This paper examines the interaction between attitudinal loyalty and habit. Results from three studies suggest an interference between loyalty and habit. When a consumer has both strong loyalty and habit, the effect of habit dominates loyalty in determining the consumer’s response to marketing actions.

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EXTENDED ABSTRACT

When shoppers repeatedly buy from a business, it is often driven by two very distinct forces: loyalty and habit. The former refers to a deeply held, enduring commitment to rebuy from a business, and may encompass beliefs of product superiority, positive and accessible brand reactions, and a strong intention to continue buying from the business (Oliver 1999). As a key concept in relationship marketing, loyalty has been studied extensively in the marketing discipline. In contrast, the other driver of repeat purchase, habit, has received scant attention from marketing researchers. Most research on habit has arisen from behavioral, social, and health psychology. In these disciplines, habit is defined as a behavioral disposition in which past responses are triggered directly by associated contextual cues (Beatty and Kahle 1988). One important characteristic of habit is that contexts (e.g., time, location, etc.) function outside of awareness to cue performance of repeated responses or preference towards such responses.

Because of the parallel development of loyalty and habit research in different disciplines, few existing studies have examined loyalty and habit simultaneously, although both of these two forces can exert an influence on a shopper’s repeat buying decisions. One particularly important question missing from the literature is how loyalty and habit may interact with each other. In other words, when both loyalty and habit are present, what is the combined outcome of these forces? Do the two effects add up and reinforce each other, or is the mechanism more complicated? These are the questions we would like to answer in this paper.

Specifically, we examine the interplay between loyal and habitual forces in determining shoppers’ reaction to marketing actions. Although models of brand switching have long incorporated inertia into the study of brand loyalty (e.g., Jeuland 1979), it is largely a reflection of shoppers’ tendency to make the same brand choice across transactions without considering the theoretical origin of such inertia. Our paper represents one of the few efforts at integrating the habit literature into loyalty research, thereby offering a theoretical ground for the diverse responses repeat shoppers may exhibit toward marketing actions. Furthermore, by examining the interaction between loyalty and habit, this paper will represent an initial step toward recognizing and understanding the complex ways in which these two forces can affect shopper behavior. This will be a valuable addition to loyalty research and will deepen our understanding of the psychology behind shoppers’ repeat purchase behavior.

Considering loyalty and habit together could generate one of two possible and equally plausible effects on consumer responses. On one hand, loyalty and habit could have an additive effect, that is, positive consumer response to marketing actions such as sales promotion could be stronger when both loyalty and habit are present. This is because attitudinal loyalty and habit can lead to similar purchasing behaviors, despite the different ways in which they work. For instance, both attitudinally loyal consumers and habitual consumers may repeatedly purchase a brand, and that brand may claim a high share of wallet for both groups of consumers. Furthermore, as a consumer’s loyalty evolves from the early more effortful cognitive and affective stages to more behaviorally oriented conative and action stages, the consumer’s purchase behavior will become increasingly driven by habitual forces that are characterized by action inertia and high resistance to change (Oliver 1999). Given these close ties between attitudinal loyalty and habit, it is reasonable to expect that the two may reinforce each other or at least complement each other’s effects. Reflecting this view, the marketing science literature has often considered both idiosyncratic loyalty and inertia as additive forces in predicting consumers’ brand choice (e.g., Jeuland 1979; Roy, Chintagunta, and Haldar 1996). This literature shows that including an inertia effect in a brand choice model outperforms a model that only considers long-term loyalty effects (Jeuland 1979).

On the other hand, loyalty and habit could interfere with each other, that is, the positive effect of loyalty on consumer responses could be diminished when habit is strong. Studies of the habit-goal interface suggest this possibility. These studies show that habitual behavior is triggered via contextual cues in an automatic and effortless fashion (Wood and Neal 2007). Therefore, when a situation does not encourage or allow effortful processing, habitual responses are more likely to result than more conscious and effortful goal fulfillment. This explains the loyalty-habit interference because behavior as a result of loyalty rises through a chain of cognitive, affective, and conative processes (Oliver 1999). Feeling loyal does not necessarily translate into habitual behavior, but rather it requires an effortful implementation of loyalty intention into actual behavior. As a result, it is likely to be dominated by responses from habitual forces when such efforts are not made.

We conducted three studies to explore these two possible interaction patterns between loyalty and habit. Our results showed consistent interference between loyalty and habit over a variety of consumer responses, including reaction to brand-related marketing offers, resistance to alternatives in a stock-out situation, and tendency to engage in word-of-mouth. A fourth study is currently being conducted to examine the mechanism underlying such interference.

REFERENCES


