

The study impact of consumer personality traits on brand personality and brand loyalty (Case Study: product group of Isfahan Iran Khodro)

Dr. Hassan Ghorbani

Assistant Professor, Management Department, Islamic Azad University Mobarakeh Branch, Iran

Seyede Maryam Mousavi

MSC, Business Management, Islamic Azad University Mobarakeh Branch, Iran

Email: M_mousavi3436@yahoo.com

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Abstract

Considering the important role that personality traits and brand identity is playing in gaining advantage for companies against the competitors, these seem to be more important when customers be loyal to the brand. The purpose of this paper is to determine the relationship between personality traits of customers and personality and brand loyalty. The model of this research is presented based on Yalin model and in this research using 30-questions questionnaire, a sample of 150 customers of Iran khodro industrial group who selected randomly, were evaluated. Main idea of this paper is whether there is relationship between personality traits and personality? Whether there is relationship between brand identity and brand loyalty? This paper is application research and is from descriptive-measurement type of field branch. Content justifiability of the questionnaire was confirmed by the expert panel. Questionnaire validity based on the initial sample was $\alpha=.77$ and the model was tested by LISREL software. The results indicate that there is a positive and direct relationship between extroversion and excitement, conscientiousness and excitement, conscientiousness and competence, excitement and loyalty, competence and loyalty, sincerity and loyalty and ruggedness and loyalty and other hypotheses were rejected.

Key words: personality trait, brand identity, brand loyalty, brand value, customer

Introduction

Distinct brand identity plays a key role in the success of a brand. It leads customers to perceive the brand identity and develop a strong connection to the brand (Doyle, 1990). A brand identity should be shaped to be long-lasting and consistent. Besides, it should also be different from other brands and meet consumer's demands (Kumar et al., 2006). Hence, the consumers are like the brand spokespersons and become the basis for suppliers to build brand identity. With the specific brand identity, consumers of varying personality traits will be attracted and their brand preference will then be further developed. In addition, a company can maintain a good relationship with customers through its brand identity. Because brands have their own

particular identities, consumers may treat brands as real human beings. In this case, consumers will expect the people's words, attitudes, behavior or thoughts and so on to meet their respective personality traits (Aaker, 1996). Consumers may likely use the brand and products in line with their own personality traits, in other words, all the marketing activities are aimed at having consumers believe and recognize a brand identity, and reinforcing the communication between the brand and the consumer in order to enhance the brand's loyalty (Goverset al, 2005). Brand loyalty means purchase repeat that reason for this behavior is mental processes. In other words, purchase repeat is not merely an optional response, but it is result of mental, emotional and normative factors (Oliver, 1999). Brand loyalty was often measured simply only through purchase repeat in terms of behavior in the past while customer loyalty can be considered more widely rather than expressed by simple purchase behaviors (Keller, 1993). Brand identity has become a widely discussed issue in recent years. It has emphasized in many brands and products, including durables goods, consumables goods, entertainment and luxury goods, and so on (Kumar et al., 2006). Consumers may have their own preference for the brand and product in compliance with their brand identity and personality traits or their own concepts (Govers, 2005). Customer loyalty is vital for the success of business organizations because typically attract new customers is more expensive than retain existing customers and loyal customers are retained as a competitive asset, and one of ways to strength this is creating a sincere, suitable and strong cooperation between buyers and sellers. Brand should be able to capture the heart and soul of its audience. In today's world where markets are full of products that aren't physically very different from each other, creating the perfect identity for a brand can make a significant differentiation. Brand identity that distinguishes its identity and goals and offers tangible and friendly figure, is able to establish a rich and beneficial relationship with its customers and not only captures a part of their heart and mind, but also captures part of everyday life of consumers. We can reach to the customers loyalty through brand and retain loyal customers by it (Dick and Basu, 1994). This article introduces the influence of personality traits on the brand identity and loyalty. Then first, literature and history of conducted studies is mentioned, the research method is described in the next section, then the findings are presented and finally the overall conclusions and recommendations are presented. It should be mentioned that literature in this area suggests that any study has been done about relationship between personality traits with personality and personality with brand loyalty.

Literature

Organizations in Iran must gradually understand the need to customer and move to the identifying and satisfying customer needs and wants and looking for making loyal customer more than ever because attracting new customers is more expensive than retaining customers.

Personality traits

Many researchers of personality trait believe that personality traits are created by nature and are constant but many other researchers claim that personality traits are growing steadily and may even change although it may be a natural mood never changes. Individuals with different personality traits not only have different job performance but also evaluate the performance of a single person differently. Personality traits will provide a form of personal readiness to respond in the certain way. In fact, personality traits due to the influence on the

attitudinal variables, will affect indirectly human behavior. One of the most important factors in the development of attitudes is personality. Usually people with special personality have special attitudes that are consistent with their personality pattern. Personality of anyone is the major dimension and psychological structure which helps in the formation of life style (yalin, 2010). There have been various theories from the past to the present about individual differences and personality. But the personality area has been dominant with the five-factor model of personality Robert McCrae and Paul Costa during the past two decades. McCrae and Costa, with ongoing research in gerontological research center of the National Institutes of Health, "Maryland" and relying on a factor analysis, found five strong factors in identifying personality traits of human beings that each of these five factors are included six special features and in fact, five introduced factors can be called "super traits" (Hucznski&Bachanan, 2000). provided model by Robert McCrae and Paul Costa (1999), that are known as the five-factor model of personality or the big five, has divided personality to five dimensions including neuroticism, conscientiousness, extroversion, agreeableness and openness.

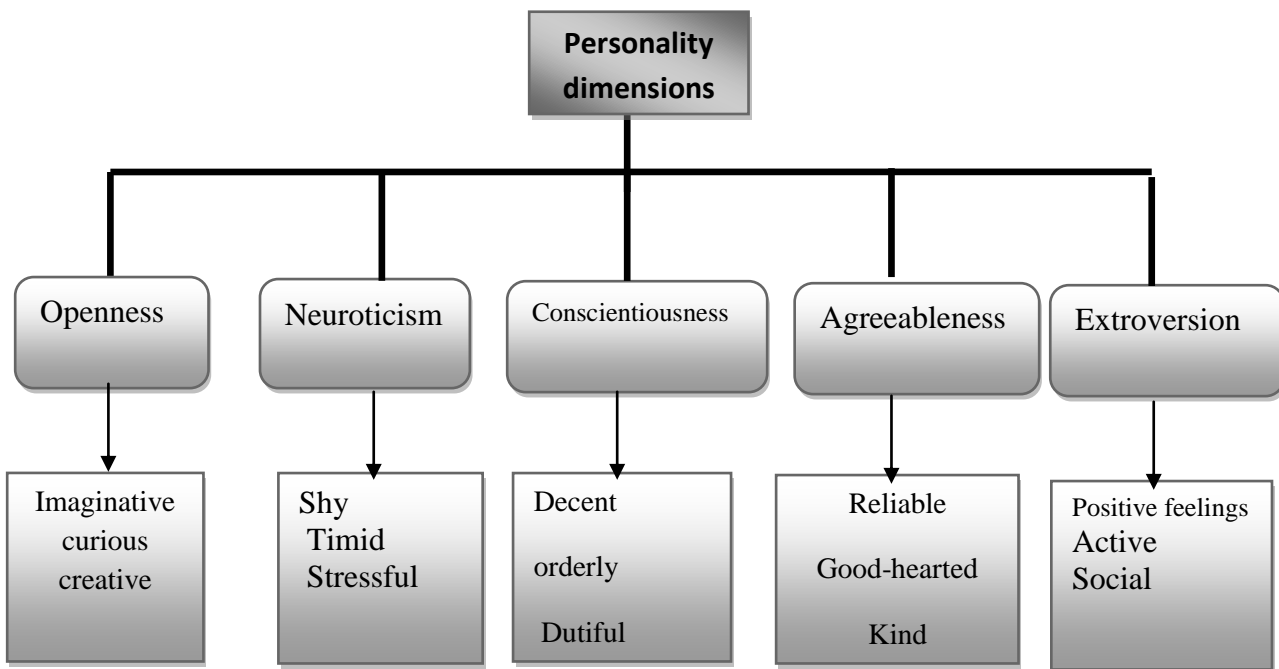


Figure 1 - Hierarchy of Personality

Source: George et al, 1999

Brand identity

Identity is a set of human characteristics associated with a brand. Brand identity mainly comes from three sources: the first source is the relation that consumers have with a brand, the second source is image that company is trying seriously to create it, for example, using a propaganda spokesman to create an image of the company. The third source is about product features, for example, product categories and distribution channels. Identity is a useful variable in the brand selection by a consumer. Brands selection by consumers is usually consistent with their personality. Consumers may feel complete attitude by strong and favorable brand identity (Kim et al, 2009). Although brand are non-human objects, but consumers often perceive them

as objects with human traits. It is possible to attribute human traits to brand because individuals possess transmittable traits that are transmission of human traits to inanimate objects on a regular basis. People have dedicated positive features to goods through anthropomorphism to enhance the sense of comfort and familiarity with the product and reduce the danger in its use. In this case, personality traits can be dedicated to brands. The brands with strong identity are associated with high levels of application and signification. Brands have their own identity so users may select products that are compatible with their preferences and personalities according to the perceived image of the product. A successful brand knows how to make a distinctive brand identity, so the consumer can simply understand the unique brand identity and then make a strong relationship with brand. Brand identity is including demographic traits such as gender, age and social class, and they may be directly or indirectly influenced by an image of the brand users, employee and product spokesmen. For instance, Marlboro is a cigarette brand more likely to be smoked by males because "macho cowboys" are the brand image built up by Marlboro. Mercedes cars tend to be driven by those in higher social classes because Mercedes shows an image of high quality and high efficiency. Human personality traits are specified by multidimensional factors such as individual behavior, appearance, attitude, beliefs, and demographic characteristics. According to trait theory, it can be seen that there are five stable personality traits, as well as the dimensions of the human personality are called "big five" (Yalin, 2010). "Big Five" are human personality dimensions including extroversion / introversion, consistency, awareness (Consciousness), emotional stability, and culture. Aaker identified new dimension: "big five" associated with the brand based on the dimensions of the human personality. These are sincerity, excitement, competence, sophistication and ruggedness. This pattern suggests that this brand identity dimensions may influence on the consumer preferences in different ways.

Jennifer Aaker using the theoretical framework for the classification of human personality traits in the field of psychology, focuses on this issue that how this framework can be used to classify the brand identity. Aaker conducted extensive research about the identification of personality traits that are often associated with brand for people. He examined personality dimensions with 114 traits to describe 37 different features and presented "Big Five features" pattern in the field of brand identity with classification of these features and inspiration of the "Big Five features" model in the field of human personality in the psychology. The researches that were done after it was confirmed that this model is also extended not only in the United States but also in other consumers with Western culture, but some of these dimensions are different in Asian and Latin culture (Sung & Tinkham, 2005).

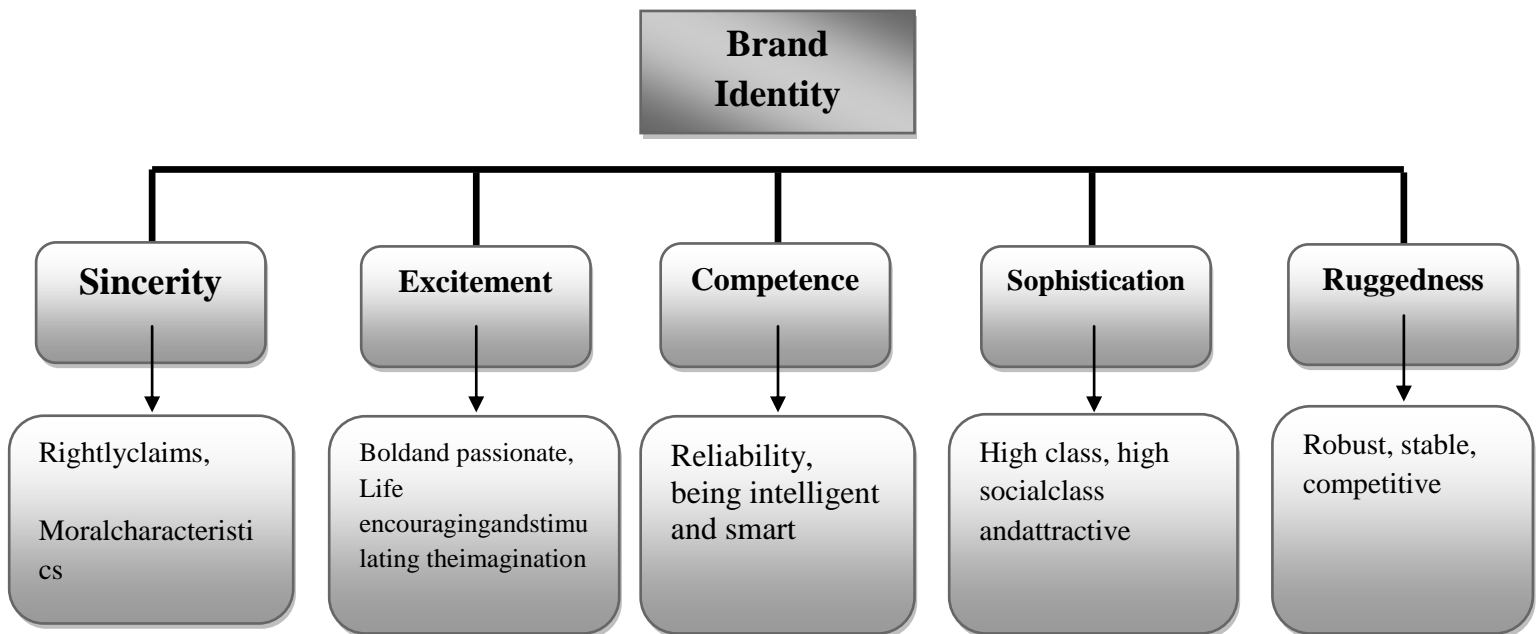


Figure 2 - Dimensions of consumer perceptions of brand identity

Source: Aaker et al, 2004

Brand loyalty

In terms of marketing strategy, it is important to consumer understand the brand buying patterns. In today's competitive market, customer retention for more survival and profitability is much more important than finding new customers. However, factors such as the limitations of available brands, information about them, similarity of many products, the demand for value and lack of sufficient time for finding desired brand will decrease brand loyalty in the many products. Loyal customers are customers that are completely satisfied with products and still continue to visit the company. Loyal customers are the foundation and infrastructure of the company. There is a full match between the needs of these customers and the products that the company offers. Loyal group are those who have experienced more than their expectations and so they are considered missionaries of the company. To build loyal customers, a company must discriminate; Purpose of this is not racial, religious, or sexual discrimination but is discrimination between profitable and non-profitable customers. Any company is not expected to have the same attention to profitable and non-profitable customers. Intelligent companies have defined consumers that are looking for them. These customers acquire most advantage of the company offers. Such customers are likely remaining loyal to the company. Loyal customers compensate with establishing long-term flow of funds and introducing new customers. High brand loyalty is mainly in the products that common solution is used in its purchase and their industry is in its adolescence and little change has occurred in them. In the case of durable goods such as televisions, although there may be too little loyalty to the brand, but consumers for buying the product again over four or more have forget a lot of things and have taught many new other things. The technological changes over the years between the repurchase, may also force him to evaluate newer models with different functions. In this case, he is forced to shape a new image of product and

extensive solution. Even during this period, the individual values may be changed and thus the consumer is searching for a new interest in the products. So, brand loyalty in the durable products will be decrease. (Haghgu, 1389).

Table 1 - Theories of Personality

Marketing effect on brand and individual behavior	Effects on Behavior	Examined factors	Year	Theorist	Theory	Row
The effect of the unconscious mind on buying and brand	Human motives are largely unconscious nature and many more consumer behaviors are rooted in them.	Based on the patient's early childhood memories, their dreams analyze, and the specific nature of the problems caused by physical and mental compatibility	1970	Freud	Psychoanalytic theory	1
Some marketers use neo-Freudian theories creatively. Marketers that localize their goods or services as an opportunity to join with others or to be accepted by others in the social group or environment are using neutral concept in the Horney's theory.	Social relations have fundamental importance in the formation and development of personality. People looking to achieve different rational goals.	Special attention to the efforts to overcome their sense of inferiority.	1980	Alfred Adler	Neo-Freudian Theory	2
	People constantly seek meaningful and valuable relationships with others.	Special attention to the efforts to reduce stress such as anxiety.	2000	Harry Stack Sullivan	Neo-Freudian Theory	3

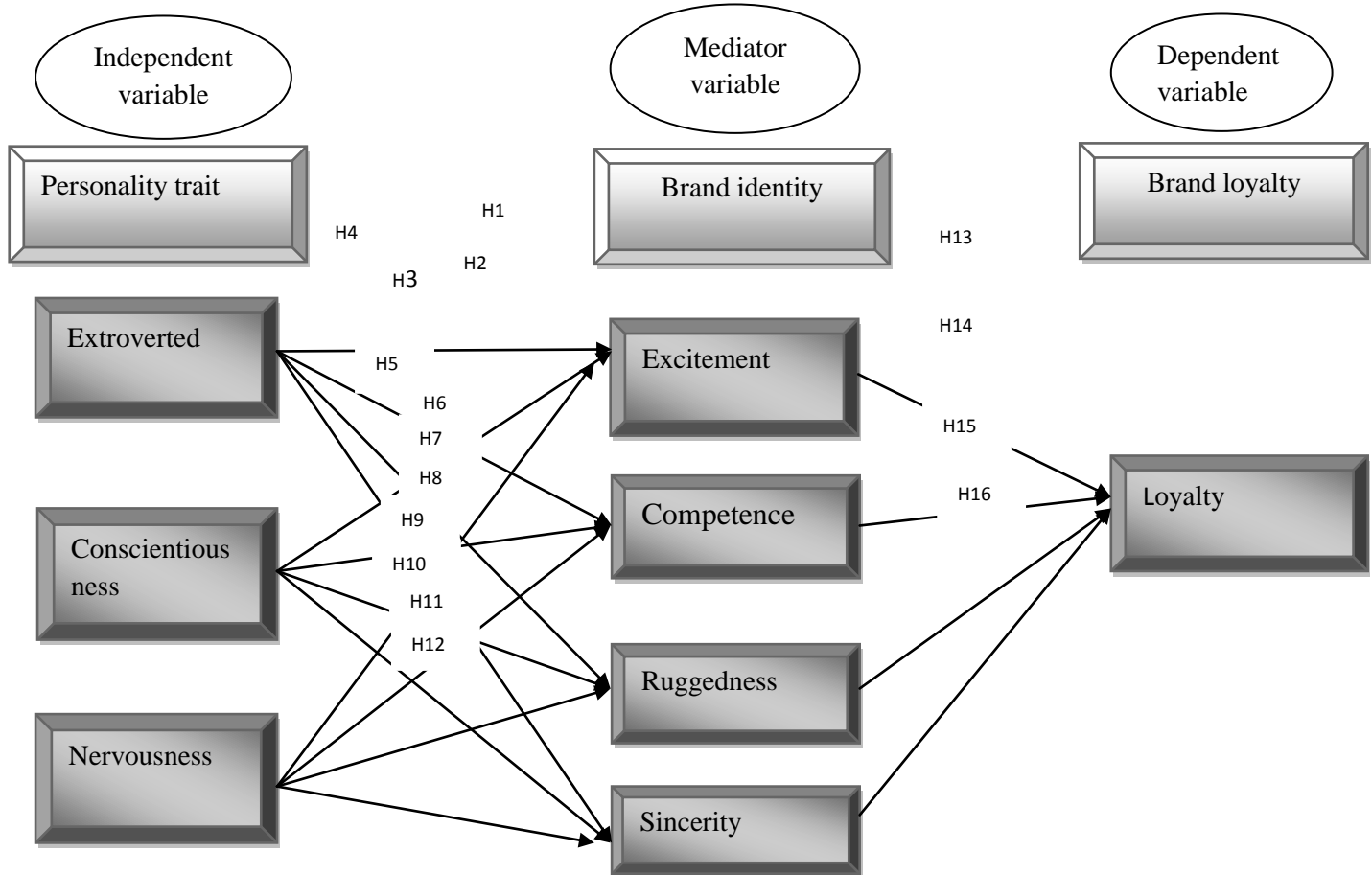
	<p>Three groups of compatible individuals who have a tendency to conformity with others. The attacker, who have tend to be different. Neutral who consider themselves apart from others.</p>	<p>To examine the relations of children - parents and a desire to overcome feelings of anxiety are discussed.</p>	<p>2006</p>	<p>Karen Horney</p>	<p>Neo-Freudian Theory</p>	<p>4</p>
<p>Introverted individual rely more on their own intrinsic value in new products evaluation and appears to be innovative consumer and marketer against these individuals should emphasize on product features and benefits and extroverted individual rely more on others so it is less possible to be innovative consumers and accept the messages that emphasize on the social or group attachment rather than ads content.</p>	<p>Try to detect individual differences in terms of specific characteristics that can recognize non-innovative consumers from innovative consumers by using innovate, dogmatism, being social, and....</p>	<p>Personality assessment based on psychological traits</p>	<p>1957</p>	<p>Astagdil</p>	<p>Personality trait theory</p>	<p>5</p>

Theoretical framework

According to previous studies and proposed hypotheses, conceptual model has presented based on sixteen hypotheses in the research conceptual model.

Based on this model, personality trait is including three-dimensional of extroversion, conscientiousness and nervousness, and brand identity is including excitement, competence, ruggedness and sincerity that overall has impact on the brand loyalty.

Figure 3: research conceptual model



Type of research

This study is applied research. Data collection method at different stages has been different. Library studies and internet resources has been used to develop the theoretical foundations of the research. In this study, the necessary data has been collected using a questionnaire to prove the hypothesis of research and relationships among variables. Statistical population has been normal based on Kolmogrov Smirnov test.

Statistical population, sample and sampling method

Customers of Iran Khodro Industrial Group are statistical population of this research. This company was selected because of the relatively high number of sales forces, relative competitive environment of this industry compared to other industries of the country. Sampling has been done through simple random sampling. Based on the number formula of limited size, 150 samples were calculated.

Tools and data collection method

The data collection tool is questionnaire that 11 questions for the personality traits, 15 questions for brand identity and 4 questions for brand loyalty has been considered. Four questions have been considered for demographic variables such as gender, age, marital status and education status. 150 questionnaires were distributed among the customers that 150 questionnaires were returned.

Reliability and Justifiability

The viewpoints of faculty and graduate students have been used to survey the justifiability of the research. Reliability was calculated by Cronbach's alpha of .77 according to the Table 2.

Table 2 - Amount of research's components reliability

Components	Average	Standard deviation	The Cronbach's alpha
Extroversion	3/42	./475	./74
Conscientiousness	3/764	./472	./78
Nervousness	2/516	./674	./73
Excitement	2/755	./575	./79
Competence	2/715	./434	./77
<i>Ruggedness</i>	2/686	./666	./74
<i>Sincerity</i>	2/715	./491	./75
<i>Loyalty</i>	2/485	./617	./77
<i>Total</i>			./77

Structural Equation Model

structural equation modeling was used to evaluate the proposed model. Fitness of the model was studied before discussing the structural coefficients. Coefficients and the relationship have been studied in Figure 4.

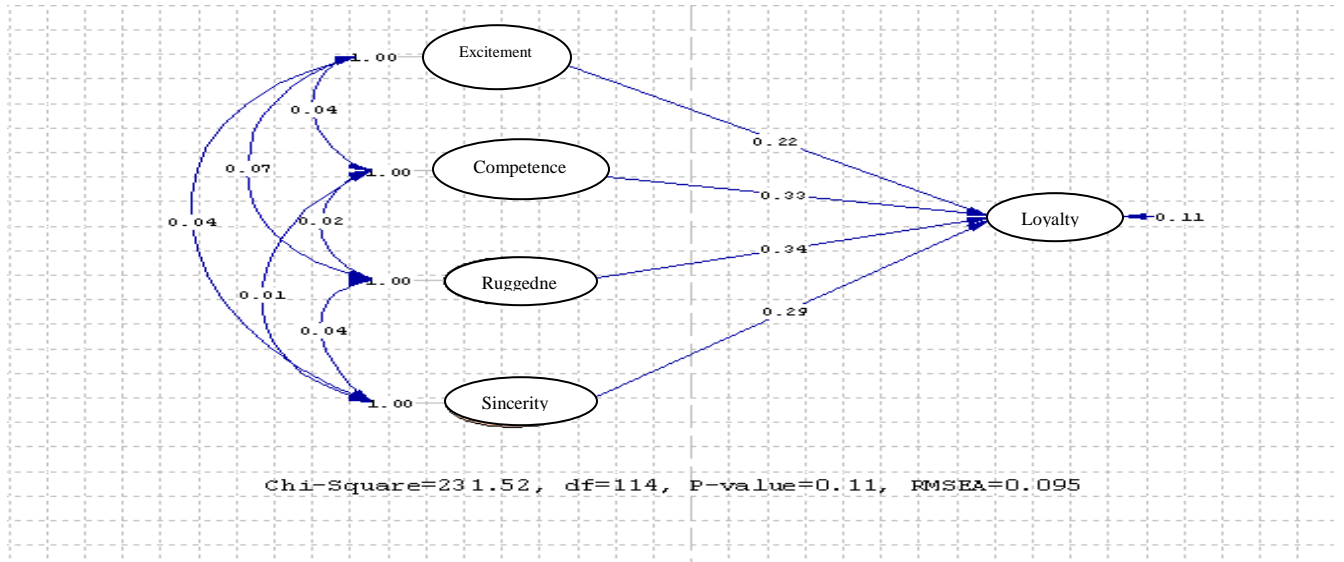


Figure 4 - Personality dimensions impact on the brand loyalty model

In Figure 4, independent variables respectively including, excitement, competence, ruggedness and sincerity and dependent variable is loyalty. Path coefficients for each variable has been shown in Figure. Based on the above model, ruggedness variable with coefficient 0/34 has most impact on the loyalty and excitement variable with coefficient 0/22 has least impact on the loyalty.

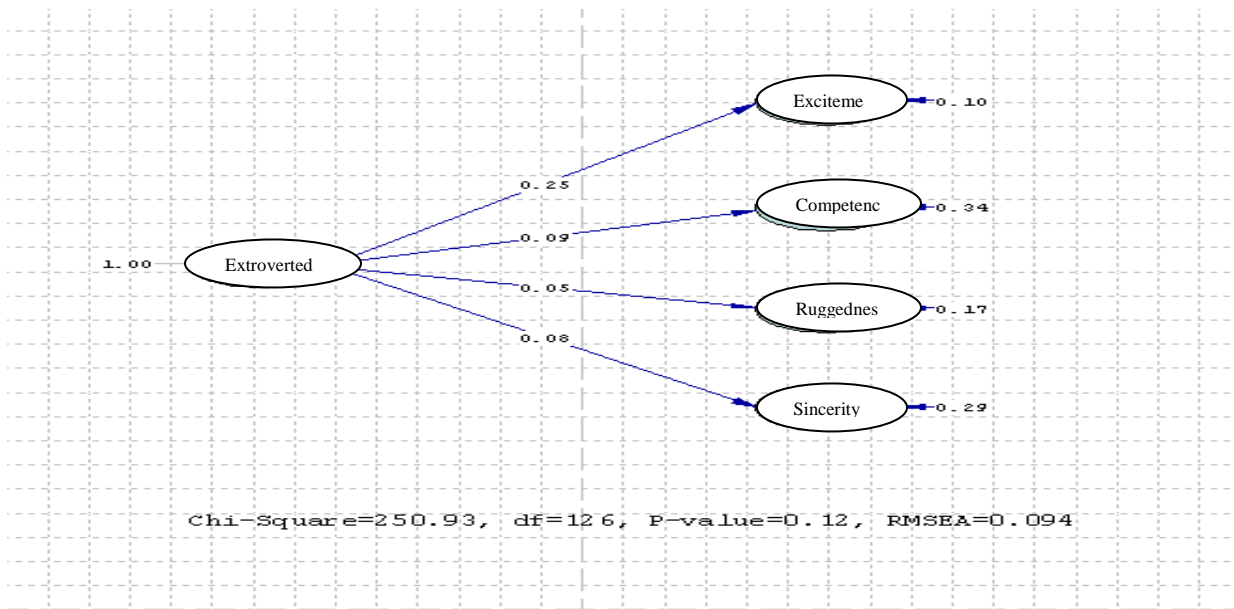


Figure 5 - extroversion impact on the brand identity model

In the figure 5, independent variable is extroversion and the dependent variables are respectively excitement, competence, ruggedness and sincerity. Path coefficients for each variable have been shown in Figure. Based on the above model, extroversion variable with coefficient 0/25 has the most impact on the excitement.

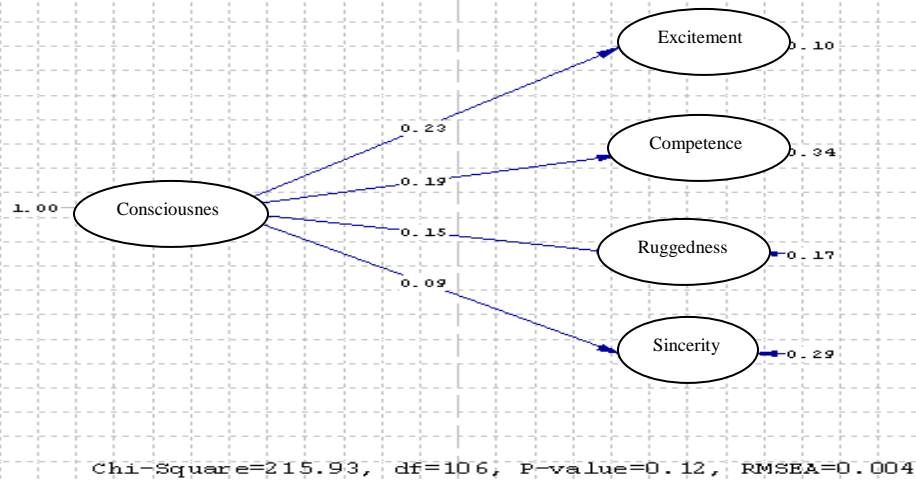


Figure 6 - Conscientiousness impact on the personality dimensionsmodel

In the figure 6, independent variable is conscientiousness and dependent variables are respectively excitement, competence, ruggedness and sincerity. Path coefficients for each variable have been shown in Figure. Based on the above model, conscientiousness variable with coefficient 0/23 has the most impact on the excitement and conscientiousness variable with coefficient / 09 has the least impact on the sincerity.

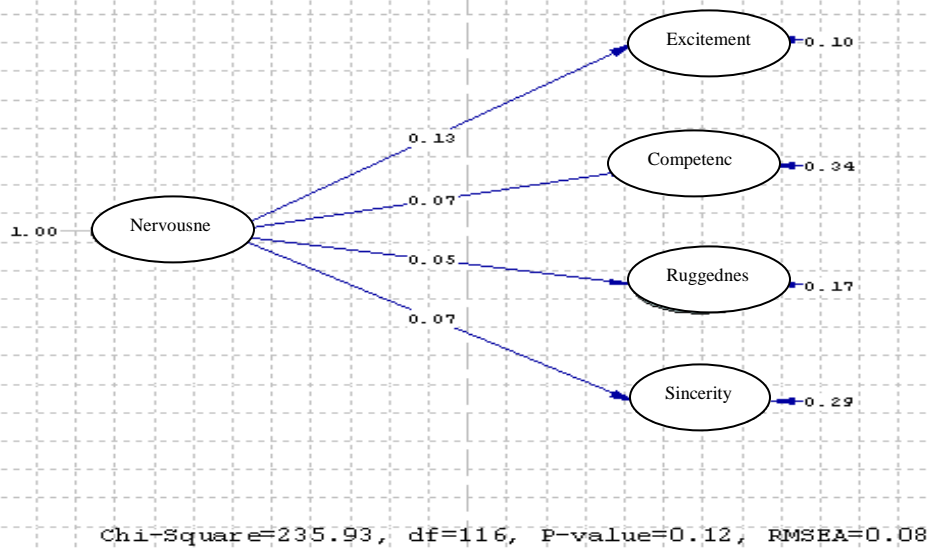


Figure 7 - nervousness impact on the personality dimensionsmodel

In the figure 7, independent variable is nervousness and dependent variables are respectively excitement, competence, ruggedness and sincerity. Path coefficients for each variable have been shown in Figure. Based on the above model, nervousness variable with

coefficient 0/12 has the most impact on the excitement and nervousness variable with coefficient / 05 has the least impact on the ruggedness.

Path coefficients and significant relationships and the results of the hypothesis approval or rejection has been shown separately in Table 2

Table 3 –the results of correlation coefficients and significant numbers of research model

Hypothesis	Of	To	correlation coefficient	Significant numbers	Result (approve or reject hypothesis)
First	Excitement	Brand loyalty	./22	2/01	Approved
Second	Competence	Brand loyalty	./33	2/41	Approved
Third	Sincerity	Brand loyalty	./34	2/43	Approved
Fourth	Ruggedness	Brand loyalty	./29	2/21	Approved
Fifth	Extroversion	Excitement	./25	2/11	Approved
Sixth	Extroversion	Competence	./09	./78	Rejected
Seventh	Extroversion	Sincerity	./05	./53	Rejected
Eight	Extroversion	Ruggedness	./08	./67	Rejected
Ninth	Consciousness	Excitement	./23	2/10	Approved
Tenth	Consciousness	Competence	./19	2	Approved
Eleventh	Consciousness	Sincerity	./15	1/88	Rejected
Twelfth	Consciousness	Ruggedness	./09	./96	Rejected
Thirteenth	Nervousness	Excitement	./13	1/65	Rejected
Fourteenth	Nervousness	Competence	./07	./23	Rejected
Fifteenth	Nervousness	Sincerity	./05	./21	Rejected
Sixteenth	Nervousness	Ruggedness	./07	./23	Rejected

Discussion

This study examines the impact of the personality trait on the brand identity and loyalty in thesfahan Iran Khodro group products. Findings suggest that personality trait of extroversion has a positive and significant impact on excitement that is consistent with the researches of Cho et al (2004) andMangsa (2007) which in their research, there is a positive and

significant relationship between the personality trait of extroversion and excitement too. Also there is a strong and significant relationship between personality trait of conscientiousness and excitement. The results of this study are consistent with the results of Cho et al (2004), Mangsa (2007) and Aaker (1996). In their research, there is a significant relationship between personality trait and excitement too. This research suggests that personality trait of conscientiousness has a significant impact on the competence. The results of this study are consistent with the results of Cho et al (2004). Review of this research indicates that there is a positive and significant relationship between brand identity and loyalty and as well as the excitement, competence, sincerity, and ruggedness and loyalty. The comparison of these hypothesis results is consistent with the study results of Matzlr (2006), Chowdhury et al (2001), Matzlr et al (2006), Chen and Chang (2008) and Aaker (2004).

Conclusion

Conscientious consumers prefer brands that have distinct identity. Conscientious people are very disciplined and responsible and choose brands that are responsible and updated. When customers are very satisfied with the company products, they will continue to visit the company and when there is a full compliance between the needs of customers and products that the company offers, customer loyalty to the brand will be increased and distinct services can make distinct brand identity in the minds of people rather than other brands. This paper will provide an overview of personality traits, personality and brand loyalty. Expressed content can be used in organizations as a basis for analyzing strategic activities. Iran Khodro Industrial Group's role in today's automotive industry is important. Therefore, it is important to investigate the factors that affect customer loyalty. The present study examined the impact of personality traits on the brand identity and brand loyalty. Hypotheses were proposed based on the subject and results showed that personality has impact on the brand loyalty. This study also has some limitations such as using questionnaires as the only measurement tools, impossibility of in-depth interview and a lack of cooperation by some of the customers. One of the research limitations is the period. Period of this research has been limited. Of course, the sampling period should be wide enough to take all the factors that can influence the behavior of organizations. For example, political and economic developments can have remarkable impact on the behavior and performance of organizations. Finally, it is suggested that these subject compare in different organizations and cultures and its results are compared with the results of this study. Some suggestions for future research in this field can be expressed as follows:

1. It is suggested that research be done on any other car manufacturer companies.
2. It is suggested that other factors affecting the brand identity also be studied.
3. It is suggested that other researcher to select some car manufacturer brand for comparison and examine disagreements between the different brand identities.
4. It is suggested that later researchers select variables and different dimensions and have more complete examination because there are many variables that can encourage customers with different personality to loyalty to the brand.

It is suggested that research be conducted in various industries. This study is the only empirical analysis of Isfahan Iran Khodro Company. Later researchers apply the model for other industries for further research; so the model can easily be adopted for other applications

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