A Study on the Influence of Consumers’ Participation in a Brand Community on Purchase Intention

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ABSTRACT

Brand community has been a topic of interest in recent years. Taking part in a brand community and interacting with other members within it will lead a consumer to change his sense of belonging, his recognition of the brand, and his perceived risk. The results of this study show that the customer’s participation in the brand community have a positive influence on a customer’s belongingness within the brand community, while it has a weakening effect on his perceived risk. Brand recognition shows a positive effect on his belongingness within the brand community and his purchase intention, but it has a weakening effect on his perceived risk. The belongingness of the customer within the brand community has a positive influence on his purchase intention; however, his perceived risk weakens his purchase intention.

Keywords: participation in brand community, brand recognition, belongingness, perceived risk

INTRODUCTION

Brand community is an aggregate of various consumers’ similar purchasing ideas and behavior. It is also a congregation of those who have the same preference toward a certain brand, the members of which discuss, participate in activities, and pass information, thereby forming a specific brand community. In the past, when Internet usage was not yet common, the existence of brand communities was limited by regions and information restrictions. However, these limitations did not prevent one from being affected by the attraction of brands and from searching related information, as well as participating in communities that had associated with the brands. Today, the widespread use of the Internet reduced the restrictions on information dissemination. More individuals are now able to take part in the communities they are interested in. They can form various communities and groups on the Internet, as well as create numbers of circulations of knowledge and information. Through a series of interactions and information sharing, the members in the same community establish their unique community belongingness, which is similar to social recognition. The interactions, communications, and effects between members in a community will create many unexpected innovative and original ideas. Hence, the rise of the brand community and its influence on consumers are the topics mainly explored in this study.

THEORETICAL BACKGROUND AND RESEARCH HYPOTHESES

Virtual Community

The virtual community is a community with affectivity, where the interaction affects emotions and experiences. The essence of the virtual community lies in the fact that new technologies have been adopted in its expression mode and application. The difference between the virtual community and the real one is that for the virtual community, the inducement for congregation is generated from the information accumulated by the community. The attraction of the content is the reason that drives more people to join the virtual community and become permanent members. The more members the community has, the more the content is created with which the community will attract more members. Wasko and Faraj (2005) find that one of the motivations to get involved in the virtual community is to have an exchange of knowledge, namely, to carry out the behavior of sharing and gaining. Members of the virtual community have different requirements in that each member has his own motivation for participation. Different requirements (e.g.,
information, psychology, emotion, and all other interactions) of the users are usually met in different kinds of communities.

Brand Community

The concept of brand community has been constantly evolving due to the relationship between the customer and the special brand. Susan (1998) thinks that it should be explored further and should not be limited to the binary relation between the brand and the customer. He states that it should be understood through associative relationship (or partnership) and the mutual influence of the overlapping situations between the customer and the special group. The value of the brand community has been given attention by scholars in recent years (McAlexander, Schouten & Koenig, 2002; Muniz & O’Guinn, 2001; Muniz & Schau, 2005). Brand community is a group of a series of relationships shaped by the customers who are fond of a specific brand. What is particularly distinct is that the brand community is one that overcomes geographic restrictions founded on the set of social relationships based on the interest (or adoption) of a specific brand (Muniz & O’Guinn, 2001). Bender (1978) states in his study that the network of social relationships should be the link established based on interrelationships and the emotion, which is in correspondence with the concept of the community, known in the analysis of social network by many former scholars.

Recognition and Belongingness Within the Community

Nahapiet and Ghoshal (1998) contend that relationship capital should be the emotion link between individuals, which occurs and exists when the individual has a high recognition of the community. Wellman and Gulia (1999) propose that the shared belief or belongingness is a necessary sociological factor for the congregation of the community, while in the virtual network this pattern of online aggregation is also coming into being. Past studies show that one can increase recognition of the community through frequent interaction, which will make one feel that he should assume some responsibilities for the community (Coleman, 1990). Wasko and Faraj (2005) think that sharing the group’s motivation is the responsibility of every member of the community. Moreover, it is found that a person will share his own knowledge to motivate others by giving positive feedbacks as dictated by his moral responsibility. Through knowledge sharing each person expects that one is able to solve the problems of others as his own problems are addressed at the same time (Rheingold, 2000). Social recognition is a process whereby a person who joins the virtual community is identified, recognized, and granted the opportunity to interact with the members (Ashforth & Mael, 1989). McMillan and Chavis (1986) propose the theory of community consciousness in the discussion of the community’s cohesion: the major reason for the community’s unity, cohesion, and attraction for others to take part is the consciousness which formed within the community. This is because of their interest and geographical relationship to form such a community.

Perceived Risks

Dowling and Staelin (1994) defines “perceived risk” as “the perceptual behavior of the overall negativity generated from a series of the negative results and the chance of the actions that may produce these results through weighting by the customers.” “Perceived Risk” is an evaluation of a certain conditional risk and is also the degree of risk that can be sensed and tolerated by the customer. It determines the corresponding strategy which the customer will use to purchase a product. However, it is important to note that the risk subjectively felt by the customer is the real index for the purchase decision. Dowling and Staelin (1994) explain that perceived risk can affect the customer’s purchase intention on the net, and that the higher the former is the lower the latter will be. Bansal and Voyer (2000) state that during the process of purchase decision-making, the customer will be affected by the perceived risks, and that the higher the risks are, the more information the customers will gain from word-of-mouth. Based on the background of previous literature, the research framework proposed by this study is shown below, which mainly discusses the influence of brand recognition and the degree of the participation and belongingness in the brand community. It will also be shown that brand recognition will impact customers’ perceived risk and purchase intention. Finally, the paper will explore the influence of belongingness and perceived risk on the purchase intention.
Relation Between Participation and Belongingness Within the Brand Community and Between Perceived Risk and the Purchase Intention

Kazmer, Haythornthwaite, and Shoemaker (2000) consider that a sense of belonging is beneficial for knowledge sharing in the community. The members will be more willing to spend their time to share information with other members. Richins and Bloch (1986) points out that the customer will collect the corresponding information because of the effect of the set goal. Hence, involvement can be viewed as the final motivation for the customer to participate in the virtual community. According to Fiore, Jin and Kim (2005), interaction within the Website is what causes attraction and maintains customer loyalty to purchase online, because the interactive mechanism cannot only save the cost for the user to search or purchase or lower perceptual risks, but can also make the user feel a heightened sense of involvement as they partake of the benefits gained from the interaction. Based on the previous literature and inference, the hypotheses are presented as follows:

H1: The more the customer is involved in the brand community, the more sense of belonging in the brand community he will achieve.

H2: The more the customer is involved in the brand community, the less will be the perceived risks.

H3: The more the customer is involved in the brand community, the more his purchase intention will be considerably increased.

Relation Between Brand Recognition and Belongingness Within the Brand Community, and Purchase Intention

What the brand brings for the customers is not only the function or benefit, but also many other symbolic meanings, such as emotions, associations, self-affirmation, and identification from peer-groups (Aaker, 1996). Past studies indicate that a consumer will increase his recognition in the community through frequent interactions, while at the same time, this will make him feel that he should assume some responsibilities for the community (Coleman 1990). Aaker and Keller (1990) propose that the customer buy popular products based on brand recognition, which, to a certain extent, is interrelated with the customer’s self-concept. The emotional social recognition in the community will facilitate the loyalty and the advent of citizenship behavior (e.g., Bergami & Bagozzi, 2000). Based on the previous literature and inference, the hypotheses are presented as follows:

H4: The recognition of the brand is positively related to the sense of belonging within the brand community.

H5: The sense of belonging within the brand community is positively related to the customer’s purchase intention.

Relationship Between Brand Recognition, Customer’s Perceived Risk, and Purchase Intention

The customer can likewise obtain symbolic and experiential benefits from the products and the brands (Belk, 1988; Keller, 1993). During the process of symbolic consumption, the customer often makes the selection based on
perceptual preference, and focuses on the symbolic significance of the famous brand. The demand for such product stems from the need to uplift one’s self-image, role and status, sense of belonging within the community, and to distinguish one’s self from others (Park et al., 1986). It can be found in the studies Blakett (1991), the customer’s recognition of the brand has a positive influence on his loyalty and purchase intention, which indicates that the more the customer recognizes the brand, the better the results of the enterprise’s marketing effort will be. The customer is inclined to use the brands similar to his own personality or those similar to his expectations (Sirgy, 1982), and based on the previous literature and inference, the hypothesis is presented as follows:

**H6**: Brand recognition is positively related to the customer’s purchase intention

Smith and Park (1992) state that when the customers in a targeted market are lacking in relevant knowledge related to augmented product categories, they tend to evaluate the augmented products depending on the popularity of the brands, since the perceived risk of purchase is high. Dodds, Monroe, and Grewal (1991) hold the opinion that the better the brand image is, the better the quality of the product will be as believed by the customer. The customer’s purchasing behavior will thus be based on his perception of the brand (Low and Lamb, 2000). The brand image can affect the customer’s view about certain enterprises as he purchases products from those with a better image. As a result, reducing consuming risks and uplifting image can result in the customer’s loyalty and favor, and accordingly, the prompt sales of the commodities. Romaniuk and Sharp (2003) think that positive brand image and perception can enhance the customer’s purchase intention. When a customer has a high perception or recognition of the brand, he will have more faith and recognition in this commodity as he makes the purchase.

**H7**: the recognition of the brand is negatively related to the customer’s perceived risk.

Srinivasan and Ratchford (1991) find that experience in purchasing the product influences the behavior of information searching. If the former experience is negative, then the volume of the information to be collected may increase. Risks in the process of customer’s purchase decision-making cannot be avoided in that when the perceived risk is high, then the purchase intention is much easier discouraged (Garretson & Kenneth, 1999). Sheth and Parvatiyar (1995) point out that once the customer holds a higher perceived risk toward the future decision, he is inclined to preserve his loyalty to the original seller. Based on previous literature and through inference, the hypothesis is presented as follows:

**H8**: the perceived risk can decrease the customer’s purchase intention.

### RESEARCH METHODOLOGY

**Measures**

**Brand Recognition**: Brand Recognition represents the level of self-concept a customer thinks is represented by the product. The reference of the questionnaire is the study of Chaudhri and Holbrook (2001), which focuses on “brand recognition, brand reliance and brand preference.”

**Perceived Risk**: According to the study by Stone and Gronhaug (1993), combining the five risk constructs proposed by Jacoby and Kaplan (1972) and the time construct proposed by Roselius (1971), it is found that finance, function, psychology, body, society and time, the six risks, can explain 88.8% of the perceived risks. These have covered most of the perceived risks. The questionnaire was developed from the five constructs of Jacoby and Kaplan (1972) that were continued to be used in the study of Chaudhri and Holbrook (2001).

**Belongingness within the Brand Community**: The social psychological measuring scale based on the research of Paxton and Moody (2003) includes two parts: (a) sense of belonging between members, and (b) feeling of morality.

**Degrees of Participation in the Community**: According to the explanation and definition of community participation in the studies of Bagozzi and Utpal (2006); Algesheimer et al., (2005); and Bagozzia, Utpal and Pearob (2004), when customers take part in the community, there will be different levels of involvement due to the various promises offered by the community, the pressure caused by the rules and regulations in the community, the benefits that can be gained, and so on.
**Purchase intention:** According to the study of McAlexander, et al., (2002), there should exist four crucial interrelations of “the customer with the product, with the brand, with the enterprise, and with the other owners.” In addition, this study focuses on the effect which takes place after the customer has participated in the brand community.

**Sample**

The questionnaires were distributed to college students and the public who use mobile phones in Taiwan. Taiwan has a mobile phone penetration rate of 102.97%, with 3G phone users accounting for 24% of all users, and rising fast (FIND, 2007). Approximately 57.5% of people in Taiwan have adopted mobile value-added services recently (Kuo and Yen, 2009). Total of 310 questionnaires were distributed, of which 234 were returned and deemed as valid. The analysis results indicates that in the sample group of mobile phone users, most of them are male (169 persons, 72.22%); the age mainly ranges from 21 to 30 (171 persons, 73.08%).

**ANALYSIS AND RESULTS**

**Reliability and Validity**

The confirmatory factor analysis has been carried out to analyze the construct reliability and construct validity of the measuring scale. The analysis results show all factor loadings in the model are all in the range of 0.51~0.82, while the absolute values of the t-values are all higher than the significant level of 2 (α=0.05). The coefficient of GFI is 0.93, the coefficient of AGFI is 0.92, and the RMSEA coefficient is 0.011. In discriminate validity, this research uses the correlation coefficient between the constructs to plus and minus two standard error of correlation coefficient, not including 1 as the checking standard. After checking, the results are shown to be consistent with the discriminate validity. From the correlation matrix in Table 1, it can be seen that most correlation values are between 0.43 to 0.66 and -0.43 to -0.66, and this research has taken the significant level of 0.05 and 0.01 of the correlation coefficient as a measuring standard.

<table>
<thead>
<tr>
<th>Research variable</th>
<th>1</th>
<th>2</th>
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<tbody>
<tr>
<td>1 community participation (0.91)</td>
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<td>2 belongingness (0.86)</td>
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<td>3 brand recognition (0.92)</td>
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<td>4 perceived risk (0.88)</td>
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<td>5 purchase Intention (0.85)</td>
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**TEST RESULTS FOR RESEARCH HYPOTHESES**

This research used GFI, AGFI, NFI, CFI, and, RMR to measure the goodness of fit for the whole model. After the test, the GFI, AGFI, NFI, CFI, and RMR values obtained were 0.95, 0.92, 0.96, and 0.003, respectively. From these results, it can be seen that the goodness of fit for the whole model is good. During the test of the eight hypotheses, the t value of hypothesis 3 was not significantly, hence, hypothesis 3 was not supported, while the other seven hypotheses were supported. The test results for the hypotheses path are shown in Table 2.

<table>
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<th>paths</th>
<th>coefficients</th>
<th>t value</th>
<th>results</th>
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<tr>
<td>H1 Participation in brand community —&gt;Belongingness of brand community (γ11)</td>
<td>0.49</td>
<td>8.88*</td>
<td>Supported</td>
</tr>
<tr>
<td>H2 Participation in brand community —&gt;Perceived risk (γ21)</td>
<td>-0.22</td>
<td>-4.41*</td>
<td>Supported</td>
</tr>
<tr>
<td>H3 Participation in brand community —&gt;Purchase intention (γ31)</td>
<td>0.06</td>
<td>0.91</td>
<td>Rejected</td>
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</table>
The results of this study show that the customer’s participation in the brand community have a positive influence on a customer’s belongingness within the brand community, while it has a weakening effect on his perceived risk. Brand recognition shows a positive effect on his belongingness within the brand community and his purchase intention, but it has a weakening effect on his perceived risk. The belongingness of the customer within the brand community has a positive influence on his purchase intention; however, his perceived risk weakens his purchase intention. In this research, although the result of value analysis on the effect of a customer’s participation in the brand community on his purchase intention did not reach a significant level, there was still no difference with the positive effect previously expected. The other parts are all in accordance with the theoretical hypotheses; through participation in the brand community, consumption will strengthen the belongingness of the customer within the brand community, and will directly change his perceived risk and purchase intention. The customer will have a better perception of the product under this situation; hence, the interaction in the community will be more frequent. Accordingly, this will enhance his belongingness to the community, his purchase behavior, and his tendency to give recommendation to others.

DISSCUSSIONS AND MANAGERIAL IMPLICATIONS

It can be seen from previous literature and from the empirical test results that if the customers are attracted by the brand (due to demand, desire, and so on), they can carry out the collection of related information. Through the usage of the internet, customers can obtain a lot of information and increase their knowledge and perception of the brand, while expressing their common experiences to increase interaction in the community. This strengthens the customer’s brand recognition and his belongingness within the community. Customer interaction likewise generates trust, a promise future, belongingness and sense of moral responsibility, which will enhance involvement as time passes by. The community has certain regulations which may put pressures to members, and as they can be limited by these, customers can collect information that they need by acting as non-members. Nevertheless, in the course of time, customers will no longer feel the weight of these rules, and they will gradually realize the differences between members and non-members. In this way, the customers will be enticed to join the community as members, once again. Along with the perception and knowledge of the brand and the community by the customers, they will understand more of the ideas that were put forward by the brand. As the perceived risks are lowered gradually, the customers will feel an enhanced sense of conformity with the brand concept when buying the products. Thru these processes, the customers’ purchase intention will increase they will share their experiences with people nearby, and will give them suggestions as well as recommendations. As a result, other potential customers will be willing to purchase the products of the brand. As set forth, this paper proposed a few practical suggestions on the reference for the brands, enterprises and the net operators:

| H4  | Brand recognition → Belongingness of brand community (γ₁) | 0.30 | 5.44* | Supported |
| H5  | Belongingness of brand community → Purchase intention (β₁) | 0.19 | 3.10* | Supported |
| H6  | Brand recognition → Purchase intention (γ₁) | 0.39 | 5.78* | Supported |
| H7  | Brand recognition → Perceived risk (γ₂) | -0.62 | -12.44* | Supported |
| H8  | Perceived risk → Purchase intention (β₂) | -0.22 | -3.29* | Supported |

Note: 1. The test result of the hypothesis, Chi-Square=2.31, df=2; 2. "*" in t value column represents | t | > 2.3; 3. GFI=0.95, AGFI=0.92, NFI=0.96, RMSEA=0.035. |
contained in the control variables, perhaps the time for participation should also be explained. It is therefore suggested that the scholars who have interest in this area can incorporate the participation time into their variables.

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