Adjusted R ² = .564 R ² = .572 F=68.796	Adjusted R ² = .799 R ² = .801 F=422.612	Adjusted R ² = .529 R ² = .534 F=119.029

	p < .001					
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Figure 1: Hypothesized Model and Result



Conclusions and Implications

The results indicate that the study was successful. Of the six hypotheses, five were strongly supported. Overall, the study does imply that if a brand has strong self-concept connections with a customer, said customer will be more likely to purchase the brand and develop loyalty. Also, it implies that a company should target the hedonic attitude factors within consumers in order to generate higher purchase intention. Essentially, a company should connect on an emotional level with consumers to yield the best results. This study could be valuable to any retailer or brand the key for any company's success is to understand and easily identify its target market.

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