



RECIPES FOR BRAND LOYALTY IN THE CAR INDUSTRY

FsQCA emphasizes the value of configurational logic to learn about factors that jointly support or prevent certain outcomes. Configurational analysis searches for combinations of factors leading to a specific outcome and provides a different perspective from correlational logic, which estimates the contribution of individual factors to that outcome (their net effect).

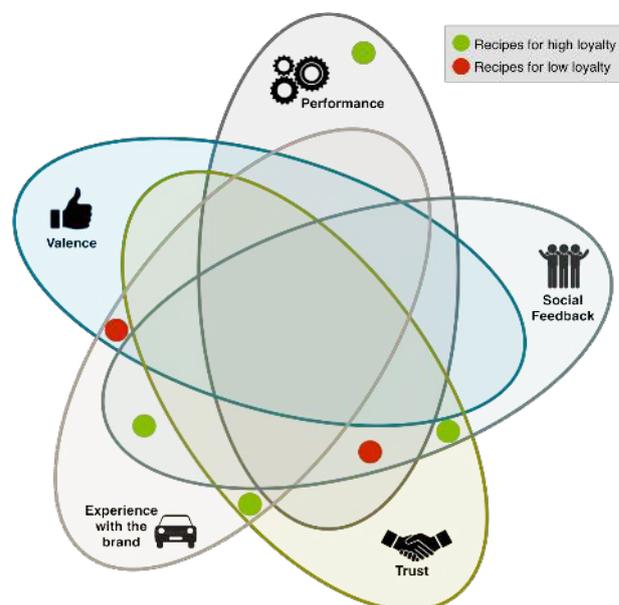
We used this approach to learn about the likelihood of someone repurchasing the car brand they currently own. Our sample consisted of almost 1,000 German car owners. Based on previous research on brand loyalty we examined the contribution of five factors:

- experience with the brand (was the previous car the same brand as the current one?)
- social feedback (do friends and family approve of the brand?)
- trust (does the person trust the car, the dealer and the organization?)
- performance (does the person rate the car positively on a number of features?)
- valence (does the person consider his associations of the brand as positive?)

The analysis showed that high likelihood to repurchase can result from very different constellations of the above factors (see chart):

For example, a very positive evaluation on performance is sufficient for high loyalty, but all other combinations consist of two joint factors out of these three: positive feedback from friends or family, previous ownership or high levels of trust.

Low likelihood to repurchase the car results from two configurations: Lack of previous ownership with low favorability of brand associations or a combination of low trust, social feedback and performance evaluation.



It is also noteworthy that the configurations for the Volkswagen brand look very different: For example, previous ownership features prominently in four of five configurations, underscoring the importance of a long history with the brand to buffer a major crisis.

For more information, please contact: ok@imark.at