

# Customer Loyalty- Toward an Integrated Conceptual Framework


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# Customer Loyalty: Toward an Integrated Conceptual Framework

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*Customer loyalty is viewed as the strength of the relationship between an individual's relative attitude and repeat patronage. The relationship is seen as mediated by social norms and situational factors. Cognitive, affective, and conative antecedents of relative attitude are identified as contributing to loyalty, along with motivational, perceptual, and behavioral consequences. Implications for research and for the management of loyalty are derived.*

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The central thrust of the marketing activities of a firm is often viewed in terms of development, maintenance, or enhancement of customers' loyalty toward its products or services. Although most marketing research on loyalty has focused on frequently purchased package goods (brand loyalty), the loyalty concept is also important for industrial goods (vendor loyalty), services (service loyalty), and retail establishments (store loyalty). Indeed, customer loyalty constitutes an underlying objective for strategic market planning (Kotler 1984) and represents an important basis for developing a sustainable competitive advantage—an advantage that can be realized through marketing efforts. In the present environment of increasing global competition with rapid market entry of innovative products, on the one hand, and maturity conditions in certain product markets, on the other, the task of managing loyalty has emerged as a focal managerial challenge.

Although academic research on loyalty has received considerable attention, it has largely focused on measurement issues (e.g., Kahn, Kalwani, and Morrison 1986) and correlates of loyalty with consumer characteristics in a

segmentation context (e.g., Frank 1967). Implicit in this research is the notion that brand loyalty plays a special role in generating repeat purchase. Even though many marketers (e.g., Day 1969; Jacoby and Olson 1970) have emphasized the need to define brand loyalty beyond operational measures (mostly sequences of purchases), the nomology of brand loyalty in behavioral theory (i.e., its relationships with other concepts in the expanding vocabulary of marketing research) requires stronger integration. It is seen as a construct undergoing a maturation process striving for theoretical legitimacy and practical usefulness. The following quote from Jacoby and Chestnut (1978) appears as relevant today as it did 15 years ago:

The present status of brand loyalty research can be characterized as that of a construct undergoing substantial revision and redirection in measurement orientation. From an overly behavioral macro approach, it is gradually making the transition to a more micro understanding of the cognitive mechanisms underlying choice behavior. If brand loyalty is ever to be managed, not just measured, it will have to be elaborated in a much more detailed description of cognitive activities. (pp. 31-32)

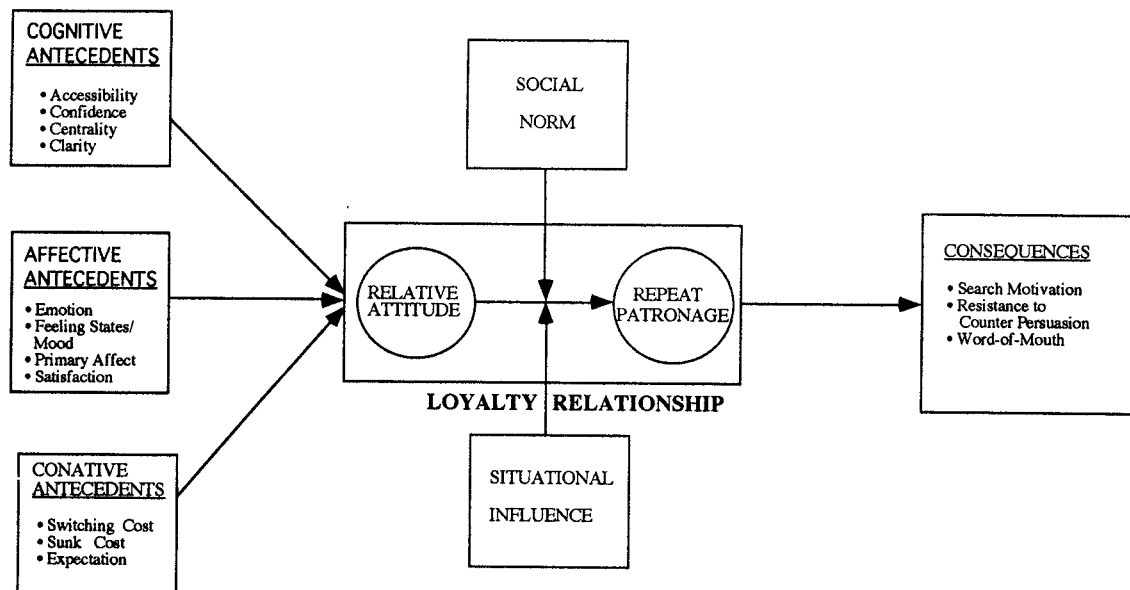
The objective of this article is to develop a new conceptual framework to understand more fully the cognitive, affective, and conative antecedents of customer loyalty as well as its consequences.

## DEFINITIONS OF CUSTOMER LOYALTY

### Definitions Based on Purchase

The brand loyalty literature contains a plethora of measures (e.g., Jacoby and Chestnut 1978 cited 53 definitions in their review). Unfortunately, these are predominantly

**FIGURE 1**  
**A Framework for Customer Loyalty**



operational and devoid of theoretical meaning. Traditionally, brand loyalty research has used various behavioral measures drawn from panel data. These measures include proportion of purchase (e.g., Cunningham 1966), purchase sequence (e.g., Kahn, Kalwani, and Morrison 1986), and probability of purchase (e.g., Massey, Montgomery, and Morrison 1970). Jacoby and Chestnut (1978) criticized these behavioral measures as lacking a conceptual basis and capturing only the static outcome of a dynamic process. These definitions make no attempt to understand the factors underlying repeat purchase. High repeat purchase may reflect situational constraints, such as brands stocked by retailers, whereas low repeat purchase may simply indicate different usage situations, variety seeking, or lack of brand preferences within a buying unit. The behavioral definitions, consequently, are insufficient to explain how and why brand loyalty is developed and/or modified.

### Attitudinal Considerations

Day (1969) viewed brand loyalty as consisting of repeated purchases prompted by a strong internal disposition. From this perspective, purchases that are guided not by a concomitant strong attitude but merely by situational exigencies are labeled as "spurious loyalty." Accordingly, Day (1969) and Lutz and Winn (1974) proposed loyalty indexes based on composites of attitudinal and behavioral measures. Thus the individual's dispositional basis for repeated purchase, appraisal of the target, is seen as inseparable from the notion of loyalty (see Jacoby and Chestnut 1978; Jacoby and Kyner 1973; Jacoby and Olson 1970). Further, as repeat purchase is premised on choice within

the set of alternatives, a consumer's *relative* appraisal of targets within the relevant set is likely to assume significance. Thus attention is drawn to characteristics of an individual's attitude and conditions that lead to attitude-congruent purchase behavior in conceptualizing loyalty and determining an empirical basis for its measurement.

### CUSTOMER LOYALTY: A CONCEPTUAL FRAMEWORK

An explication of our conceptual framework of customer loyalty is presented in Figure 1. As our brief review of past literature suggests, both a favorable attitude that is high compared to potential alternatives and repeated patronage are required for loyalty. Thus key to the framework is the conceptualization of loyalty as the relationship between the relative attitude toward an entity (brand/service/store/vendor) and patronage behavior (Figure 1). We turn now to a more detailed analysis of the building blocks of our suggested loyalty relationship, beginning with relative attitude.

#### Relative Attitude

Consistent with past research, we view an attitude as serving an object appraisal function. Fundamentally, it represents an association between an object and an evaluation. The extremity of the attitude reflects the position of the object along a continuum of favorability (Ajzen and Fishbein 1980). Attitudes have been related to behaviors, although it is important to note that one may hold a favor-

able attitude toward a brand but not purchase it over multiple occasions because of comparable or greater attitudinal extremity toward other brands. For purposes of predictive validity, it is hence advantageous to compare brands that are viewed by consumers to be relevant in a given consumption context. The nature of *relative attitudes* is likely to provide a stronger indication of repeat patronage than the attitude toward a brand determined in isolation.

Two dimensions, the degree of attitudinal strength (or extremity) and the degree of attitudinal differentiation, seem to underlie an individual's relative attitude toward an entity. Cross-classifying two levels of each of these leads us to consider the following four conditions:

		Attitudinal Differentiation	
		No	Yes
Attitude Strength	Strong	Low Relative Attitude	Highest Relative Attitude
	Weak	Lowest Relative Attitude	High Relative Attitude

Conceptually, relative attitudes could exist for entities that have positively as well as negatively valenced attitudes. Although on rare occasions consumers may patronize entities for which they have negative attitudes, this usually reflects a temporary situational exigency (e.g., lack of funds to afford a liked alternative when consumption in the product class is deemed mandatory). Given our focus on loyalty, this conceptualization will center on conditions in which the entity has a positively valenced attitude. However, attitudes that are positive may vary on a continuum from weak to strong depending on the individual's evaluative assessment. In deciding on a purchase, the individual's perception of differences among brands is critical as well, leading to high relative attitude when a significant attitudinal differential is perceived. A relative attitude is at its highest when the target entity is associated with a strong attitude and is clearly differentiated in the consumer's mind from others associated with weak attitudes. An attitude that is weak (albeit positive) but differentiated from competitors translates into high relative attitude and may similarly contribute to loyalty (e.g., an individual's attitude toward his or her chosen auto repair mechanic may be modestly positive but much more so compared to others leading to repeat patronage). On the other hand, a strong attitude coupled with little perceived differentiation may lead to multi-brand loyalty as alternatives are viewed as equally satisfying. This may be the case for consumers who have equally positive attitudes toward Coke® and Pepsi® with choice between them based on situational factors such as shelf positioning. Likewise, a positive but weak attitude associated with no perceived differentiation would lead to lower relative attitude, with patronage possibly being less frequent and also varying from occasion to occasion based on nonattitudinal influences.

## Relative Attitude-Behavior Relationship

Cross-classifying the previously developed concept of relative attitude with repeat patronage (at two levels—high and low of each) leads to the four specific conditions related to loyalty below. Each of these conditions is briefly discussed.

		Repeat Patronage	
		High	Low
Relative Attitude	High	Loyalty	Latent Loyalty
	Low	Spurious Loyalty	No Loyalty

### No Loyalty

A low relative attitude combined with low repeat patronage signifies an absence of loyalty. This could occur under a variety of market scenarios. First, low relative attitude might be indicative of a recent introduction and/or inability to communicate distinct advantages. This could be the case for a new pharmaceutical brand whose efficacy is yet to be experienced along with weaknesses in the adopted communication plan. If competitive differentiation is possible given the nature of consumer preferences and perceived deficiencies in satisfaction, the managerial challenge would be one of enhancing awareness and/or preference through appropriate management of mix elements (i.e., to move toward a high relative attitude with potentially high repeat purchase). Second, low relative attitude may be due to the dynamics of a specific marketplace where most competing brands are seen as similar. Consequently, a manager may find it impossible to create high relative attitude but may direct efforts to generate spurious loyalty through manipulation of situational exigencies or social norms. For a convenience store, this may be achieved through favorable locations, or for brands, through aggressive trade promotions and increased shelf space.

### Spurious Loyalty

A low relative attitude accompanied by high repeat patronage is spurious loyalty characterized by nonattitudinal influences on behavior (e.g., subjective norms or situational effects). It is conceptually similar to the notion of inertia (Assael 1992) in that a consumer perceives little differentiation among brands in a low involvement category and undertakes repeat purchase on the basis of situational cues, such as familiarity (caused by shelf positioning) or deals. Alternatively, social influence may also lead to spurious loyalty. For example, an industrial vendor may receive repeated orders despite low perceived differentiation from competitors as a result of interpersonal relationships between the buying and selling organizations. Here the vendor may attempt to increase perceived differentiation (through product/message improvements) and achieve loyalty, perhaps leaving the vendor less vulnerable to

competition. Alternatively, if market conditions preclude such a possibility, the vendor may attempt to enhance spurious loyalty by strengthening the perceived value of the social bondage contributing to repeat orders.

#### **Latent Loyalty**

High relative attitude, with low repeat patronage, reflects latent loyalty—a serious concern for marketers. This is probably due to a marketplace environment where non-attitudinal influences such as subjective norms and situational effects are at least equally if not more influential than attitudes in determining patronage behavior. Thus an individual may have a high relative attitude toward a particular restaurant but may patronize a variety due to varying preferences of meal companions. Because creating an even higher relative attitude is both expensive and unlikely to alter this latent loyalty, managerial efforts may best be served by addressing the normative/situational constraints directly and removing these in an effective fashion.

#### **Loyalty**

Loyalty, the most preferred of the four conditions, signifies a favorable correspondence between relative attitude and repeat patronage. Our discussion of relative attitude suggests that loyalty may be achieved at both low and high levels of attitude strength, provided that target consumers perceive significant differences among competing brands. Of course, it would be beneficial to enhance attitude strength and consequently relative attitude, provided that market conditions render such efforts feasible.

The relative attitude-repeat patronage classification suggests potential competitive responses to managers of brands commanding loyalty. Competition is likely to attempt to 1) decrease perceived differentiation with the leading brand reducing its relative attitude (a me-too strategy) in the absence of competitive advantage, 2) increase perceived differentiation in its favor through competitive claims of superiority (as with technology-enriched products, such as PCs, where choices are usually attitude driven), and/or 3) induce spurious loyalty through manipulation of situational factors when enhancing relative attitude is viewed as unfeasible. Thus, for a fairly large number of consumer nondurables that may be viewed as homogeneous by consumer segments, competing with a brand commanding loyalty may take the form of in-store promotions and displays that divert attention from attitudes to characteristics of the purchase context.

#### **Advantages of Relationship-Based Definition of Loyalty**

We have defined customer loyalty as the relationship between relative attitude and repeat patronage. As discussed earlier, incorporating *relative* attitude in a model of loyalty is likely to increase its predictive ability. Further, viewing loyalty as a relationship has several advantages. First, defining it as a distinct psychological construct has troubled past investigations. Defining it as a general psychological construct related to behavior leads to problems of discriminant validity with respect to attitude. Defining it in terms of a more specific context-related attitude or purchase intention runs the risk of capturing variance from

nonattitudinal sources, such as an individual's perception of subjective norms (Ajzen and Fishbein 1980) or situational factors (Fazio 1990). Thus high purchase intention could reflect situational factors and be accompanied by a weak attitude. Here, loyalty defined as a purchase intention would be high, yet in reality would be spurious.

Second, viewing loyalty as an attitude-behavior relationship allows investigation of the phenomenon from a causal perspective leading to identification of antecedents that either facilitate or attenuate consistency and of the consequences that follow from the relationship. Here, theory development may benefit from the emerging attitude-behavior consistency literatures in psychology and consumer behavior (Fazio and Zanna 1981; Smith and Swinyard 1983; Fazio, Powell, and Williams 1989; Berger and Mitchell 1989). Thus one can move from asking "Does loyalty predict repeat purchase behavior?" or "What are better measures of loyalty?" to the "when" ("When do contingent factors enhance/decrease loyalty?"), the "how" ("How do underlying processes influence loyalty?"), and the "so what" ("What follows loyalty?") issues. Day (1969) and Lutz and Winn (1974), in fact, suggested such a simultaneous consideration of attitude and behavior through development of composite indexes for loyalty. Finally, this view is integrative, positioning loyalty within the larger body of attitude research.

A high relative attitude contributes significantly toward long-term maintenance of loyalty. Consequently, identification of causal antecedents likely to impact on a consumer's relative attitude-repeat patronage relationship is vital in both understanding and managing the underlying process. We now turn to a discussion of these antecedents.

### **ANTECEDENTS OF RELATIVE ATTITUDE**

Traditional models have partitioned attitudinal antecedents into three categories: cognitive—those associated with informational determinants (e.g., brand beliefs), affective—those associated with feeling states involving the brand, and conative—those related to behavioral dispositions toward the brand. The multicomponent perspective (Greenwald 1968) posits that each of these is associated with different learning processes. For loyalty, each may play a role in defining the nature of the attitude and consequently its relationship with patronage behavior.

#### **Cognitive Antecedents**

##### **Accessibility**

Accessibility is the ease with which an attitude can be retrieved from memory. The strength of the association between an attitude object and its evaluation influences the accessibility of the attitude. Accessibility may be viewed in terms of a continuum, ranging from un retrievable to a well-learned attitude so highly accessible that it will be activated *automatically* upon encountering the attitude object (Fazio, Sanbonmatsu, Powell, and Kardes 1986).

An automatically activated attitude is more likely to guide behavior than one that must be deliberately retrieved. Without such activation, features that happen to be salient in the context tend to guide behavior (Fazio, Powell, and Williams 1989).

It is important from a managerial perspective to determine what influences attitude accessibility. First, the presence of a contextual cue may prompt the activation of an attitude as relevant to the immediate situation (Snyder and Kendzierski 1982). In the context of repeat patronage, brand recognition primes (such as point-of-purchase displays) may enhance the probability that a favorable attitude may be retrieved and lead to consistent behavior. Second, the manner of attitude formation—direct or indirect experience—may determine the extent to which an attitude is accessible. Zanna, Olson, and Fazio (1981) found differences in accessibility and attitude-behavior consistency based on direct and indirect experiences, even when both resulted in similar attitude extremity. The rationale for this is claimed to lie in an individual's perception of his/her own behavior and the reliability of this perception in inferring an object evaluation. Third, repetition of the object-attitude linkage may enhance accessibility. Berger and Mitchell (1989) have shown that advertising repetition enhances attitude accessibility without necessarily altering evaluative extremity. Thus contextual cues, source of attitude formation, and advertising repetition have been related to the attitude-behavior relationship through their impact on accessibility.

#### **Confidence**

Attitudinal confidence is the level of certainty associated with an attitude or evaluation. One may conceptualize attitudes as probability distributions of levels of evaluation. Based on this conceptualization, the mean of the distribution represents the level of the attitude, whereas the variance represents the confidence/certainty quality.

Confidence has been related to attitude-behavior consistency at the attribute level by multiplicative expectancy value models incorporating a confidence component (Bennett and Harrell 1975). Two individuals may assess similar probabilities that a specific attribute is associated with a given attitude object. However, their confidence in these probabilities may vary. Incorporating belief confidence in the expectancy-value framework (i.e., ECV in place of EV) has been found to enhance predictive validity (Howard and Sheth 1969). Global-level confidence measures pertaining to attitudinal responses have also been used (Brim 1955; Warland and Sample 1973).

Using the integrated information response model, Smith and Swinyard (1988) suggested that the source of information regarding the attitude object should play a critical role in influencing attitude confidence. When brand information is obtained through advertising, information acceptance is low because the source is perceived to have a vested interest. Increased source derogation and counterarguments lead to tentative beliefs and affect and translate to a trial purchase only if accompanied by curiosity on the part of the consumer. Direct experience, on the other hand, increases information acceptance and leads to

beliefs that are more firmly grounded and affect resulting in purchase commitment, since it enhances the quantity of self-relevant information about the object and also because consumers rarely derogate their own sensory experiences. Additionally, perceived credibility and consistency of information enhance the confidence in a resulting attitude. Finally, Berger and Mitchell (1989) have shown that repeated exposure potentially enhances confidence by allowing individuals to process more information, repeating attitudinal decisions, and by providing more opportunities for brand-relevant cognitive elaboration. The above is premised on relatively high involvement that would lead individuals to review each repetition of an advertisement in evaluative terms.

#### **Centrality**

The degree to which an attitude toward a brand is related to the value system of an individual indicates the centrality of the attitude. According to Sherif and Hovland (1961), central attitudes appear to "belong" to an individual and are "intimately felt and cherished." Johnson and Eagly (1989) proposed that activation of central attitudes lead to "value-relevant involvement" as well as "outcome-relevant involvement"—which are related to a recipient's motivation to process information. Central or important attitudes also typically involve strong affective responses and are relatively distinct; these tend to be frequently activated and relate intimately to knowledge structures in memory. Evidently, they are more resistant to counterpersuasion than unimportant attitudes, display stability over time, and are strongly associated with behavior. The role of centrality has been supported by research indicating that store loyalty is related to the congruity between self-image and store image (Sirgy and Samli 1985). Krosnick (1989), however, claimed that central or important attitudes relate closely to behavior through their impact on accessibility. From the point of view of our framework of antecedents, it would seem that central attitudes would evoke more extreme relationships with behavior, such as high or low loyalty, and that changing such loyalty status would require concerted persuasion attempts. Conversely, attitudes not closely related to a consumer's value system would likely be more sensitive to persuasion, and the observed loyalty may be more variable.

#### **Clarity**

An attitude is well-defined (clear) when an individual finds alternative attitudes toward the target objectionable and is undefined when many alternative positions are acceptable. Attitude clarity has been operationalized in terms of the width of an individual's latitude of rejection (Sherif and Hovland 1961). Based on this, Sherif et al. (1973) suggested that a well-defined attitude may influence behavior more than an undefined attitude. They viewed clarity as a "keenness of discrimination" driven by an individual's ego involvement in a social judgment. The effect of clarity on loyalty could be viewed in terms of determination of a competitive set that consumers invoke when making a purchase. A high level of involvement may reduce the number of competing brands and render the

previously chosen one more likely to be repurchased. Thus clarity could influence the evoked set, and depending on the level of consumer involvement, create conditions for maintenance/disruption of an attitude-repeat patronage link.

### Affective Antecedents

The role of affect in consumer behavior has received substantial emphasis. Although it is variously defined, Cohen and Areni (1991) suggest that "affect is probably best employed as a general descriptor of a valenced feeling state" (p. 191). Thus it is conceptually distinct from the "cold" outcome of a cognitive evaluation process (e.g., attribute beliefs). Retrieval of affect is claimed to evoke feelings related to the object under consideration. Under this characterization, four specific types of affect are discussed, each of which could act as an antecedent to loyalty as conceptualized here. These are emotions, moods, primary affect, and satisfaction.

#### Emotions

Emotions are associated with intense states of arousal (Mandler 1976). They lead to focused attention on specific targets and are capable of disrupting ongoing behavior. Allen, Machleit, and Schultz Kleine (1992) have shown that emotions act as better predictors of behavior than do cognitive evaluations under two specific conditions: 1) when past behavior is seen as mandated, development of a cognitive evaluation is inhibited and recollection of emotions may determine behavior, and 2) once behavior becomes habitual through repeated past experiences, it becomes relatively free of cognitive appraisal and within specific domains may be guided by past emotional experiences. For example, through repeated patronage of a flower shop a consumer may become so familiar with store personnel and charmed by the environment that these joyous experiences may be readily evoked during the next purchase occasion. Repeat patronage may hence occur with little cognitive appraisal of relative benefits offered by alternative stores.

#### Moods

Moods or feeling states are less intense than emotions, less disruptive of ongoing behavior, and less permanent (Clark and Isen 1982). Their impact on behavior is presumed to occur through rendering mood-congruent knowledge more accessible in memory. Such enhanced accessibility, especially at retrieval (i.e., in a purchase decision context) leads to review of consistent information. Thus individuals in a good mood are expected to recall more positive items than are those in a neutral mood. Although the effect of mood on a range of social behaviors has been studied, its impact vis-à-vis attitude-behavior relationships is somewhat unclear. Moods may influence loyalty through their impact on accessibility. Mischel, Coates, and Raskoff (1968) found that individuals in good moods tend to indulge in self-gratification more than those in bad moods. Thus environmental designs that facilitate induction of favorable moods may strengthen attitude-

behavior relationships. Ad executions may also induce favorable moods. The A-ad literature, for example, suggests mechanisms whereby ad-induced positive feelings may transfer to the brand/service being advertised and hence increase the likelihood of purchase (Mitchell and Olson 1981; MacKenzie, Lutz, and Belch 1986). For example, watching a humorous ad for a fast-food restaurant may induce warmth toward the advertised outlet, leading a viewer to retrieve familiar "good times" and make return visits.

#### Primary Affect

Affect has also been conceptualized as being *physiological* in nature (Zajonc 1980). That is, the very presentation of an attitude-object may lead to primary responses that are independent of cognitions. As Smith and Swinyard (1983, p. 265) suggested, "such physiological participation seems much more likely when direct sensory experience (e.g., taste)" is involved in the attitude-behavior relationship and consequently could influence the strength of the association. Primary affect may be stimulated by rendering a familiar and preferred sensory experience available in the immediate purchase situation, such as through use of fragrant aromas in stores or through scratch-and-sniff advertisements that evoke preferred consumption experiences.

#### Satisfaction

A consumer's postpurchase response to a brand is believed to occur through a matching of expectations and perceived performance. The resulting satisfaction/dissatisfaction is considered to act as an antecedent to loyalty (Bitner 1990). It is viewed as an emotion distinct from cognitive assessments or attitudes (Oliver 1992), arising out of direct prior experience, and independent of cognitive mediation. Oliva, Oliver, and MacMillan (1992) suggested that the relationship between service satisfaction and loyalty is nonlinear. That is, when satisfaction increased above a critical level, repeat purchase also increased rapidly. There was an equal decline in repeat purchase as satisfaction fell below a critical threshold. Loyalty, however, was unaffected over a relatively broad range of satisfaction/dissatisfaction between these critical points.

### Conative Antecedents

Conation or a behavioral disposition, while considered to be at a lower level of abstraction (Bagozzi and Burnkrant 1979) than cognition or affect, is viewed as comprising a class of antecedents with three distinct aspects: switching costs, sunk costs, and expectations.

#### Switching Costs

Porter (1980, p. 10) defined switching costs as the "one time costs facing the buyer of switching from one supplier's product to another." Developing switching costs is a common strategy advocated to increase loyalty in industrial markets. Frequently, switching costs represent idiosyncratic investments in a specific vendor's product

such as software that will only run on an IBM mainframe computer. However, human assets, such as the training required to use a specific vendor's equipment not directly transferable to equipment performing the same function manufactured by other vendors, can also result in switching costs.

Switching costs also appear in various consumer choice settings. For example, they appear when consumers need to make elemental purchases integral to an overall system (e.g., Atra® razor blades for an Atra® razor); when relatively large start-up costs are a required part of a series of purchases (e.g., membership initiation dues for a health club); when continued purchases are rewarded with an escalating accrual of resources (e.g., airlines that award frequent flyer points); or when additional consumer learning is associated with switching products. In addition to objective monetary costs, switching costs may also be psychological in nature, such as the frustration that may result from attempting to learn the layout of a new store.

#### **Sunk Costs**

Relatedly, sunk costs also have the potential for profound effects on consumers' purchases despite normative prescriptions to the contrary. Arkes and Blumer (1985), for example, found that consumers who paid more for a season subscription of theater tickets attended more plays during the first half of the season than those who paid less. Using a customer loyalty setting, Dick (1991) manipulated whether subjects paid an initiation fee to join a video rental club providing superior utility in a simulated shopping experiment. When the incumbent store later lowered its level of utility to match that of its nearest competitor (which did not require an initiation fee), it was chosen more frequently by subjects initially paying the fee than by those not required to pay. These studies suggest that despite their economic irrelevance, sunk costs increase the likelihood of repeat patronage.

#### **Expectations**

Another conative antecedent is future expectation. These expectations reflect the current and expected fit between marketplace offerings and consumer needs. For example, consumers' expectations about product availability may act to either postpone a repurchase of the current product (where a better alternative is anticipated) or increase repurchase (e.g., hoarding Coke® when faced with its removal from the market). Alternatively, expectations may reflect beliefs about the attitude itself (e.g., a consumer may expect his or her decision criteria to change as needs change with continued usage and increased product knowledge).

### **Consistency Among Antecedents**

If cognitive, affective, and conative antecedents are consistently favorable for a brand, the degree of differentiation in its relative attitude is expected to increase. Thus consistently favorable cognitions, affect, and conative antecedents constitute the goal of brand managers. Obviously, the relative impact of the antecedents could vary

depending on the manner in which the relative attitude has been formed (i.e., via different hierarchies that may render cognitive beliefs, affect, or conative aspects more or less relevant to the relative attitude-repeat patronage relationship). In addition, their relative influence may depend on the target under consideration. For example, it may be the case that relative attitude toward an industrial vendor is already fairly high. Here, spending resources on trade advertising to further increase attitude strength or perceived differentiation may not contribute substantially toward maintaining loyalty status. Instead, consumer satisfaction programs that create an affective basis and/or communication of potential switching costs could help to entrench the vendor in the buyer-seller relationship.

### **SOCIAL/SITUATIONAL FACTORS**

In addition to relative attitude, repeat patronage may also be influenced by subjective norms and situational factors. These may be viewed as nonattitudinal sources of variance in purchase behavior. In certain purchase contexts these might either complement or contradict an attitude. Accordingly, these are viewed as moderators of loyalty and discussed briefly in the following sections.

#### **Social Norms**

Wicker (1969) and Ehrlich (1969) suggested that perceived behavioral norms or role requirements, if contrary to an attitude, might render it unrelated to behavior. Likewise, the theory of reasoned action (Ajzen and Fishbein 1980) posits subjective norms (i.e., people's beliefs that significant others think they should or should not perform a behavior and their motivation to comply with these referents) as a component of intention. For example, a teenage consumer may have a high relative attitude toward a fashion boutique but may feel reluctant to patronize it due to his perception that his parents disapprove of the high price level of the store. This, of course, calls for an analysis of consumer segments to determine if purchase in the target category is sensitive to interpersonal influences and ways of communicating favorable messages to both consumers as well as decision influentials. The store, for example, might target parents through direct mail to assure them that prices are fair and commensurate with the value of the merchandise.

#### **Situational Factors**

Several situational factors may impact on loyalty (Smith and Swinyard 1983). These include actual or perceived opportunity for engaging in attitude-consistent behavior (e.g., in the case of stockouts of preferred brands), incentives for brand switching through reduced prices (i.e., deals) of competing brands, and effective in-store promotions that might increase the salience of a competing brand over one normally preferred by the consumer (i.e., by impacting on the evoked set in a decision environment).



These situational factors are potential extraneous events that may introduce inconsistency in an attitude-behavior relationship.

### ATTITUDE-BEHAVIOR CONSISTENCY AND CUSTOMER LOYALTY

Analysis of norms and situational factors, along with relative attitude, provides a diagnostic for the strength of a relative attitude-repeat patronage (i.e., loyalty) relationship. From the point of view of attitude-behavior consistency, the stronger the relative attitude toward a brand, the more likely the individual is to overcome countervailing social norms and/or situational contingencies. 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 preferred brand, the consumer would likely go to another store or wait until the next purchase cycle. Similarly, the price of alternative brands could not normally be reduced low enough to alter the person's loyalty.

From a managerial perspective, it is important to assess the characteristics of a market in terms of the influence of relative attitude, on the one hand, and situational/normative factors, on the other. Knowing marketplace sensitivities to relative attitude and situational/normative factors may allow a marketer to determine the appropriate locus for managerial action. The following cross-classification provides such a diagnostic tool by suggesting bases for loyalty maintenance or building strategies:

		Influence of Social/Situational Factors	
		Weak	Strong
Influence of Relative Attitude	Weak	Attempt to change random patronage <ul style="list-style-type: none"> <li>• Build loyalty through antecedents</li> <li>• Build spurious loyalty through mediators</li> </ul>	Seek opportunities within transaction context <ul style="list-style-type: none"> <li>• Build or maintain spurious loyalty through mediators</li> </ul>
	Strong	Capitalize on segmental preference <ul style="list-style-type: none"> <li>• Build or maintain loyalty through antecedents</li> </ul>	Manage entire process of loyalty relationship <ul style="list-style-type: none"> <li>• Build or maintain loyalty through antecedents and mediators</li> </ul>

Some product markets (canned vegetables, salt, milk, etc.) may not be responsive to attitudinal influence attempts nor amenable to strong social/situational pressures (such as store promotions or displays). Building loyalty, even spurious loyalty, here is a difficult challenge. Options include inculcating bases for preference through advertising that focuses on relevant antecedents (such as campaigns by regional dairy producers emphasizing reliability of their products to instill confidence). Alternatively, promotional/display arrangements may be designed with key

retailers to precipitate in-store repeat purchase, building spurious loyalty.

When the influence of relative attitude is weak but that of social/situational factors is strong, as with certain industrial purchases for standardized components, it may be economically unfeasible to raise relative attitude through advertising. Instead, investing resources in strengthening social networks within the purchasing organization may be instrumental in building or maintaining spurious loyalty.

A clear focus on antecedents of relative attitude is warranted, however, when relative attitude is most influential and social/situational factors have little or no impact. As with specialty financial services, a persuasion strategy directed at increasing relative attitude through appropriate choice of antecedents (such as past performance record to enhance confidence among investors) is likely to lead to adequate differentiation and correspond with repeated patronage.

When a market is sensitive to both attitudinal and social/situational factors, such as automobiles, managing the process of loyalty (i.e., antecedents as well as mediators) assumes critical importance. Here, a manager may need to instill confidence, generate favorable emotions, communicate social approval, and design dealerships that provide adequate display.

Thus the influence of relative attitude-influence of social/situational factors cross-classification provides strategic directions to managers in given market settings who are faced with specific loyalty conditions. More specific intervention strategies using the range of antecedents as well as mediators is discussed in the Management Implications section.

### CONSEQUENCES OF CUSTOMER LOYALTY

A number of purchase consequences have been described by consumer researchers, including the phenomenon of satisfaction/dissatisfaction, decision justification, and future purchase. With few exceptions these have not been related to attitude-repeat patronage relationships. Conceptually however, brand/service-related consequences are likely to be robust in the presence of a strong loyalty relationship, rather than an isolated purchase incident. In the following sections, motivational, perceptual, and behavioral consequences of customer loyalty are described that rely on findings and extensions of the existing literature.

#### Search Motivation

The motivation to search for information may be viewed as a function of consumers' perceived benefits and costs of search activity. Benefits of search are probably reduced when consumers have a high relative attitude as well as when they are engaged in repeat patronage. Perceived costs of search may be due to factors such as lost

time or money and physical and/or psychological inconveniences due to delayed gratification (Ratchford 1980).

A number of studies provide evidence that as experience, learning, satisfaction, and repeat purchase increase, search for information about alternative brands decreases. Newman and Staelin (1972) found that increased positive experiences with a brand resulted in less search. Using an experimental procedure, Moore and Lehmann (1980) found that subjects who selected the same brand of bread repeatedly searched for less information than subjects who switched among alternative brands. Furse, Punj, and Stewart (1984), using cluster analysis on survey data of buyers of new cars, found that "low search" consumers had the most purchase experience and were more satisfied with previous purchases than "high search" consumers, who were least satisfied with previous purchases and had the lowest confidence in their ability to choose.

In addition, search for information about alternative products appears related to the antecedents of loyalty. Highly accessible attitudes, for example, involving a strong association are very functional. They free individuals from the processing required for reflective thought about their evaluations of objects and result in a fairly automatic response to products. Holbrook (1978) has suggested that one function of a strong attitude is "information processing parsimony." That is, consumers seek to engage in limited processing of brand/service-related information, and the availability of a strong attitude facilitates this. Conative antecedents too may play a vital role in determining search motivation through their influence on a consumer's loyalty status. For example, a consumer who has already paid membership fees to a health club may be less likely to search for information about alternative health clubs, as the perceived switching cost strengthens repeat patronage. In summary, search motivation has been linked to attitudes (and certain antecedents) and past purchases. A strong relative attitude-repeat patronage relationship (i.e., loyalty) would appear to reduce search motivation.

### Resistance to Counterpersuasion

There is now evidence in different research domains that individuals holding strong commitments to specific objects/events/issues demonstrate enhanced resistance to persuasion attempts. A number of mechanisms such as attitude-driven message selectivity (Fazio 1990), biased cognitive responses (Cacioppo and Petty 1985), cognitive consistency (Frey 1986), and self-persuasion (Tesser and Conlee 1975) are believed to lead to resistance to counterpersuasion.

Evidence for enhanced resistance to counterpersuasion resulting from loyalty comes from Belch's (1981) study on comparative advertising. The study showed that repetition of comparative television ads for a new brand actually enhanced attitudes toward the established brand that was preferred by the consumers. Tellis (1988) also showed that the impact of ad repetition is mediated by loyalty (specified in terms of purchase behavior). Wood (1982) found

that attitude accessibility was related to attitude change in response to a persuasive message. The stronger the object-evaluation association, the more resistant the attitude was to change and the greater its stability.

### Word of Mouth

Volitional post-purchase communications by consumers (i.e., word-of-mouth behavior) is believed to follow from consumption satisfaction/dissatisfaction (Oliver 1980). However, as pointed out by Westbrook (1987), consumers appear more likely to engage in word of mouth when they experience notable emotional experiences. That is, more than an expectation-performance cognitive appraisal appears to underlie the specific behavior. In terms of loyalty, although the strength of the relative attitude-repeat patronage relationship would appear to mediate postpurchase consumer communications, certain antecedents (e.g., emotions, mood) may act as facilitators. The loyalty to word-of-mouth link has not been studied empirically, yet its conceptual validity remains plausible. The managerial implications of such are particularly critical, especially through delineation of specific contingencies that are amenable to external control.

## MANAGEMENT IMPLICATIONS

Based on our framework, the task of managing loyalty would involve 1) determining the loyalty status of a target (brand/service/vendor/store) in terms of the strength of the relationship and comparing it with competing offerings, 2) identifying relevant antecedents and consequences in a given market context, 3) determining the relative impact (or contributions) of antecedent factors and the likelihood of different consequences, and 4) identifying causal variables on which the target is underperforming compared to competitors, from which increases in loyalty may be effected through strategic interventions. Based on a diagnosis of the loyalty status of an entity and the relative sensitivities of antecedent and mediating variables the managerial challenge becomes one of changing/maintaining the loyalty status through specific marketing inputs. In the following sections, directions and examples of these are provided with respect to brands, services, vendors, and stores.

### Managing Brand Loyalty

While enhancing absolute attitude strength and/or differentiation with competing brands is usually recognized as a goal of communication strategies, loyalty may also be influenced through the cognitive, affective, and conative antecedents. For convenience goods purchased frequently with minimum effort, attitude accessibility may be enhanced by repeating ads with distinctive brand recognition primes (such as package or logo). Attitudinal confidence may be bolstered by reminding consumers of the number of past occasions when the brand was purchased. Use of

scanner-based monitoring may allow a marketer to determine the past purchase frequency of a consumer. Such information, if favorable to the brand, may be communicated to the consumer through direct mail. In addition, evocation of a favorable emotional experience may be built in with the help of creative executional devices.

For specialty or shopping goods involving more deliberate processes, similar attention to confidence-building strategies (e.g., reminding an appliance purchaser of previous ownership of the same brand) or using appropriate testimonials may increase the strength of relative attitude. Awareness of switching costs in dealing with maintenance of multiple appliances may also be enhanced through a blanket coverage program including all products sold under a brand name. Where affective antecedents are relevant, as with self-expressive products such as fashion or perfume, advertising and in-store displays may be geared toward emotional identification with spokesmodels, symbols, such as country of origin, and arousal devices in environmental design.

In the case when conversion of no loyalty, spurious loyalty, or latent loyalty to brand loyalty is infeasible through actions based on antecedents, spurious loyalty may be encouraged by interventions based on the mediators. For a large number of consumer nondurables sold in supermarkets or drugstores, marketing resources may need to be directed toward aggressive trade promotions. Shelf space, tying discounts, strategically located displays, and special prices may precipitate repeat purchasing. Here, managing a firm's relationship with key retailers (such as that between P&G and Wal-Mart) may be instrumental in creating appropriate in-store conditions. For specialty/shopping goods, where perceived social norms may be influential, choosing appropriate retailers that employ salespersons with similar demographic and lifestyle characteristics as the consumer segment may be critical in affirming brand choice.

### Managing Service Loyalty

Perceived service quality is viewed as a key determinant of satisfaction with potential consequences for repeat patronage. Parasuraman, Zeithaml, and Berry (1985) suggested five underlying dimensions that guide overall quality assessment: tangibility, reliability, responsiveness, assurance, and empathy. Perceived quality, then, takes on similar characteristics as a cognitive evaluation, and market communications that enhance consumers' beliefs regarding these dimensions are likely to strengthen repeat patronage.

In addition, increasing attitude accessibility through frequent reminder ads (as with flyer or local newspaper insertions for a hairdressing salon or auto repair shop) may prime return visits. Confidence with a service supplier is often a key to loyalty, and reminding consumers of past purchases as well as potential switching costs may be critical in building or maintaining loyalty. If logs of patron visits are maintained (as with repair shops providing tune-ups, dentists offering periodic checks, and even restaurants

serving business luncheons), a service outlet could use periodic mailings to remind a customer of past patronage. In addition, postpatronage satisfaction could be managed through "thank you" notes or visiting customers to ensure that expectations have been fulfilled (especially for auto or electronic repair services). Sensitivity to switching costs may also be enhanced through innovative "point accrual" programs.

Where social norms influence patronage, inducements could be provided, such as discounts for bringing in friends/family. Introductions to health clubs or airline discount plans could also be similarly rewarded. Finally, capitalizing on situational influences could take the form of judicious selection of outlet locations.

### Managing Vendor Loyalty

After surveying diverse facets of customer-vendor relationships in industrial products, Jackson (1987) suggested that, unlike consumer goods, loyalty here often involves an "evolving pair of commitments by two parties over time" (p. 9). Substantial investments by a buyer (in terms of system specification, training, etc.) create high switching costs, especially when the purchased items are specially designed by a chosen supplier. There are, of course, industrial marketing situations that involve substantially lower switching costs, such as a straight rebuy of a standardized component sold by many vendors. Here, assessment of relative price, quality, delivery, and so forth may determine attitudes toward specific vendors, and subsequent repeat purchases. In addition, confidence in a vendor's capabilities to provide goods/services as contracted is likely to contribute to the vendor's loyalty status. Factors such as prior experience, perceived credibility, and consistency of message arguments are likely to enhance loyalty through their influence on confidence toward a vendor.

Whereas conative and cognitive antecedents may be immediately relevant, affective antecedents such as satisfaction may be a key determinant of repurchase. An industrial vendor may focus explicitly on customer satisfaction by providing regular on-site inspections, helping to maintain on-line supplies through interfacing with the buyer's inventory management program, updating technical specifications, and providing cost-saving advice. In addition, where social norms are operative, managing interpersonal relationships and creating industrywide networks may facilitate strengthening of the repeat-purchase relationship.

### Managing Store Loyalty

In the retailing literature, store loyalty is most frequently related to store image. The notion is that a favorable store image leads to store loyalty (Hirschman 1981). Mazursky and Jacoby (1986) have described three general factors of store image: merchandise-related aspects, service-related aspects, and pleasantness of shopping at a store. The above implies that both cognitive and affective antecedents are critical in the determination of an overall

store image (i.e., evaluation) and influence the degree of repeat patronage. Our previous discussion of switching costs would also indicate that for supermarkets that deal in large assortments of goods there may be considerable switching costs in terms of learning the layout of a new store, merchandise locations, and so forth. Such a conative aspect, then, may also serve as an antecedent to store loyalty.

A store manager may attempt to enhance attitude accessibility through repetition of a linkage between a preferred brand and his/her store (e.g., "purchase brand X in store Y"). Confidence in the store may be enhanced through periodic information feedback to the consumer regarding past patronage as well as by store policies that guarantee satisfaction through "merchandise return" or attractive warranties. Besides providing affective inducements through satisfaction, favorable emotions may be evoked during store visits through personalized services as well as by environmental layout and design.

Strategies for encouraging favorable word of mouth involving satisfied customers could be based on reward mechanisms. For certain specialty stores, this may assume similar forms as introduction services. Finally, locational aspects are often critical in terms of capitalizing on situational factors, such as proximity. For certain convenience stores for which relative attitudes are favorable, loyalty may be premised on the ability to obtain sites that provide advantages to shoppers in terms of time and effort.

As is evident from our discussion of brand/service/vendor/store loyalty, we have considered interventions appropriate for only those entities for which attitude strength is positive on an absolute basis and relative attitude is favorable (albeit high or low). It is, however, also common to encounter entities for which overall attitude is negative. Further, situational/normative factors may be negative as well, leading to disloyalty (or avoidance) among the target segment. The managerial challenge here is obviously to achieve trial and acceptance before moving toward repeat patronage and loyalty. Clearly, it is necessary to examine the segmentation/positioning decisions as well as each of the 4Ps to identify and remove causes for dislike. Once the brand is viewed at least in neutral terms, and situational/normative obstacles have been cleared, conditions for spurious loyalty may prevail. Achieving loyalty, of course, will require high relative attitudes, that is, basic changes in the brand's benefit delivery capacity.

## IMPLICATIONS FOR MARKETING RESEARCH

The customer loyalty framework posited here points at two general areas of research: measurement of loyalty status of an entity in terms of antecedent conditions, strength of the relative attitude-repeat patronage relationship, moderating variables and consequences, and specification of propositions involving key constructs, especially those that have hitherto not been validated in the context of loyalty as defined. Each of these will be described in the following section.

## Measurement

Measurement of the strength of the attitude-repeat purchase relationship, (i.e., the operationalization of loyalty) involves development of an index. Jacoby and Chestnut (1978) described several such indexes, including traditional scale measures of attitude and purchase frequency. These could act as a starting point in future efforts.

Within the attitude-behavior consistency literature, cognitive antecedents have been measured using a variety of indexes (see Fazio 1990). Although some cognitive antecedents such as confidence and centrality have been assessed through direct scale measures, a response latency approach has characterized determination of relative accessibility of brand attitudes in consumer memory. Regarding affective antecedents, such as emotions, several taxonomic inventories have been proposed. Of these, Izard's (1977) and Plutchik's (1980) scales, usually in the form of adjective checklists, have been used in consumer research. Holbrook and Batra (1987) proposed a 29-item emotion index. Mood states have been measured using different scales. Goldberg and Gorn (1987), for example, asked subjects to answer on a 1 (*sad*) to 5 (*happy*) scale after watching selected TV commercials. The manipulation of affect (emotions and moods) within an experimental context, however, requires careful attention to both stimuli as well as contextual dimensions (e.g., task instructions). In the context of loyalty, creative procedural designs are likely to be necessary to capture the longitudinal tracing of potentially affect-induced repeat purchase behavior.

Conative antecedents—perceived switching costs, sunk costs, and expectations—have not received significant research. Developing appropriate scales for measuring conative antecedents is likely to contribute to our understanding of loyalty. Alternatively, experimenter/expert judgments may be relied on in ascertaining the conative antecedents from respondents' self-reports.

Measurement of social norms as a moderator of the relative attitude-repeat patronage relationship could well be undertaken within the empirical paradigm of the theory of reasoned action. Perceived situational influences, on the other hand, may require careful delineation of potential purchase conditions and design of appropriate scaling indexes.

For consequences of loyalty, measurement of search motivation requires choosing of indices to include in surveys examining past purchases (see Urbany, Dickson, and Wilkie 1989 for an example). Alternatively, computer simulation-based experimental designs (such as the "Search Monitor," Brucks 1988) allow assessment of search intensity. Field studies seem appropriate for studying the effect of loyalty on word-of-mouth behavior. Such "naturalistic settings" are increasingly favored in studying freely occurring behavioral responses to marketing stimuli (Smith and Kluegel 1982) and involve creation of indexes based on observation or self-reports.

Finally, a simultaneous consideration of antecedents and consequences would involve an approach based on analysis of covariance structures (Jöreskog 1971). In such

an approach, it would probably be useful to define a loyalty environment that considers specific antecedents, consequences, and attitude-behavior moderators in hypothetical relationships.

## Propositions

A number of relationships involving antecedents, moderators, and consequences of loyalty may be derived from our suggested framework. Many of these have been validated within specific research contexts and may warrant replication with reference to the different loyalty forms as well as varying targets of loyalty (i.e., brand/service/vendor/store). We offer three sets of general propositions related to selected aspects of the framework that have not been studied. We hope they serve as starting points for building new theories.

### Product Class Effects on Loyalty

The extent of perceived differentiation among offerings within a market is likely to influence the degree of relative attitude toward a specific target of loyalty. When a consumer is unable to distinguish among offerings in terms of differential benefits, a satisficing rather than optimizing orientation is likely to prevail. This in turn may lead to purchases based on availability, price deals, or prominence (as in store displays). Opportunities for building loyalty may be consequently low.

- P1: All else equal, the lower the perceived differentiation among competing offerings, the less the likelihood of loyalty formation.

For certain consumer segments, consumption of a product class may relate intimately to value systems. Within these, attitudes toward specific offerings may be quite central, that is, strongly supported by beliefs and/or emotional connotations (Johnson and Eagly 1989). For product categories that are highly involving, the relative attitudes toward specific offerings are likely to contribute most to repeat patronage and be less vulnerable to situational changes.

- P2: All else equal, the higher the involvement in a consumption category, the greater the likelihood of loyalty toward specific offerings within that category.

For marketplaces that are volatile, in terms of frequent entries of new offerings with significant differences in the delivery of benefits, consumer expectations are likely to be sensitive to new information. Bases for formation of relative attitudes are also likely to be transient, leading to inadequate opportunity for loyalty toward a specific offering.

- P3: All else equal, the greater the perceived volatility of a market, the less the likelihood of loyalty formation.

### Brand-Specific Effects on Loyalty

A favorable attitude that is readily accessible may lead to repeat patronage (Smith and Swinyard 1983; also see Fazio 1990 for a discussion of accessibility). This may be so for both high relative attitude when loyalty exists toward the target and in the case of low relative attitude (albeit favorable) when social norms or situational factors additionally support a repurchase decision. On the other hand, in the absence of supporting social norms or situational factors, an inaccessible relative attitude may help perpetuate latent loyalty (when relative attitude is high) or no loyalty (when relative attitude is low).

- P4: All else equal, increasing the accessibility of a favorable relative attitude (high or low) is likely to enhance the loyalty or spurious loyalty for an offering.

When an individual's attitude toward an offering has a high degree of clarity, it may impact on his/her latitude of acceptance for other competing offerings (Sherif et al. 1973), leading to a reduction in the size of the evoked set during choice. The resulting narrowing of alternatives may enhance differentiation, leading to loyal repeat patronage.

- P5: All else equal, increasing the clarity of a relative attitude toward an offering is likely to enhance loyalty for the offering.

Increasing an individual's confidence in an offering is likely to enhance its probability of repeat purchase by strengthening the relative attitude (Berger and Swinyard 1988; Smith and Swinyard 1988). Such a bolstering may enhance loyalty and fortify it against social norms or situational effects to the contrary.

- P6: All else equal, increasing the confidence in a relative attitude toward an offering is likely to enhance loyalty for the offering.

It can be argued that the effects of attitude confidence, clarity, and centrality on the strength of relative attitude (and hence on loyalty) is mediated by attitude accessibility. In other words, enhancing confidence, clarity, or centrality renders a relative attitude more accessible in memory and leads to consistent repeat patronage. From both a process and a measurement point of view, attitude accessibility then becomes the immediate precursor to loyalty.

- P7: Increasing attitude confidence, clarity, or centrality is likely to enhance the accessibility of the attitude and, all else being equal, increase loyalty.

Similarly, evocation of a favorable mood in relation to an offering is likely to lead to mood-congruent retrieval of information favorable to the offering (Clark and Isen 1982). Such enhanced accessibility may in turn lead to repeat purchase of a brand or repeat patronage of a store/service.

P8: All else equal, evocation of a favorable mood in the context of an offering is likely to enhance retrieval of positive information leading to loyalty.

When individuals undertake repeat patronage of an offering as a function of strong relative attitude, they may possess little motivation to search for alternatives during similar purchase occasions. They may also exhibit resistance to persuasion from competitors. For spurious loyalty, however, where a strong relative attitude is absent, similar patterns of search motivation and resistance may be non-existent.

P9: When loyalty is supported by a strong relative attitude, a consumer is more likely to possess low search motivation for alternatives and/or strong resistance to persuasion from competitors than when a relative attitude is weak.

When a strong emotional experience or satisfaction underlies individuals' high relative attitude toward an offering, then in addition to repeat patronage, they may be disposed toward favorable word of mouth (Westbrook 1987). Such volitional evaluation/information dissemination, however, is less likely when only cognitive bases are operative in terms of determining a relative attitude.

P10: When loyalty is supported by a favorable emotional experience or satisfaction, consumers are more likely to engage in positive word of mouth than in the absence of such an emotional experience or satisfaction.

#### Transaction-related Effects on Loyalty

Where patronage behavior is sensitive to social influences, the relative attitudes of friends, family, colleagues, and so forth impact on the ultimate patronage decision of a consumer. If individuals who may influence the purchase decision hold different relative attitudes toward the offering, the consumer may be likely to patronize a variety of offerings, given, of course, a level of compliance motivation to these influences.

P11: All else equal, the greater the heterogeneity in relative attitudes among a set of individuals who might influence a purchase decision about an offering, the less the likelihood that a consumer will exhibit loyalty toward it.

Similarly, when situational factors have significant influences on purchase decisions, variations in these could impact on the loyalty status of an offering. If the availability of an offering varies over time or across outlets/locations that are normally frequented by a consumer, then repeated patronage may be disrupted. Likewise, frequency of price-based deals is also likely to precipitate in-store decisions and lead to an unstable patronage pattern.

P12: All else equal, the greater the variability in the availability of an offering, the less likely is loyalty formation.

P13: All else equal, the higher the frequency of price deals involving a competitive set, the less likely is loyalty formation.

## SUMMARY

The foregoing discussion suggests that loyalty is a complex phenomenon that warrants a more multifaceted conceptualization than has been attempted previously. The framework suggests that from a management perspective, attitudinal differentiation may be of equal importance to attitudinal strength, leading us to the development of the concept of relative attitude. For example, an implication of the first two cross-classifications is that a weak but positively differentiated attitude may be more likely to lead to loyalty than a very positive but undifferentiated attitude. Thus incorporating the notion of *relative* attitudes will likely lead to the increased predictive ability of loyalty models. Further, the framework points to the importance of situational influence and social norms as moderators of the relationship between relative attitude and repeat purchase. This has important managerial implications with respect to the appropriate locus of managerial attention (i.e., focusing attention on improving relative attitude or attempting to manage social and/or situational influences). Finally, the framework highlights the consequences of loyalty (e.g., resistance to counterpersuasion, search motivation, word-of-mouth communication) underscoring the long-term importance of the successful management of customer loyalty.

Broadening our view of loyalty to encompass relative attitude, underlying processes, and various contingencies as well as the characteristics of different loyalty targets (i.e., brand/service/vendor/store) provides the manager with a strong direction highlighting appropriate strategic alternatives. It is hoped that the effort contained in this article leads to further conceptual and empirical developments extending our knowledge in this area.

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