

AU CONTRAIRE (7) The Commitment Illusion

Chuck Chakrapani, CMRP, FMRIA

"As managers, our biggest mistake is believing that, in general, consumers care a lot about our brand. They do not."

Patrick Barwise and Sean
 Meehan, Simply Better, 2004

Marketers seem to take comfort in the belief that consumers are passionate about the brands they buy. Marketers also tend to believe that their brand has significant meaning to consumers. It is even suggested that a commitment to a brand is like a commitment to a spouse. Many elaborate

research models have been woven out of this unexamined belief system. Commitment is often touted as the basis for predicting loyalty.

Is it?

If commitment is so fundamental to buying, then, by and large, we need to believe the following propositions as well:

- We cannot predict repeat-buying behaviour if we don't also have a measure of commitment.
- The commitment measure has to be attitudinal, since it is a psychological construct.
- Except where a consumer doesn't have a choice, it is

commitment that would lead to (behavioural) loyalty.

There is evidence that is overwhelmingly contradictory to all these propositions. In a large number of cases, consumers' repeat-buying behaviour can be predicted well without any reference to consumer commitment.

Loyalty vs. Commitment

To make things clear, let us first define loyalty and commitment. Loyalty is simply the act of repeat-buying a brand. Loyalty does not necessarily assume what goes on in a consumer's mind. A special case of loyal consumers is captive consumers. They buy the same product or service over and over again because they have no choice. For example, a consumer may shop at Sears because that may be the only department store that is within her shopping area.

Commitment, on the other hand, posits that loyalty is a conscious choice. For example, if I eat a brand of oatmeal every day, no matter why, I am loyal to that brand. If I eat oatmeal every day *because* I like *this* brand of oatmeal or trust the company that makes this brand or *because* I like the taste of this brand or *because* of some similar reason, and

therefore want to continue buying this brand of oatmeal, then I am committed to this brand.

All loyalty is not commitment. Loyalty is a fact; otherwise, we are unlikely to have different brands with different market shares. Commitment is a different story.

The Illusion of Commitment

Consumers often tend to be loyal to a few brands. This loyalty is often interpreted as conscious commitment to a brand. Elaborate models are designed to capture the level of commitment a consumer has to a brand. The proof? When you ask consumers why they bought a particular brand, they can always come up with reasons. If you ask consumers how committed they are to a brand, what they indicate would be the level of their commitment.

Such proofs overlook the fact that people are largely unaware of the reason for their actions (John Bargh, *The Automaticity of Everyday Life*, Routledge 1997). But if you ask them, they can always give reasons in retrospect as to why they did what they did.

"Most managers ...
like proud parents ...
tend to overestimate
the importance of
their company to their
customers."

— Timothy Keiningham et al., Loyalty Myths, 2005 Research studies published in peer-reviewed journals (many of them already cited in earlier articles in this series) show that consumers' repeat-purchase behaviour can in fact be predicted with the use of mathematical models that do not use psychological constructs such as commitment

to a brand. The lack of relevance of the commitment construct to repeat-buying behaviour comes from the field of psychology itself, although the evidence is scattered over different journals in articles published over the past six decades, as noted in the following paragraphs.

We will briefly review a few research studies which show that loyalty often comes about as a result of our automatic behaviour or as a result of our lack of interest in a brand.

Loyalty as Automatic Behaviour

Much of human behaviour is automatic (John Bargh,1997, cited earlier). After a long day at work, we get into the car and drive home. We stop at stop lights, yield to pedestrians, avoid near collisions, and yet we may not be aware of doing all this. Sometimes we may even wonder how we got home. We tend to sleep on one side of the bed, prefer to take one route over another, even though there is no apparent reason

for the preference. Such habits dominate much of human behaviour. Most of us are not *committed* to sleeping on one side of the bed or *committed* to taking one particular route. Yet our automatic behaviour or habits may give the illusion that we are.

Does this well-documented phenomenon of automaticity apply to brand behaviour? Do people develop buying patterns based on automatic behaviour that looks like commitment but has nothing to do with it?

These questions have been answered by psychologists over the years. Researchers R.E. Nisbett and Timothy Wilson ("Telling More Than We Can Know: Verbal Reports on Mental Process," *Psychological Review*, 84[3], 1977) set themselves in a mall and asked passersby which one of the four unbranded stockings displayed they preferred. Although the consumers did not know it, all four pairs of stockings were identical. To the investigators' surprise, they found that consumers consistently preferred the right-most pair – by a four-to-one margin. Consumers exhibited a "brand preference" when presented with identical products, based presumably on some random cues.

But do such random "brand preferences" extend to brand loyalty in a way that may be interpreted as commitment to a brand? Interestingly enough, this question was answered way back in 1964, in the very first volume of the *Journal of Marketing Research* (1[3], pp. 32–35), by W.T. (Tommy) Tucker in a paper called "The Development of Brand Loyalty."

Tucker invited 42 women to participate in an experiment for twelve days. Each day, the women were asked to choose a loaf of bread from four "brands" placed on a shelf and identified only as L, M, P or H. The positions of the brands were rotated each day. The loaves were packaged identically, and in fact they were identical products produced from the same commercial oven. Yet the women quickly started favouring a certain "brand" over the others and preferring the brand that was placed in a particular position (e.g., on the right side of the tray). Even though the four "brands" were identical, consumers quickly developed "commitment" to a brand, presumably based on some trivial cues.

The observed commitment was nothing more than an expression of automatic behaviour, which most humans use to save time and effort.

Loyalty Changes as Responses to Changing Cues

When do consumers change brands? Do they change brands when their level of commitment to a brand changes, or

"Habitual usage accounts for the predictability of revenue streams and the tremendous value of many big, established brands."

Patrick Barwise and
 Sean Meehan, Simply Better

when they are confronted with different cues? If consumers are committed to a brand, then changing environmental cues should have little influence on what brands they buy. The evidence points to the contrary.

Alan Anderson ("Life Status Changes and Changes

in Consumer Preferences and Satisfaction," *Journal of Consumer Research*, 11[3], 1984) interviewed hundreds of consumers and asked if they had changed their usual brands in the last six months. He also asked if they had been exposed to any major life changes (e.g., jobs, getting married, moving house), positive or negative, during the same period.

Anderson found that the more life changes consumers were exposed to, the more they changed brands. The fact that changes in life status result in changes in consumer preferences has since been confirmed by other studies (e.g., Anil Mathur, George P. Moschis, & Euehun Lee, "A Longitudinal Study of the Effects of Life Status Changes on Changes in Consumer Preferences," *Journal of the Academy of Marketing Science*, 36[2], 2008).

These results suggest that, contrary to the commitment hypothesis, major life events such as marriage or employment expose a consumer to different situations. Exposure to different situations provides different external cues (different stores, a different companion while shopping, etc.), which in turn lead to different brand choices.

Loyalty as a Result of Lack of Interest in a Brand

What brand of table salt do you buy? I checked mine, and it was Sifto. I also realized that it is pretty much the brand I usually buy. I buy the same brand every time *because the brand of table salt I buy does not matter to me*. This is in fact the case with many low-interest categories. Consumers buy the same brand because they are not interested enough in the category to evaluate the alternatives.

If I am an infrequent user of laptops, and the Dell I have been using has been good enough, I buy it again. Not because I am committed to Dell, but because it has been delivering the benefits I seek and I'm not interested in the category enough to explore further.

What may appear as commitment to a brand is in fact a general lack of passionate commitment to a brand. This behaviour is especially common for products that are seen as commodities, such as sugar, salt, matchboxes, ballpoint pens, and many other frequently bought products.

This is not to say that commitment to a product does not exist. In some product categories, such as coffee and fashion items, there might indeed be commitment to a brand among some consumers. In many categories, we may find 20 per cent or so of sole-brand buyers. Some of them may actually be committed to the brand. But, in general, commitment to a brand is nowhere near as universal as proponents of commitment models would have us believe. What appears as strong evidence of commitment, in most cases, is no more than an expression of automatic behaviour or the buying pattern of those who are only marginally interested in choosing a specific brand.

Brand 'Polygamous' Consumers

For reasons such as the ones described above, consumers tend to gravitate towards "preferred brands," the ones that they buy more frequently. If, as we have been discussing, loyalty is more a case of habit than of commitment, consumers would have no difficulty buying an alternative brand when their

"Predicting consumer loyalty is closer to quantum physics than it is to matrimony. As in quantum physics, probabilities dictate the likelihood that a particular outcome will be observed."

Timothy Keiningham et al.,Loyalty Myths, 2005

current brand is less readily available, when there is a price promotion, or when they are attracted by point-of-purchase materials.

In other words, consumers in a given category would buy more than one brand in any given time period. Drinkers of Budweiser will sometimes drink Steam Whistle; visitors to McDonald's will sometimes go to Burger King; people who shop at Walmart will also shop at Target.

Observation of our own behaviour and those of others will confirm that consumers often buy brands other than the ones that they use most often because

- a competing brand is on sale
- a competing brand appears to provide better value
- a purchase occasion (such as visiting guests) dictates a different brand
- the regular brand is unavailable
- we would like to try something different.

As a matter of fact, almost all consumers, in almost all categories, buy multiple brands. We have already seen some data ("The Unbearable Lightness of Buying," *Vue*, October 2012) which show that most consumers are not sole buyers of a product, that is, less than 100 per cent loyal. Research shows that people are loyal to a brand (buy it more than others) but are not "committed" to it (they buy other brands as well). As Andrew Ehrenberg and John Scriven ("Polygamous Brand Loyalty," Marketing Learning 1, The R&D Initiative, South Bank University, London, 1997) put it, consumers are not committed to a brand but are "polygamous." Loyalty is very common, commitment much less so.

Exhibit 1 provides an example of multibrand buying (taken from John Bound, *User's Guide to Dirichlet*, Marketing Bulletin, 2009, available at http://marketing-bulletin.massey.ac.nz/V20/MB_V20_T2_Bound.pdf). The data are for coffee, but similar patterns have been identified for several categories.

Exhibit 1. Category vs. Brand Buying

Brand	Purchases per Buyer	
	Brand	Category
Folgers	3.2	6.4
Maxwell House	3.3	6.9
Taster's Choice	2.8	6.4
Nescafé	2.7	7.3
Sanka	3.0	7.9
Maxim	4.5	8.3
Average	3.0	6.8

From exhibit 1, we note that, although average buyers of Folgers bought coffee 6.4 times during a given period, they bought Folgers only 3.2 times. In other words, buyers of Folgers bought one or more other brands during this period about as frequently as they bought Folgers. Similarly for other brands.

Very few buyers are committed to a single brand. A typical customer of almost any category buys more than one brand. The average number of brands bought by a consumer varies from category to category and depends on the length of time over which the buying behaviour is observed. But the pattern of multibrand buying can be observed in almost all categories.

Researchers Allan Baldinger and colleagues ("Why Brands Grow," *Journal of Advertising Research*, 42[1], 2002) examined 353 brands in 21 categories over a five-year period. About one-third of all brands examined by them registered *an increase or decrease of at least 50 per cent* during this period. About one-half of smaller brands lost or gained 50 per cent. A similar pattern was found for 20 per cent of larger brands.

The Bottom Line

Consumers are brand polygamous, and their loyalty is predictable but not static over time. Their loyalty needs to be earned on an ongoing basis.

Customer loyalty to a brand comes about from a number of sources: habitual buying, indifference to a brand, consumer life cycle, and so on. It is manifested as the consumer buying probability of a given brand. Consumers are brand polygamous, and their loyalty is predictable but not static over time. Their loyalty needs to be earned on an ongoing basis. In an attempt to capture customer loyalty, some researchers proposed that customer loyalty or lack thereof can be expressed as commitment to a brand. Research studies show that while consumers may have some level of commitment to brands in some categories, it is likely a minor factor in buying most products and services for a majority of customers. Given the state of knowledge of buyer behaviour, commitment can be seen as a superfluous concept in understanding customer loyalty. For greater clarity we should look elsewhere.

Dr. Chuck Chakrapani, PhD, CMRP, FMRIA, is president of Leger Analytics. He is also a distinguished visiting professor at Ted Rogers School of Management at Ryerson University, until recently, the editor of American Marketing Association's Marketing Research, and a member of the board of directors of Marketing Research Institute International, which, in collaboration with the University of Georgia, offers the online course "Principles of Marketing Research." He is a fellow of the Royal Statistical Society as well as of MRIA and has authored over a dozen books and 500 articles on various subjects.