



The relationship between online brand engagement and repeat online purchases and brand image mediation effect –fashion industry

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Abstract

Purpose: Brand image plays an important role in the development of a brand because the brand image associated with the reputation and credibility of the brand which later become the ‘guideline’ for the consumer audience to try and use a product or service then creating a particular experience that will determine whether the consumer will be into brand loyalist, or simply an opportunist (easy to switch to another brand).

As competition with emerging fashion e-tail brands (ASOS) increases, there is a clear need for local fashion companies to improve brand image marketing strategies in order to achieve higher market performance.

While Brick and Mortar retailers are trying to determine whether sales are directly linked to social media campaigns, the fact is that companies with higher levels of engagement tend to grow their online sales faster than their less informed rivals, completely revolutionizing the fashion industry, which traditionally focused on image

Design/methodology/approach

The research examines three hypotheses:

H1: Online fashion brand engagement has *a positive* effect on online repurchase intentions.

H2: Online fashion brand engagement has *a positive* effect on brand image

H3: The higher the online fashion brand engagement *the lower* the impact of fashion brand image

H4: The stronger the brand image of fashion retailer, the higher the repurchase intention



The data was compiled through an online survey of 154 part-time business students at a major college. Although this is a convenience sample with considerable demographic homogeneity, the part-time students are members of the target segment that purchases fashion brands and products, are well-experienced with purchasing their own clothing and represent both current on line and offline fashion brands

Originality/Value

This paper contributes to existing brand engagement literature by providing insights into how engagement influences one central performance outcome.

We showed what managers can expect from engagement activity and the interaction effect between engagement activity and brand image, which can give managers an idea on how to facilitate their offline and online marketing budget decisions.

Keywords: Brand Image, Brand Engagement, Online shopping behaviour; Fashion Brands;



Introduction:

Fashion Brands

Brands are known to supplement emotional benefits (Morgan-Thomas, 2013). In particular, fashion brands are known to possess symbolic meanings compared to other product categories (Escalas & Bettman, 2005) due to their ability to convey consumer identity (Campbell, 1986; Hebdige, 1987). Consumption behaviors represent the desire to possess certain brands as a means to achieve status and self-fulfillment (O’Cass & Siahtiri, 2014). Fashion brands are specifically known to influence customer lifestyles (McColl & Moore, 2011). Many fashion brands face the challenge of lagging behind consumer expectations. The role of the consumer has shifted from passive acceptance to empowered dominance. They are no longer content with just buying fashion products; they are empowered by the exponential growth in digital technology utilization. They want to interact, belong, influence and embody the brands they buy.

Brand Image

Brand image reflects customer perception of a brand. It can be defined as a unique set of connotations held by target customers. It signifies what the brand stands for (Management Study Guide, MSG 2013). The American Marketing Association (AMA) defines brand image as “The perception of a brand in the minds of persons. The brand image is a mirror reflection (though perhaps inaccurate) of the brand personality or product being. It is what people believe about a brand; their thoughts, feelings, expectations.” (Marketing Power – American Marketing Association 2010)

Brand image is developed by the recipient. Image defines how consumers perceive a product, brand, politician, company or country. It refers to the manner in which consumers translate brand signals generated by products, services and media promotion. (Kotler, 2010). Brand image is a subjective mental picture shared by a group of consumers (Riezebos, et al., 2003)

As an essential element of marketing research, brand image is defined as “perceptions about a brand as reflected by the brand associations held in consumer’s memory”



(Keller, 1993). Although the term has been broadly defined and used in various ways, there is a general consensus by which brand image is the consumers' overall impression of a specific brand as influenced by the consumers' reasoned or emotional perceptions (Dobni & Zinkhan, 1990) (Aaker, 1996). Brand image is formed through a combination of brand associations; (Biel, (1991); Dohni & Zinkham, 1990; Yoo, Donthu, & Lee, (2000); Keller, (1998, 2003)). Therefore, brand association is an important factor in brand image studies. Brand association is often based on the associative network model (Farquhar & Herr, 1992) in which a person's memory is made up of links and nodes: links represent relationships (positive or negative, weak or strong), and nodes represent concepts (e.g. brand associations) and objects (e.g. brands). According to Faircloth (2005), consumers compare unique brand association with the mental image of the brand itself. Consumers could easily associate with the brand because its image acts as a personal symbol, which embodies the descriptive and evaluative information related to the brand (Iversen & Hem, 2008).

Brand Image in Retail Fashion

In retail, the retailer enjoys a set of brand-based emotional, cognitive and social consumer benefits. The brand conveys information and a consumer experience that goes beyond product types; the brand reflects the store environment, the in-store shopping experience and the brand sales personnel (Granot, 2010). Therefore, it is important for retailers to understand consumer-brand interactions in order to understand consumer affiliation (Foster and McLelland, 2015).

The latest study of brand image (Cho & Fiori 2015) found that cognitive (mystery), emotional (intimacy) and sensory (sensuality) dimensions were important in fashion-related brand image. The results corresponded with major themes proposed in literature. In terms of practical implications, fostering of cognitive, emotional and sensory dimensions is essential for creating an effective fashion-related brand image, which can enhance brand equity.



Creating Online Customer Fashion Brand Engagement

Behavioral conceptualizations define brand engagement in terms of brand-related consumer actions.

Keller (2001) defines brand engagement as a key component in his Customer-Based Brand Equity model. Systematically progressing from the basic concept of brand salience, his model proposes that managers can take specific steps to create brand equity by relating to customers and rendering their brands relevant to their customers' lives.

Vivek et al. (2012) state that customer engagement is the method by which web creators try to enhance customer perception and encourage site involvement. Kim and Niamh (2009) studied five dimensions of website quality that influence customer loyalty and perceived site value. These elements can be linked to online customer engagement. Quality information will enhance the perceived value and loyalty intentions, eventually impacting online customer engagement. Although trust is not directly related to perceived information quality, Kim and Niamh (2009) and Jung et al. (2014) agree that trust is among the factors that affect customer engagement. Customer trust can alter consumer comparisons, lead to purchasing decisions and extend visit duration. Additionally, interaction within the online community can generate increased engagement (Wirtz et al. 2013). Interaction generated within the online community promotes and increases participation in joint activities, creating a perceived value that leads to a sense of community and commitment.

Based on research literature, we defined online brand engagement as the extent to which online consumer consciously performed brand-related behaviors, beyond purchase and consumption.

Consumer involvement with online brands - spontaneous (engagement) or aided by the company (collaboration) – stems from the concept of brand attitudinal loyalty. Brand attitudinal loyalty demonstrates a linear correlation with the following: behavioral



loyalty derived of trust, which, in turn, is derived of customer satisfaction (Cantone et al. 2016)

Conceptual Framework and Hypotheses

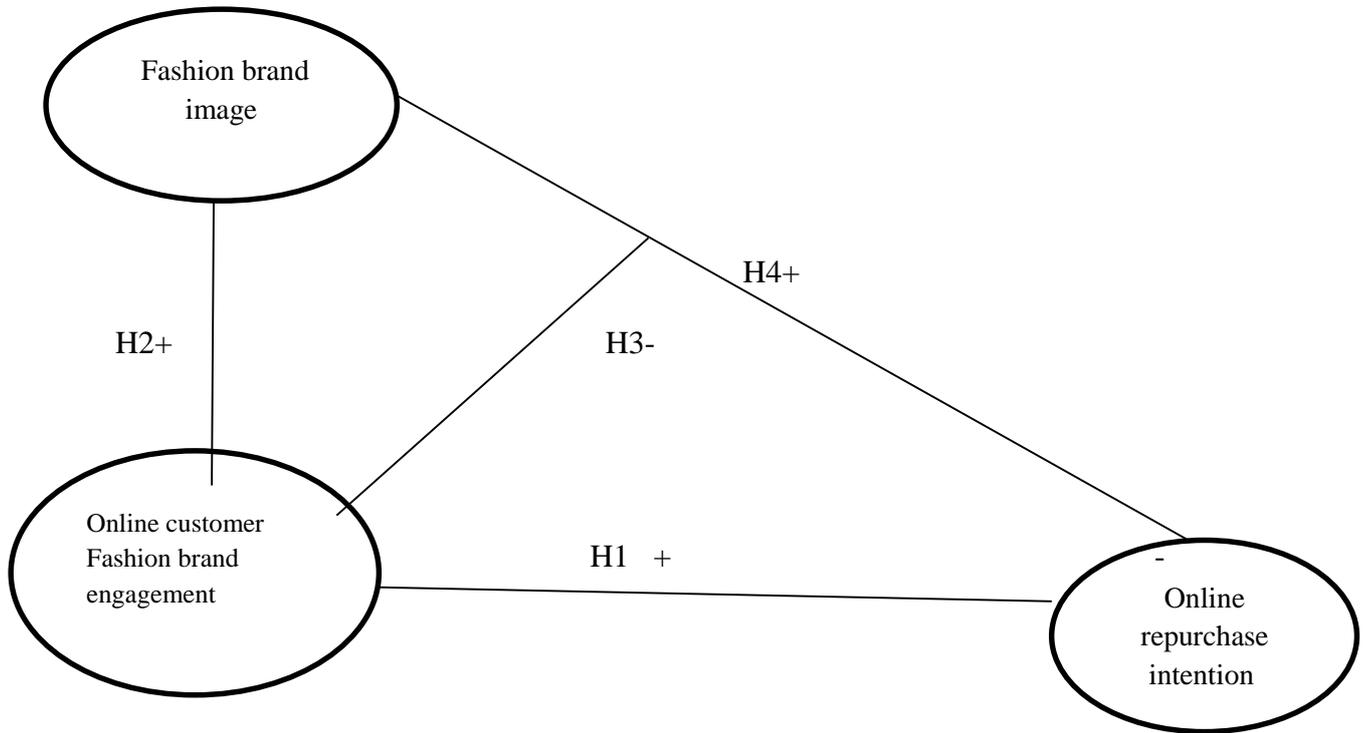
According to Vivek, Beatty and Morgan (Vivek, et al., 2012), engaged consumers display more positive brand attitudes (for example, a brand community). Further outcomes of engagement are a strengthened brand, an increase in brand loyalty and a favorable influence on attitudes and behaviors towards the brand (Wirtz, et al., 2013). The following hypotheses are based on the above and on the definition applied to online brand engagement:

H1: Online fashion brand engagement has *a positive* effect on online repurchase intentions.

H2: Online fashion brand engagement has *a positive* effect on brand image

H3: The higher the online fashion brand engagement *the lower* the impact of fashion brand image on online repurchase intention

H4: The stronger the fashion brand image the higher repurchase intention



Empirical Analysis

The data was compiled through an online survey of part-time business students at a major college. Although this is a convenience sample with considerable demographic homogeneity, the subjects are members of the target segment that purchases fashion brands and products, are well-experienced with purchasing their own clothing and purchasing from local fashion retailer and ASOS.. Although the nature of the sample limits the potential for generalizing point and interval estimates, we focused on testing the theory and not on providing a description of the target segment, thus it constitutes a realistic data source (Highhouse & Gillespie, 2009). The students were directed to an online survey, where they completed the questionnaire. Anonymity was guaranteed.

Data Analysis and Results

Table 1: Distribution of demographic variables of all study participants (N=154)

	N	%
Age Group		
81-92	51	
03-92	79	
93-49	24	



Gender		
Female	93	
men	64	

Income		
Below average	12	17.1%
Average	39	55.7%
Above average	19	27.1%

Daily Avg. Internet Hours		
3-8		
9-0	23	32.9%
9-5	37	52.9%
5+ hours per day	7	10%
	3	4.3%

Online Purchasing		
Yes	139	
No		

Managerial Implication

Fashion brands are currently challenged by dual economic pressures.

On the one hand, profit margins and sales per square meter are declining due to larger stores, reduced traffic and competition from new formats and competitors – particularly the internet. For many, this does not reflect a future scenario, but rather a current reality.

On the other hand, shopper expectations are higher, as online sites provide 24/7 service, have most SKUs in stock, feature intuitive site navigation, offer a no-questions-asked return policy, display reduced prices and offer exciting shopping features like daily specials and auctions. Imagine all that and apply it to Brick and Mortar fashion stores. Could they ever make money? . Internet market share is not only growing at the expense of offline retail outlets and reducing in-store traffic, it also raises consumer expectations of the brands featured by Brick and Mortar fashion brands.

With free delivery for orders over a certain amount, companies like ASOS have revolutionized the entire industry. How? It invalidated many of the strategic factors that were essential in traditional retailing. Store location became irrelevant — there are no



stores and, as such, store layout was rendered redundant and face-to-face customer service became unnecessary. Concurrently, ASOS repositioned itself on other factors, such as product range and brand engagement, gaining a further edge.

Limitations and Implications for Further Research

This paper contributes to existing brand engagement literature by providing insights into how engagement influences one central performance outcome.

We showed what managers can expect from engagement activity and the interaction effect between engagement activity and brand image, which can give managers an idea on how to facilitate their offline and online marketing budget decisions.

However, some limitations should be kept in mind. First, as this study was conducted with data from a sample of part-time students, it must be rechecked and validated.

Secondly, it is important to remember that brand engagement is a dynamic process. Since our data was compiled within a short period, future research should focus on analyzing the impact of engagement from a longitudinal perspective with a longer timeframe

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