Developing Positive Consumer Attitudes: Examining Attitudes toward Mobile Phone Brands

Karen Miller and Aron O'Cass, University of Newcastle

Abstract

Understanding and working towards developing positive attitudes has been an area of consumer research that has received much attention. This study contributes to consumer research by examining the influences of brand status, brand significance and brand value on the development of positive attitudes toward brands. Groups of generation Y, Australian mobile phone users were surveyed and it was found brand significance more strongly influenced brand value and attitude toward the brand, than the influence of brand status; and that this effect was stronger in the market leader, Nokia, than for a market follower, Samsung.

Introduction and Purpose

Establishing and building strong brands is a primary focus of many marketing managers (Keller, 2003). Building a strong brand-image is critical whenever or wherever assessments of price/quality are not easily discernable or are contentious between competing brands (Aaker, 2003). In these instances, a positive attitude toward the brand may serve as the sole basis for the purchase since positive brand attitudes are a heuristic cue that influences evaluations and purchase intentions (Chaiken, Liberman, & Eagly, 1989; Maclnnis and Jaworski, 1989). When consumers feel favourably toward a brand they are more likely to use brand attitudes as a heuristic cue in decision making and require less information than consumers who feel unfavorably (Batra and Stayman, 1990). The importance of brand attitudes is that they are often used in low-level processing as a heuristic cue to reduce risk (Bloch and Richins, 1983; Erdem, Zhao and Valenzuela, 2004) or to help a consumer quickly choose a brand (Andrews and Manrai, 1998). Generally, consumers who hold positive attitudes are likely to think and feel positively about the brand and engage in behaviours that approach, support or enhance brand attitudes (Aaker, 1999). A major challenge facing consumer researchers lies not in understanding attitudes itself, but the role value and other consumer-based assessments play in the formation of attitude towards the brand. The purpose of this paper is to explore the role of value in attitude toward the brand by assessing the influences of value, such as brand status and brand significance.

The Role of Value, and Influences of Value, in Developing a Positive Brand Attitude

One of the central tenants of the value of brands is the symbolism consumers perceive the brand to be signaling to others (Douglas and Isherwood, 1979). Brands are material objects, and as such, some serve as symbolic expressers rather than just fulfilling functional purposes (Dittmar, 1994), and some brands will symbolize status more than others; how much more is in the eye of the receiver. Luxurious goods like yachts, helicopters or artworks may define status, and smaller inexpensive goods like chocolates, jeans, or shoes may also evoke status because of the high-perceived quality or prestige associated with the brand name (O'Cass and McEwen, 2004).

Some consumers may assess a brand to be of value because its status helps consumers "position" themselves within certain social groups in society (Witt and Grady, 1972; O'Cass and Frost, 2002). Consumers may value status brands because they lower perceptions of social-risk because status brands are more likely to receive social approval, than brands that perform functionally better (Bhat and Reddy, 1998; Johar and Sirgy, 1991). A status brand is likely to receive recognition from others (O'Cass and McEwan, 2004), and the recognition may be transferred to the brand owner, and for consumers valuing social recognition, the status brand may influence perceptions of value. Therefore, it is likely that the higher the brand status the more likely it will influence consumers perceptions of value. Thus, H1: Brand status significantly influences brand value.

Along with brand status, brand significance is likely to impact on brand value, since significance depends on the levels of personally relevant meaning associated with the brand (Kates and Goh, 2003). Brand significance may vary with the level of intensity of the meaning about the brand, and the more significant the brand is to the consumer the more likely the consumer may assess the brand to have value. Brands of significance to the consumer are likely to have a central role in the life of the consumer (Muniz Jr, 1997). Firstly, meaning must be encoded, for instance, how personally relevant was the meaning, did the meaning provide significance to the life of the consumer, if so, then the theoretical argument is that the consequences of this is the assessment of value (Aaker, 1991; Morris and Martin, 2000). Accordingly, some consumers will value brands because of the significance of the brand in their lives (Wallendorf and Arnould, 1988; Auty and Elliot, 1998). It seems that altering the meaning of the brand may alter the significance of the brand and thus the value it brings to the life of the consumer. Thus, H2: Brand significance will significantly influence brand value.

Generally perceived in the eye of the beholder (Belk, Meyer and Bahn, 1982), brand value is an important consumer assessment because it is an overall assessment of what is received compared to what is relinquished (Netemeyer, Krishnan, Pullig, Wang, Yagci, Dean, Ricks and Wirth, 2004). Value may be benchmarked against the closest competitor, or the market leader, and generally if a consumer assesses that the focal brand offers superior value then more likely that the consumer will develop a positive attitude toward the brand. Importantly, brand attitudes are argued to be difficult to change because of their halo effect (Franzen and Bouwman, 2001) and are an important influencer of a consumer's propensity to have intentions to act (Ajzen and Fishbein, 1980). Thus, if a consumer has developed a positive attitude toward the brand, based on an initial assessment of value (that the brand is superior to others, and provides proportionally more), it is likely that the consumer will continue to hold positively held attitudes toward the brand. Thus, H3: Brand value will significantly influence attitude towards the brand.

Methodology

To explore the role of value in attitude towards the brand, Keller (1998) argues that when studying brands, a high degree of familiarity is important and only brands that are familiar to a sample should be chosen. As generation Y are the second largest generational cohort, they have an important influence in the marketplace and are worth studying (Wood, 2004). Owing to generation Y's high-level of mobile phone usage, Nokia (the market leader) and Samsung (recently changed strategy to target Generation Y) were chosen as the focal

brands. Thus, a self-administered survey of generation Y Australian mobile phone users was administered in a group setting.

The survey measures were developed following the guidelines of Netemeyer et al (2003) using a simplified four-step procedure. Based on the first step of construct definition, the second step was generating and judging the 45 measurement items to measure the constructs defined. The initial measures for brand attitude were derived from Miniard et al. (1991). The measures for brand status were derived from O'Cass and Frost (2002), the brand significance measures came from O'Cass (2004) and the initial brand value measures were derived from Sweeny and Souter (2001) and Yoo, Donthu and Lee (2000). The third step was refining and trimming the measurement items to 22 measures (see Table 1) via expert judges and focus groups and the fourth step was finalizing the measurement scale by pilot testing. From 245 surveys across two mobile phone brands 212 were usable. Surveyed were mobile phone users (57% female and 43% male) from QLD (53%), NSW (22%) and the ACT (25%).

Findings

To test the hypotheses, Partial Least Squares analysis via PLSgraph was deemed the most appropriate. PLS analysis is most appropriate to test theoretical models when the sample sizes are small (Fornell and Bookstein, 1982). Typically the outer and the inner models of PLS are evaluated and Johnson, Herrman and Huber (2006) suggest that the outer model is evaluated on the reliability and discriminant validity of the constructs and the inner model is evaluated on the size and significance of the path coefficients and the models ability to predict, in this case, attitudes toward the brand. According to Johnson et al., (2006), when assessing construct reliability the measurement loadings should exceed .707 to ensure that at least half the variance in the observed variable is shared with the construct. PLS assesses the composite reliability estimates (CRE) which are a measure the internal consistency of the item reflecting the construct, and they should exceed .70 (White, Varadarajan and Dacin, 2003). The average variance extracted (AVE) is a measure of the shared variance in a construct and is the amount of variance that is captured by the construct in relation to the amount of variance due to its measurement error (Dillon and Goldstein 1984). Generally, if the AVE is above the established benchmark of .50 then more than half of the variance is accounted for by its measures.

Table 1 shows the results of the measurement model and indicates that the constructs of brand status, brand significance, brand value and $Attitude_{brand}$ exceeded the minimum requirements. Brand status loadings ranged from .85 to .93, the composite reliability was .96 and the AVE was .81. Brand significance loadings ranged from .78 to .93, the composite reliability was .97 and the AVE was .78. Brand value loadings ranged from .82 to .91, the composite reliability was .95 and the AVE was .75.$Attitude_{brand}$ loadings ranged from .92 to .94, the composite reliability was .94 and the AVE was .90.

Discriminant validity assesses the degree to which two conceptually similar concepts are distinct and convergent validity assesses the degree two measures of the same concept are correlated (Malhotra, 1987). According to Fornell and Larker (1981) if the AVE is above .50 convergent validity is supported, Table 1 results show support for convergent validity. Discriminant validity is assessed if the squared correlation between two constructs is less than either of their individual AVE; this suggests the constructs each have more internal

(extracted) variance than variance shared between the constructs (Fornell and Larker, 1981). The squared correlations range from .28 to .56 and the AVE ranged from .75 to .90, which supports discriminant validity. The results of the outer model provide evidence that the measures are reliable and valid and the items are measuring the construct they are purporting to measure.

Table 1: the Constructs and their Measurement Items

$Attitude_{brand}$ (AVE=0.90, CRE =0.98)		**Brand Status (AVE =0.81, CRE =0.96)**	
My attitude toward brand X is favourable	.94	Brand X is a symbol of success	.85
My attitude toward brand X is positive	.96	Brand X is a symbol of prestige	.93
I like brand X	.95	Brand X is a symbol of wealth	.93
My overall evaluation of brand X is good	.91	Brand X is a symbol of achievement	.91
		Brand X is a symbol of luxury	.87
Brand Significance (AVE=0.78, CRE =0.97)		**Brand Value (AVE=0.75, CRE =0.95)**	
For me personally, brand X is meaningful	.87	Brand X is worth it as it gives me more than other brands	.91
For me personally, brand X is a relevant part of my life	.85	I am willing to spend time finding brand X because X is worth the effort	.87
Brand X is significant to me	.92	All things considered, Brand X is a good buy	.90
For me personally, brand X is important	.93	Brand X is of value because its benefits outweigh the costs	.83
Brand X has a dominant presence in my life	.90	Brand X is good value for money	.82
I am interested in brand X	.89	Brand X is better value for money than other brands	.85
Brand X means a lot to me	.90		

The inner model of PLS measures the relationships between the constructs. Since PLS makes no distributional assumptions, traditional parametric methods of significance testing (eg., χ^2) are not appropriate, and on the basis of sampling with replacement, 500 bootstrapping runs was used to calculate the parameter estimates, which should be > 1.96 (White et al., 2003). Table 2 provides evidence that the hypotheses were supported since all of the critical ratios exceed 1.96. For H1, brand status significantly influenced brand value accounting for 11% of the variance in brand value. For H2, brand significance influenced brand value and Table 2 shows that most of the variance in brand value (43%) is accounted for by brand significance. There is also support for H3, in which brand value accounts for 56% of the variance in $Attitude_{brand.}$

Table 2: Developing a Positive Attitude toward Mobile Phone Brands

Mobile Phone Product Category						
Exogenous Construct	**Endogenous Construct**	**Hyp**	**Path coefficients**	**Variance due to path**	**R^2**	**Bootstrapped Critical ratio**
Brand Status	Brand Value	H1	.21	.11	.54	3.41
Brand Significance		H2	.60	.43		13.82
Brand Value	$Attitude_{Brand}$	H3	.75	.56	.56	21.11
	AVA				.55	
Exogenous Construct	**Endogenous Construct**	**Hyp**	**Path coefficients**	**Variance due to path**	**R^2**	**Bootstrapped Critical ratio**
Brand Status	Brand Value	H1	.17	.08	.58	2.35
Brand Significance		H2	.68	.50		11.59
Brand Value	$Attitude_{Brand}$	H3	.80	.64	.65	25.61
N=108 Nokia	AVA				.62	
Exogenous Construct	**Endogenous Construct**	**Hyp**	**Path coefficients**	**Variance due to path**	**R^2**	**Bootstrapped Critical ratio**
Brand Status	Brand Value	H1	.31	.17	.43	2.85
Brand Significance		H2	.42	.26		5.03
Brand Value	$Attitude_{Brand}$	H3	.62	.38	.38	6.75
N=105 Samsung	AVA				.41	

The R^2 measures the quality of the structural model and is calculated for each endogenous variable according to latent constructs which explain it (Stan and Saporta, 2005). The R^2 indicates the proportion of the total variation of endogenous variable that is explained by the structural equation. Generally, when assessing R^2, it should exceed .10 (Falk and Miller, 1992). All R^2s were well above the minimal level and additionally, the average variance accounted for (AVA), which is a statistic used to assess the predictive power of the model (Fornell and Bookstein, 1982) shows the AVA was .55, for the aggregate model. The model explained 65% of the variance in attitude toward the brand for Nokia, compared with 38% of the variance in Samsung. Whilst the brand status $\bar{x}$ was stronger for Nokia (4.03) than for Samsung (3.41), as expected, an unexpected finding was status associated with Samsung (.31) more strongly influenced value than for Nokia (.17). Consistent with Nokia being the market leader, the remaining path coefficients of Nokia (.68, .80) were stronger than for Samsung (.42, .62). Additionally, analysis of the differences across the brand models indicated no significant difference for beta weights related to paths. Thus, based on the key assessment criterion for examining the hypotheses, it is argued that H1, H2 and H3 are supported at the product category level and at the individual brand level.

Discussion

A major challenge facing consumer researchers lies not in understanding attitudes itself, but the role of value and other consumer-based assessments in the formation of attitude towards the brand. This challenge provides reasoning to conduct consumer research investigating attitudes towards the brand, brand value and other influences that are likely to play a role in the formation of positive attitudes. Importantly, this study revealed the pivotal role that brand significance plays in directly influencing brand value assessments (43%) and indirectly influencing positive attitude towards the brand (20%). Previous research has explored value and attitudes in isolation; this study provides evidence of the substantial role of brand significance and brand value in the development of positive brand attitudes.

Given the importance of value and brand attitudes to the development of strong brands, this study provides a parsimonious 22-item measure that enables academics and marketers to explore further the role of value in forming positive attitude toward the brand. Due to the holistic nature in operationalising the constructs of brand status, brand significance, brand value and brand attitudes, the attributes that underlie consumer-based brand assessments are captured, which make the measures not only rigorous and parsimonial, but also user-friendly, as they can be utilised across a broad range of product categories and brands.

Conclusions and Future Directions

The results support the contribution of brand status, brand significance and brand value to positive brand attitudes. The effect is stronger in the market leader, Nokia, than for a market follower, Samsung. This supports the idea that brand significance and brand value are important in the formation of attitude and building a stronger brand in the Australian mobile phone market. The findings suggest that our knowledge of influences of attitude towards a brand can be further enhanced if we continue to examine and compare the influence of brand significance and brand status across a broader range of product categories. For instance, it may be fruitful to compare luxury product categories with non-luxurious product

categories to see if the influence of status on brand value and attitude toward the brand changes, or alternatively to compare conspicuous brands (where the brand label is visible to the public) versus inconspicuous brands (where the label is not necessarily visible). In addition, it would be useful to see if brand significance and brand value, also strongly influence positive attitudes, for other generational cohorts. For instance, seniors, baby boomers and generation X, as this would provide a broader understanding of the role value plays in the development of positive attitudes towards brands.

References

Aaker, D. (2003). The power of the branded differentiator. MIT Sloan Management Review, 45(1), 83.

Aaker, D. A. (1991). Managing Brand Equity: Capitalizing on the Value of a Brand Name. New York: The Free Press.

Aaker, J. L. (1999). The malleable self: The role of self-expression in persuasion., Journal of Marketing Research Vol. 36, pp. 45.

Ajzen, I., & Fishbein, M. (1980). Understanding Attitudes and Predicting Social Behaviour. Englewood Cliffs, N.J.: Prentice-Hall Inc.

Andrews, R. L., & Manrai, A. K. (1998). Simulation experiments in choice simplification: The effects of task and context on forecasting performance. Journal of Marketing Research, 35(2), 198.

Auty, S., & Elliott, R. (1998). Fashion involvement, self-monitoring and the meaning of brands. The Journal of Product and Brand Management, 7(2), 109.

Batra, R., & Stayman, D. M. (1990). The Role of mood in advertising effectiveness., Journal of Consumer Research (Vol. 17, pp. 203): Journal of Consumer Research, Inc.

Belk, R., Meyer, R., & Bahn, K. (1982). The eye of the beholder: Individual differences in perceptions of consumption symbolism, Advances in Consumer Research (Vol. 9, pp. 523): Association for Consumer Research.

Bhat, S., & Reddy, S. K. (1998). Symbolic and functional positioning of brands. The Journal of Consumer Marketing, 15(1), 32-43.

Bloch, P. H., & Richins, M. L. (1983). A theoretical model for the study of product importance perceptions., Journal of Marketing (Vol. 47, pp. 69): American Marketing Association.

Bush, A. J., Martin, C. A., & Bush, V. D. (2004). Sports Celebrity Influence on the Behavioral Intentions of Generation Y., Journal of Advertising Research Vol. 44, pp. 108-118

Chaiken, S., Liberman, A., & Eagly, A. H. (1989). Heuristic and systematic information processing within and beyond the persuasion context. In J. S. Uleman & J. A. Bargh (Eds.), Unintended Thought (pp. 212-252). New York: Guilford.

Dillon, W. R., & Goldstein, M. (1984). Multivariate Analysis: Methods and Applications. New York: Wiley.

Douglas, M., & Isherwood, B. (1979). The World of Goods. New York: Basic Books.

Erdem, T., Zhao, Y., & Valenzuela, A. (2004). Performance of store brands: A cross-country analysis of consumer store-brand preferences, perceptions, and risk. Journal of Marketing Research, 41(1), 86-100.

Fornell, C., & Bookstein, F. L. (1982). Two structural equation models: LISREL and PLS Applied to Consumer Exit-Voice Theory. Journal of Marketing Research, 19(4), 440-452.

Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. Journal of Marketing Research, 18(1), 39.

Franzen, G., & Bauwman, M. (2001). The Mental World of Brands: Memory and Brand Success. Henley-on-Thames, UK: World Advertising Research Centre.

Johar, J. S., & Sirgy, M. J. (1991). Value-expressive versus utilitarian advertising appeals: When and why to use which appeal., Journal of Advertising Vol. 20, pp. 23.

Johnson, M. D., Herrmann, A., & Huber, F. (2006). The evolution of loyalty intentions. Journal of Marketing, 70(April), 122-132.

Keller, K. L. (2003). Strategic Brand Management: Building, Measuring and Managing Brand Equity (2nd ed.). Upper Saddle River, NJ: Pearson Education Inc.

MacInnis, D., & Jaworksi. (1989). Information processing from advertisements: Toward an integrative framework. Journal of Marketing, 53, 1-23.

Malhotra, N. K. (1987). Validity and structural reliability of multidimensional scaling. Journal of Marketing Research, 24(2), 164.

Miniard, P. W., Bhatla, S., Lord, K. R., Dickson, P. R., & Unnava, H. R. (1991). Picture-based persuasion processes and the moderating role of involvement., Journal of Consumer Research Vol. 18, pp. 92.

Morris, R. J., & Martin, C. L. (2000). Beanie Babies: a case study in the engineering of a high-involvement / relationship-prone brand. Journal of Product and Brand Management, 9(2), 78-98.

Muniz Jr, A. M. (1997). Consumers and brand meaning: Brands, the self and others., Advances in Consumer Research Vol. 24, pp. 308.

Netemeyer, R. G., Bearden, W. O., & Sharma, S. (2003). Scaling Procedures Issues and Applications. Thousand Oaks, Ca: Sage Publications.

Netemeyer, R. G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., et al. (2004). Developing and validating measures of facets of customer-based brand equity. Journal of Business Research, 57(2), 209-224.

O'Cass, A. (2004). Fashion clothing consumption: antecedents and consequences of fashion clothing involvement., European Journal of Marketing Vol. 38, pp. 869-882.

O'Cass, A., & Frost, H. (2002). Status brands: examining the effects of non-product-related brand associations on status and conspicuous consumption., Journal of Product & Brand Management Vol. 11, pp. 67.

O'Cass, A., & McEwen, H. (2004). Exploring consumer status and conspicuous consumption. Journal of Consumer Behaviour, 4(1), 25-39.

Stan, V., & Saporta, G. (2005). Customer satisfaction and PLS structural equation modeling. An application to automobile market. Retrieved 01/12/2005, 2005

Sweeney, J. C., & Soutar, G. N. (2001). Consumer perceived value: The development of a multiple item scale. Journal of Retailing, 77(2), 203-220.

Wallendorf, M., & Arnould, E. J. (1988). My Favorite Things: A cross-cultural inquiry into objects. Journal of Consumer Research, 14(4), 531.

White, J. C., Varadarajan, P. R., & Dacin, P. A. (2003). Market situation interpretation and response: The role of cognitive style, organizational culture, and information use. Journal of Marketing, 67(3), 63-79.

Witt, R. E., & Grady, B. D. (1972). Group influence and brand choice congruence. Journal of Marketing Research, 9(4), 440-443.

Yoo, B., Donthu, N., & Lee, S. (2000). An examination of selected marketing mix elements and brand equity. Academy of Marketing Science. Journal, 28(2), 195.