Consumer Satisfaction and Loyalty through the Elaboration Likelihood Model

A thesis submitted to the University of Tilburg in partial fulfillment of the requirements for the Degree of Bachelor of Liberal Arts in Social Sciences.

Gabrielle Henskens 743538

Supervisor: Dr. E.A.A. Dreezens

June, 2012
Abstract
The aim of this thesis is to take the two different routes from the Elaboration Likelihood Model, the central route and the peripheral route, and see if different types of satisfaction and brand loyalty result depending on which route has been used when a consumer makes a purchase. In order to do this, it will first be explained what the Elaboration Likelihood Model is and how it works. The different types of satisfaction (manifest and latent) will then be discussed along with the different types of brand loyalty (true brand loyalty and spurious brand loyalty). It will then be looked at how the different routes from the Elaboration Likelihood Model lead to different types of satisfaction which then eventually lead to different types of brand loyalty. In order to test whether or not the different routes lead to different outcomes, a hypothetical real life experiment will be conducted. After looking at the results from the experiment, it can be seen that someone who uses the central route when processing information will end up having a stronger feeling of satisfaction towards the product that he or she bought (manifest satisfaction) and that manifest satisfaction ends up leading to a stronger feeling of brand loyalty (true brand loyalty). It can also be seen that someone who uses the peripheral route when processing information will have a weaker feeling of satisfaction (latent satisfaction) which means that a weaker feeling of brand loyalty (spurious brand loyalty) will also be experienced.
# Table of Contents

Abstract ...............................................................................................................................2

Table of Contents.................................................................................................................3

Chapter 1: Introduction........................................................................................................4

Chapter 2: Elaboration Likelihood Model............................................................................10

Chapter 3: Satisfaction and Brand Loyalty.....................................................................17

Chapter 4: Method..............................................................................................................23

Chapter 5: Discussion and Conclusion..........................................................................32

References..........................................................................................................................35
Chapter 1: Introduction

In our society today, consuming is a way of life. People do it on an everyday basis in an almost robotic way. To the casual observer it appears that not much thought goes into why someone buys a certain product. The process of buying a product seems simple: see it, buy it, and own it. This however is not necessarily the case. Even though this process seems far from complicated when it first meets the eye, it is actually a complex procedure which is constructed of thoughts and decisions which eventually lead to the final outcome, a purchase.

Types of Information Processing

Depending on what type of situation the consumer is in, he or she will use different types of information processing. These contrasting types of information processing will affect the purchasers’ attitude towards the product at hand in different ways and will eventually lead to helping the purchaser decide whether or not the product should be bought. In a situation where the consumer is making a decision which will result in an important purchase, the consumer will put a good amount of thought into buying the product, this is known as the central route. “The central route, views attitude change as resulting from a person's diligent consideration of information that s/he feels is central to the true merits of a particular attitudinal position” (Petty et al., 1983, pg.135). When someone uses the central route to make a decision there must be concrete information and hard facts in order to persuade the consumer. An example of using the central route would be when someone is looking to buy a new car. Before someone actually makes the purchase of a new car, he or she will look at many different sources which provide information about the product at hand. People will be looking at the information in the advertisement in detail and will not be easily distracted by the way the advertisement looks.

If the consumer is buying a product which is not looked upon as being a significant purchase, then not as much thought will go into buying the product, this can be referred to as the peripheral route. The peripheral route is known for using the customer’s emotions and other types of interests in order to make a sale. An advertiser may use an attractive spokesperson or a
song which is popular in order to appeal to the consumer. Another common tactic is using a celebrity to endorse a product. In doing this the consumer will pay attention to the celebrity and assume that if he or she likes the celebrity then the product must also be good. For example, George Clooney advertising for the brand Nespresso, if someone likes George Clooney then there is a greater chance that he or she will decide that he or she also likes Nespresso. In the peripheral route, different techniques are relied upon than in the central route when it comes to trying to change the consumer’s attitude toward a certain product. Attitudes and attitude changes will be defined and discussed in chapter two since they both are key factors in the elaboration likelihood model.

**Satisfaction**

After the purchase has been made, the buyer also hopes that he or she will be satisfied with the purchase. Merriam-Webster’s dictionary defines satisfaction as “the fulfillment of a want or need”. A need is defined by the Merriam-Webster’s dictionary as “when there is a lack of something useful” and a want is defined as “a strong desire for something”. The needs and wants of a consumer end up leading to information processing about different products, which then leads to a decision about a certain product. In this case, satisfaction can be seen as the consumer’s need or want for something being fulfilled because they have purchased a certain product. This also seems simple enough.

It seems that if a consumer does not like a product then he or she will not buy it, and if a consumer does like a product enough to buy it, then he or she will usually be satisfied with his or her choice. Once again, the reality of the matter is not as easy as it seems. There are many factors which go into the end satisfaction of someone’s purchase. It can be assumed that the level of satisfaction will differ between products, depending on what type of product it is. In other words, whether it is a product which will be processed centrally (a car), or a product which will be processed peripherally (Nespresso). The level of satisfaction will also differ depending on how much time and effort one has put into the decision of whether or not to buy the product.
Brand Loyalty

After looking at the level of satisfaction which results from the purchase, it is also possible to see whether or not someone has become loyal to the certain brand they have purchased. Becoming loyal to a certain brand or product is formally known as brand loyalty which is defined by the Business Dictionary as “The extent of the faithfulness of consumers to a particular brand, expressed through their repeat purchases, irrespective of the marketing pressure generated by the competing brands”.

It can be hypothesized that if a person uses the central route or in other words spends more time thinking about a purchase, then the person will be more satisfied because of the fact that more cognitive effort went into making the decision. Whereas if a person is using the peripheral route or uses less cognitive effort when making a purchase, then less satisfaction will occur. Cardozo states that, “Customer satisfaction with a product is influenced by the effort expended to acquire the product, and the expectations concerning the product. Specifically, it can be suggested that satisfaction with the product may be higher when customers spend a considerable amount of effort obtaining the product compared to when they use only modest effort” (Cardozo, 1965, pg. 244). If the satisfaction is high enough for a particular product, then there will be no reason for the consumer to feel as if they need to look for another product. Therefore, it can also be hypothesized that the more satisfied a consumer is with his or her purchase, the more loyal he or she will become to that particular product.

Problem Statement, Research Questions and Model

Taking all of the information into account that has been provided up until this point, the problem statement and research questions can be formulated as follows:

**Problem Statement:**

*Do different types of information processing (central or peripheral) influence the type of satisfaction towards a product and does the type of satisfaction toward a product influence the type of brand loyalty after buying a certain product?*
Research Question 1:

Do the different routes of information processing have an effect on how satisfied the consumer is with a product?

Research Question 2:

Do the different types of satisfaction towards a product influence how loyal someone becomes to a certain brand?

Research Question 3:

Do the different types of brand loyalty lead to someone purchasing the same brand again in the future?

In order to see if the two types of information processing have different influences on satisfaction, the Elaboration Likelihood Model will first be explained. In doing this the two routes will be discussed which have to do with information processing, central and peripheral, which are present in the Elaboration Likelihood Model and the two main factors, motivation and ability, which determine a person’s processing activity.

There will then be focus on the idea of satisfaction which links to the concept of brand loyalty. The main goal of looking at satisfaction and brand loyalty will be trying to determine if brand loyalty results more frequently when the consumer is satisfied with the product he or she has bought.
Based on these theories, there will be two different situations; one situation which will take place at an electronic store and the other situation which will occur at a drug store. In these situations there will be two different products; a laptop and a bottle of shampoo, in order determine if there are differences between how people process information about these products. The differences which can be expected to be seen are that the person who is buying the bottle of shampoo will be using the peripheral route and the person who is buying the laptop will be using the central route. This means that the person who is buying the bottle of shampoo will be using less cognitive effort when making the purchase compared to the person who is buying the laptop who will be using more cognitive effort.

After manipulating these situations in order to examine whether or not the information in the examples is processed differently, the different levels of satisfaction which have occurred will be looked at in order to see whether or not the satisfaction differs depending on which information processing route was used, central or peripheral. During this step the two factors which are present in the ELM, motivation and ability, will be looked at, along with how involved the consumer is with the product at the time of the product choice. Motivation and ability are important factors when it comes determining what type of satisfaction has resulted from a purchase. “When people are motivated to consider a message seriously, they process centrally. They also pursue the central route when they are cognitively able to ponder message arguments. On the other hand, when people lack the motivation or ability to process a message carefully, they opt for a simpler strategy” (Perloff, 2010, pg. 135). Finally, the degrees of brand loyalty will be analyzed in order to see if the brand loyalty varies depending on the type of satisfaction that has been reached.

Academic Relevance

In doing this thesis, it is hoped that new insight will be given as to how different information processing routes have an effect on consumer satisfaction and consumer brand loyalty. Although this topic has been researched before, this thesis will aim to go deeper into understanding how
the different routes within the elaboration likelihood model lead to different types of satisfaction which eventually leads to different types of brand loyalty. Being able to understand how the different information processing routes work could prove to be an advantage for consumers. If consumers are able to understand how certain things may affect their purchase decision, then they could learn to be aware of those things and possibly learn to try and control them. This could also end up helping people understand why it is that they are more satisfied with and more loyal to one product more than the other.

**Structure of Thesis**

This thesis will look at whether the central and peripheral routes of information processing lead to different types of purchase satisfaction, and whether or not these different types of satisfaction will lead to varying amounts of brand loyalty.

The introduction has provided a brief description of what is to be expected in the remainder of this thesis. In the second chapter, the Elaboration Likelihood Model will be thoroughly explained along with examples that will be given, which demonstrate the differences between the central and peripheral routes. The third chapter will focus on the concepts of satisfaction and brand loyalty. This chapter will show how each of these concepts function separately, and then show how they relate to each other and work together. The fourth chapter will discuss the methods which will be used in order to show how the central and peripheral routes influence satisfaction differently, and how satisfaction can affect brand loyalty. Finally, the fifth chapter will conclude the thesis by looking at the problem statement and research questions. This chapter will look at whether or not what was hypothesized about information processing, satisfaction and brand loyalty can be accepted.
Chapter 2: Elaboration Likelihood Model

The Basics of the Elaboration Likelihood Model

The Elaboration Likelihood Model (ELM) is a process-based model of persuasion which was formulated by Petty and Cacioppo (Hutton et al., 1992; Jones, 2003). Petty states, “the ELM is a theory about the processes responsible for yielding to a persuasive communication” (Choi et al., 2003, pg. 49). One of the first questions that should be answered about the ELM is what exactly do the terms elaboration and likelihood mean in terms of this model? The elaboration part of the model refers to “the extent to which the individual thinks about or mentally modifies arguments contained in the communication” (Perloff, 2010, pg. 130). To explain what elaboration means in the case of this thesis, elaboration can be thought of as how much the purchaser will elaborate on or spend time thinking about the product which he or she is going to buy. The likelihood part of the model explains, “the probability that an event will occur, which is used to point out the fact that elaboration can either be likely or unlikely” (Perloff, 2010, pg. 130). For this thesis, likelihood can be understood in terms of how probable it is that because the purchaser has elaborated on or thought about a product, that it will end up leading to a more satisfactory purchase.

The ELM in general has brought about research on persuasive communication and offers an easily understood framework of communication effects. In this thesis, the ELM will be used to show how people process product information differently, this will lead into how different types of satisfaction can be reached and will finally lead to how different types of brand loyalty are determined. All of this will then be used to understand if a consumer is more satisfied with and in the end more loyal to a product depending on which route was used in the elaboration likelihood model.

An important element of the ELM is that it is a dual process model, which means that it claims that there are two different mechanisms by which communications can affect attitudes (Um, 2008; Smith, 2000). An attitude should be defined or thought of as, “an individual’s
propensity to evaluate a particular entity with some degree of favorability or un-favorability” (Eagly et al., 2007). An attitude can be thought of as being either positive or negative. An example of a positive attitude is when someone feels good about a certain topic or has positive associations towards something. A negative attitude is the opposite, so when someone feels badly about a topic or has negative associations towards something. Along with an attitude being positive or negative, the attitude can also be either strong or weak. “A great deal of research has demonstrated that some attitudes are firmly crystallized and consequential, whereas others are quite flexible and have few if any effects on thought or action” (Krosnick et al., 1993). It is important to note that if someone has a strong attitude towards something (either positive or negative) it will be more difficult to change that attitude compared to if the attitude is weak. For example, if someone has a strong positive attitude towards President Obama, it will be difficult to convince this person that Obama is actually a bad president. If the attitude towards Obama is weak however, then it will be easier to convince the person who holds this attitude to feel differently. In terms of how attitudes will relate to this thesis, an attitude can be thought of as a positive or negative evaluation towards a product.

The two mechanisms in the ELM are referred to as routes, the central route and the peripheral route. “One can think of these routes as resembling two different pathways which crisscross the mind while transporting different thoughts and reactions to certain messages” (Perloff, 2010).

The Central Route

These two routes deal with processing information in different ways; “the central route involves effortful cognitive activity, whereby individuals focus their attention on message relevant information, and draw on prior experience and knowledge to assess and elaborate on presented information” (Lien, 2001, pg. 301). When it comes to how attitudes can be affected while using the central route, it can be inferred that someone who has used the central route will be less
likely to change his or her attitudes. This is because someone who is using the central route will already have strong ideas and beliefs about the topic at hand and will therefore be not as easily persuaded to feel otherwise than he or she already does.

It should be mentioned however that even though it is not easy to persuade someone to feel differently about a certain topic when he or she is using the central route, it can be done. If an attitude is changed during the use of the central route, then it will be a more permanent attitude change because of the fact that a lot of thinking had to go into why the new attitude is better than the attitude which was previously held (Wood, 2000; Olson, 1993; Chaiken, 1987). “People using the central route may change their attitudes if the arguments are compelling enough to persuade them that they will benefit by adopting the advocated position” (Perloff, 2010, pg. 137). Think back to the example which was provided in chapter one about how someone uses the central route when making an important decision. A person will make sure to do a sufficient amount of research before he or she makes an important decision. Because of the research which has been done the person will already have pre-formed ideas about the topic at hand. If someone is going to be making a purchase while using the central route the same idea applies. The purchaser will not be easily swayed to have a different attitude towards the product that he or she is planning on buying because of the fact that he or she has most likely gathered a great amount of information and already has a strong attitude towards the product.

The Peripheral Route
The peripheral route is different because it is used when people do not want to think much about the message at hand (Cacioppo et al., 1986; Payne, 2005). “Individuals use non content elements associated with the message (i.e., peripheral cues) as a basis for attitude information” (Lien, 2001, pg. 302). Attitudes can be more easily changed when using the peripheral route than the central route because of the fact that people using the peripheral route do not already have strong formulated opinions about the issue which is present. Even though an attitude is easier to change while using the peripheral route, it will not result in a strong attitude because of the fact that he or she does not have strong opinions about the topic at hand. “Attitude changes that occur via the
Peripheral route do not occur because an individual has personally considered the pros and cons of the issue, but because the attitude issue or object is associated with positive or negative cues- or because the person makes a simple inference about the merits of the advocated position based on various simple cues in the persuasion context” (Petty et al., 1983, pg. 135). Therefore, if someone is making a purchase while using the peripheral route it will be easy for outside sources to affect and change the attitudes of the purchaser towards the product which he or she is going to buy because no strong prior attitude was present. The outside sources which can affect an attitude change within the peripheral route are known as peripheral cues.

**Peripheral Cues**

Peripheral cues can be a number of things such as likeability, credibility or expertise of the person who is trying to communicate the message. “The receiver (person who is being persuaded) might be guided by whether they like the communicator of the message or by whether they find the communicator credible. That is, receivers may rely upon various peripheral cues as guides to attitudes and beliefs, rather than engaging in extensive issue-relevant thinking” (O’Keefe, 2008). Such cues can either convince or not convince someone about the message at hand without it being necessary for the person to really think about what the message is actually saying (Haugtvedt, 1992). People will rely on simple decision making cues when using the peripheral route. For example, if the person who is trying to persuade someone can be seen as an expert, then someone will rely on this cue and conclude that because he or she is an expert then he or she must be correct. In this case, there is no effortful or cognitive thinking involved in making a decision, just reliance on a simple cue which does not take much thinking in order to make a decision.

**Motivation and Ability**

In short, the ELM model states that people can process information in two different ways. “People can be simple information processors or deep, detailed thinkers” (Perloff, 2010, pg. 133). This raises another question. Is a person always either a Central or Peripheral thinker? Or
can one change depending on the situation that the person is in? The ELM model answers this question as follows, “The ELM lays out conditions under which central or peripheral processing is most likely, and the effect of such processing on attitude change” (Perloff, 2010, pg. 135). There are two main factors that determine processing strategy: motivation and ability. Before going into how motivation and ability are part of the processing strategy, the differentiation between the two should be made.

If someone has the desire to process a certain message then this refers to the motivation of that specific person. The ability to process a message is something different however, even if someone is motivated to process a message they still may not be able to do so because something distracts them from the task of processing the message (Chung-Ying; Hallahan, 2000). “For example, one may have the desire to be involved in an advertised message, possess sufficient knowledge to process its claims, but distraction may severely limit the message processor's opportunity and ultimately reduce message elaboration” (Andrews, 1988). When someone is motivated and able to consider a message seriously, then they will process a message centrally. “They will also pursue the central route when they are cognitively able to ponder message arguments” (Perloff, 2010, pg. 135). On the other hand, if someone is not able or motivated to process a message in a careful manner, then they will opt for a simpler route, the peripheral route.

Perloff (2010) gives an example which explains these two types of situations. He first writes that a person should imagine a topic which he or she knows a lot about, for example contemporary movies and a topic which (s)he does not know a lot about, in this case the example of computer scanners was used. The ELM says that a person will process information about these two topics differently because of the level of interest (s)he has in each one of them. Because this person has a love for modern day movies, (s)he will become alert if an argument is presented which states that movies from the 1960’s are superior to movies from today. This message will grab the person’s attention and (s)he will be motivated to carefully process this information before making a decision about it. As mentioned earlier, changing someone’s attitudes towards
something when he or she already has strong and compelling feelings towards it is quite difficult. In some cases the attitude can be changed however, if the arguments are strong and reliable. In the case of the computer scanners however, the same type of rational argument approach will do nothing to persuade this person since (s)he does not have much knowledge about this topic to begin with. In this case a peripheral route of persuasion will be much more effective. A person will be more likely to be persuaded by the fact that the person giving this argument is an expert on scanners. Perloff uses this example to illustrate that there can be differences between how someone thinks about and chooses a certain product due to how motivated and able he or she is to process the information.

**Central and Peripheral Types of Products**

It should also be mentioned that there are certain types of products which make people process information either more centrally or peripherally. If a product can be associated with making an important decision then chances are that the person will process the information about that product centrally. For a product which does not have very important associations attached to it, the opposite can be expected and people will process the information about the particular product more peripherally. A laptop can be considered a more central product because it takes more effort and time when making a decision about which laptop to buy; this means that a laptop will also make a person more central when it comes to making the decision. A bottle of shampoo on the other hand is a peripheral product which means that the person buying the bottle of shampoo will be more peripheral when making the decision.

**Summing Up**

All of the information about the ELM model which has been discussed up until this point lays down a strong foundation for the questions which will try to be answered in this thesis. The Elaboration Likelihood Model will be used to try and see if people will process information differently about the two products which have been chosen, the laptop and the bottle of shampoo. It can be assumed that there will be a noticeable difference in how someone will process the
information about the laptop and the bottle of shampoo depending on whether they have prior knowledge about the product and whether or not they are motivated and able to make a decision about the product itself.

The next chapter will discuss the concepts of satisfaction and brand loyalty, in this chapter these two notions will first be looked at individually in order to see how the consumer feels about the product choice he or she has made. The concepts will then be brought together and discussed to see if the idea of how satisfied someone is with a product has an influence on how loyal he or she is to the product brand.
Chapter 3: Satisfaction and Brand Loyalty

Satisfaction

Once a person has used the central or the peripheral route to make a decision about a product, the purchaser will then either have or not have a feeling of satisfaction towards the product. The definitions of what needs and wants are have already been stated in chapter one, but now it must be looked at how needs and wants link to satisfaction. The fulfillment of a need (lacking something useful) or a want (strong desire for something) explains what a consumer is looking to gain when he or she purchases a product. When someone decides to buy a product he or she also hopes that the feeling of satisfaction will be experienced after the product has been purchased.

“Two of the determining factors which play a role in whether or not satisfaction results from a purchase are whether or not the purchaser has the motivation and ability to evaluate the product which he or she has chosen” (Bloemer et al, 1995, pg. 315). “This view is in line with the method of reasoning found in the Elaboration Likelihood Model. In this model motivation and ability determine the degree of elaboration. The central route (high degree of elaboration) in this model leads to a permanent attitude change; the peripheral route (low degree of elaboration) in this model leads, at most, to a temporary attitude change” (Bloemer et al, pg. 315).

The concept of attitude change which has been mentioned in the above quote can be seen as the feeling of satisfaction toward the product which has been bought. When someone uses the central route it can lead to a greater and more permanent attitude change because of the fact that there is a great deal of elaboration which goes into making the decision. When the purchaser puts a lot of effort into making a product choice it can then lead to a more permanent attitude, otherwise to be thought of as a strong feeling of satisfaction toward the product. Meaning, if someone has a very strong attitude towards the product he or she buys, then the purchaser will feel very confident about his or her choice. The confidence that the purchaser experiences from having a strong attitude means that he or she will be more content with the purchase which will lead to greater satisfaction. When someone uses the peripheral route however while buying a
product, a permanent attitude toward the product will not occur because there was not much
effort put into making the decision. This temporary attitude which results from using less
elaboration can also be seen as a weaker feeling of satisfaction. Because the purchaser did not
put as much effort into making a decision while using the peripheral route, he or she will not feel
as strongly about the product. In other words, the purchaser will not care enough about the
product to have obtained a strong attitude towards it, which means that the satisfaction with the
product will also be weak.

Depending on which route the purchaser uses, central or peripheral, it is possible that he
or she will experience a different type of satisfaction, either manifest or latent satisfaction.
“Manifest satisfaction is the extent to which an explicit comparison is made between
expectations and performance, the consumer is likely to be aware of the outcome of his/her
evaluation and his/her satisfaction” (Bloemer et al, pg.315). The comparison being made
between expectations and performance can be thought of as the expectations being what the
purchaser expects to gain from buying the product and the performance being the satisfaction
which will result after the product has been purchased. In short, manifest satisfaction is the
outcome of an evaluation which has been well elaborated upon. Knowing this it can be assumed
that manifest satisfaction will happen when the central route has been used.

Latent satisfaction on the other hand however is,”the extent that no explicit comparison
is made, due to a lack of motivation and/or ability of the consumer to evaluate his/her brand
choice, the consumer is not likely to be fully aware of his/her satisfaction” (Bloemer et al., pg.
315). In other words, latent satisfaction results from an implicit evaluation which is not
elaborated upon, or when the purchaser has used the peripheral route. For example, when
someone goes to buy toothpaste there is not much thought that goes into which type of toothpaste
to buy. Because the purchaser is not motivated and able to really think about the type of
toothpaste he or she is going to buy, full satisfaction is not likely to occur. In other words,
because the purchaser has used the peripheral route to make a decision about which toothpaste to
buy, latent satisfaction will occur.
The theory that someone who uses more cognitive effort will be more satisfied with her or her decision has been proven to be true numerous times in different studies, however there are some new thoughts that state the opposite (Dijksterhuis, 2006).

Recent studies have started to look at whether or not it is possible that unconscious thinking when making a decision can actually lead to more satisfaction compared to when someone is consciously thinking about a decision. Most people assume that when an important decision has to be made that it is better to think long and hard about all of the options before making a decision, in doing this any doubt about what the best decision really is can be ruled out. “Conventional wisdom indicates that we should think “hard” about our options when faced with a difficult decision. By devoting attention and conscious thought to a difficult decision, one can carefully consider and weigh the various options and choose the option that best matches one’s goals”(Thorsteinson et al., 2009, pg. 235). This conventional wisdom is starting to be looked at with the reason of trying to figure out if it is always true that thinking hard about decisions actually leads to more satisfaction. “Recent work has cast further doubt on the benefits of consciously thinking about one’s decisions by demonstrating that consciously thinking about complex tasks (i.e., tasks which consist of numerous attributes that participants must weigh in order to determine the best option) can lead to poorer performance than unconscious thought” (Thorsteinson et al., 2009, pg. 235).

It must be noted that there is some evidence, such as the examples which are provided above, that goes against the norm which states that thinking hard and consciously about a decision always leads to more satisfaction. These findings still need to be looked at more intensively however and more work needs to be done before they can be considered reliable. “Multiple studies have been conducted in order to test whether unconscious thinking leads to more satisfaction, and many of these studies have proven to be unsuccessful” (Thorsteinson et al., 2009, pg. 236). This is not to say that unconscious thinking could not lead to more satisfaction, but at this point in time there is not enough evidence to support this hypothesis. This means that for the case at hand it is better to rely on the evidence which has been supported and
proven to be correct, which states that the more someone thinks about a decision the more satisfied he or she will be.

After the purchaser experiences either manifest or latent satisfaction, the concept of brand loyalty comes into play. It is known that these different types of satisfaction result from different paths of information processing, and because of this it can also be assumed that the manifest satisfaction will result in a different type of brand loyalty than the brand loyalty which comes from the latent satisfaction.

**Brand Loyalty**

In the theory of brand loyalty, there are two different concepts which need to be defined; true brand loyalty and spurious brand loyalty. True brand loyalty can be defined as, “the biased (i.e. non–random), behavioral response (i.e. purchase), expressed over time, by some decision making unit, with respect to one or more alternative brands out of a set of such brands, which is a function of psychological (decision making, evaluative) processes resulting in brand commitment” (Bloemer et al, pg. 313). A consumer who is truly brand loyal will decide to buy the same product over and over again even if there are better or less expensive options available. This is because the consumer is greatly satisfied with the product and sees no reason to switch to a different product and because of this high satisfaction, true brand loyalty results.

Spurious brand loyalty is defined as, “the biased (i.e. non–random), behavioral response (i.e. purchase), expressed over time, by some decision making unit, with respect to one or more alternative brands out of a set of such brands, which is a function of inertia” (Bloemer et al, pg. 313). A consumer who is spuriously brand loyal will not feel the same obligation towards a certain product as a true brand loyal customer would. Someone who is spuriously brand loyal might buy the same product more than once, but because of reasons such as convenience or lack of alternative options. However, if another product which is less expensive or more convenient catches the attention of a consumer who is spuriously brand loyal, he or she will not hesitate to buy the new product instead.
In looking at these two definitions, the most important thing to recognize is that true brand loyalty is based on brand commitment, and spurious brand loyalty is not (Bloemer, 1992). Brand commitment can be defined as, “the pledging or binding of an individual to his/her brand choice” (Bloemer et al, pg. 314). This means that someone who is truly committed to the brand which he or she buys will not be swayed by other options and will continue to purchase the same brand. “A true brand loyal consumer is committed to his/her brand; because of this commitment, (s)he insists on buying the same brand next time (s)he needs to buy this product again. A spurious brand loyal consumer is not committed to his/her brand; therefore (s)he might buy the same brand next time (s)he needs to buy the product again, but (s)he might also buy a different brand very easily” (Bloemer et al pg. 313). For example, if a spurious brand loyal consumer is in possession of a coupon that makes a different product more attractive then he or she will not hesitate to switch brands. As previously mentioned, the most important thing needed in order to understand what separates true brand loyalty from spurious brand loyalty is that brand commitment is an absolutely necessary condition in order for true brand loyalty to take place, without brand commitment there is only spurious brand loyalty.

**Relationship between Satisfaction and Brand Loyalty**

The question which must be discussed now is how these two different ideas, satisfaction and brand loyalty, are connected? As previously mentioned, manifest satisfaction is the result of a decision which has been made through the central route or a decision which has been well elaborated upon. When comparing this type of satisfaction to the different types of brand loyalty, it can be seen that manifest satisfaction leads into what is known as true brand loyalty (Back, 2003). “Manifest satisfaction is directly related to true brand loyalty because manifest satisfaction means the explicit evaluation of the brand which (in the case of a positive evaluation) leads to commitment to the brand” (Bloemer et al, pg. 316). Manifest satisfaction comes from sufficient elaboration and evaluation of a product, if this is done correctly then it will result in true brand loyalty, which in other words can be viewed as true brand commitment.
Latent satisfaction is seen as just accepting the product or brand; this does not mean that you are not satisfied with the product but that the commitment to the brand is not present. In the case of spurious brand loyalty, the consumer does not necessarily elaborate upon or evaluate the decision he or she makes when purchasing a certain product, which in the end does not lead to the same commitment as in true brand loyalty. “Latent satisfaction is the result of an implicit evaluation of the brand choice, which is not elaborated upon and of which the consumer is not fully aware. Latent satisfaction means mere acceptance of the brand which will not necessarily lead to commitment” (Bloemer et al, pg. 316). Because of the lack of commitment it can be inferred that latent satisfaction has a connection with spurious brand loyalty since spurious brand loyalty states that the consumer is not committed to the brand which means that the purchaser may or may not buy the same brand in the future.

In the next chapter, the method chapter, the problem statement and research questions which were stated at the end of chapter one will try to be answered. In order to do this, all of the information which has been provided up until this point will be used in a real life example in order to find out if using the central route from the ELM will lead to a different type of satisfaction and brand loyalty than the type of satisfaction and brand loyalty which comes from using the peripheral route.
Chapter 4: Method

In order to conduct the experiment which will show whether or not the problem statement and research questions can be proven correct, multiple steps will be taken. Although an actual experiment will not be done, this section will be written as if the experiment has been conducted.

Participants

The first thing which will need to be taken care of is the participants which will partake in the study. In order to recruit the participants which will be needed for this experiment, people will be asked before they go into either an electronic store or a drug store what they are planning on buying on that day. In order to make sure that the correct participants will be chosen for the study, the people who will be asked to participate in the study will either have to give the answer of wanting to buy a laptop at the electronic store, or wanting to buy a bottle of shampoo at the drug store. To make sure that there will be enough participants in order to get accurate results there will be around thirty people asked for each situation, thirty people who are about to go into the electronic store and thirty people who are about to go into the drug store. Thirty people will be asked for each situation because it can be assumed that not all thirty people will respond to the survey which will be given at the end of the experiment. By asking thirty people in each situation, it makes sure that there are enough responses.

For this study, the gender of the participants will not matter which means that they can either be male or female. The participants who are chosen for the study will be between the ages of 18 and 40, since it can be believed that this age group will be the most likely to be purchasing either of these products. Once the person has made clear what it is that he or she is planning on purchasing, he or she will be asked if they are willing to participate in the study. In order not to influence the participant’s decision for which product he or she will end up buying, the participant will be told that research is being done on how employees in each store use customer service towards customers. If the person gives consent, there will be a few questions asked in the form of a questionnaire which ask the participant how he or she expects to be treated by the
employees in the store. Along with these questions, there will also be questions present which make sure that there is no prior bias towards the product which he or she will be purchasing. For example, the participants will be asked questions such as:

- Do you consider customer service to be important?
- Do you expect the employees in the store to be friendly and helpful?
- Do you appreciate it when an employee approaches you and offers their help?
- Have you bought this type of product before?
- Have you bought this product from the same brand before?
- Do you already have certain feelings towards this product?
- Do you already have a positive or negative attitude toward this product?
- How much have you thought about this purchase before coming to the store today?

This is to ensure that the participant does not have any sort of pre-formed ideas or attitudes about the product which he or she is planning on buying that day. The people who seem to already specific attitudes towards the product which he or she will be purchasing will be left out of the experiment since the prior bias will influence the results of how he or she feels after the purchase has been made. In other words, people who seem to already have positive or negative attitudes towards the product which will be bought, will not be included in the experiment.

The participant will then go into the store and the process of buying the laptop or the bottle of shampoo will be observed by watching them on a screen. Cameras will be hung up in the store beforehand in order to make the observing process easier, for this experiment it will be more beneficial to watch the participants without them having any knowledge of it. Because the participants do now know that they are being watched it will be easier to observe their true
behavior towards the product which he or she is buying. While observing the participants, it can
be expected that the person who is planning on buying the laptop will be using much more
cognitive effort (central route) when making his or her purchase than the person who is buying
the bottle of shampoo (peripheral route). In order to see whether the participant has used the
central or peripheral route, certain things will be looked at on the video in order to determine
which route was used. It will be observed whether the participant talks to employees within the
store and whether the participant takes time to look at different advertisements which are
hanging in the store. Both of these things could have a possible influence on the participants’
choice, and will end up resulting in the peripheral route being used. If it looks as if the
participant is not influenced by outside sources on the video and seems to be confident about the
product which he or she will be buying from the moment that he or she walks into the store, then
it will result in the central route being used. Because of the difference in the amount of cognitive
effort used, it can also be expected that the person buying the laptop will end up having a greater
satisfaction (manifest satisfaction) because more cognitive effort went into making the decision.
Whereas, the person who is buying the bottle of shampoo will have less satisfaction (latent
satisfaction) with his or her product choice because of the fact that less cognitive effort went into
making the decision.

The different types of satisfaction which are expected to result from making the purchase,
will also presumably lead to different types of brand loyalty. The person who has used the
central route and has experienced manifest satisfaction from his or her product choice will end
up having true brand loyalty towards the laptop since true brand loyalty results from having a
high amount of satisfaction. The person who has used the peripheral route and has experienced
latent satisfaction however, will end up having spurious brand loyalty towards the bottle of
shampoo because latent satisfaction results from a lower amount of satisfaction.
Testing for Central or Peripheral Route

There will of course be a few things which will be looked upon during the buying process which will help decide whether or not the purchaser who is buying the laptop has indeed used the central route, and the purchaser who is buying the bottle of shampoo has used the peripheral route. The actions of each of the participants will be studied in order to determine which route he or she has used. This will involve watching the participants in order to see if he or she looks around at multiple products and whether or not the participant listens to and takes advice from the store employees about which product he or she should buy.

In the case of buying a laptop it is likely that the purchaser has done some investigating about the product which he or she wants to buy. Someone does not usually go into a store to buy such an important product without some background information or prior knowledge, therefore in the case of buying a laptop the same can be inferred. Because of the information which is known about the central processing route, it can be expected that the person who is purchasing the laptop will already have somewhat concrete ideas about what it is that he or she wants and because of these concrete ideas it will not be easy to persuade the purchaser otherwise. This means that while it is possible that the purchaser listens to information from a salesperson about which laptop to buy or looks at other choices, the final decision will most likely not be influenced from outside sources. This will be measured by asking the participant after he or she has made the purchase, whether or not he or she felt as if the employee displayed good customer service skills and whether or not the employee or other factors, such as advertisements, influenced the participant’s decision. This will be done by giving a few questions in the form of a 5 point Likert Scale, which will range from strongly disagree to strongly agree.

For example:

-The employee displayed good customer service skills.

I felt as if the employee was friendly and wanted to help me with my product choice.


The employee had an influence on my final purchase.


The advertisements in the store were well displayed and noticeable.


The advertisements had an influence on my final purchase.


In asking these questions, it will not appear obvious as to why the question is being asked since it stays in line with how the participant was told that research is being done on customer service.

While asking the participant if he or she felt as if good customer service was displayed, it is also possible to see if the participant felt that his or her purchase decision was influenced by the employee. The participant will also be asked if he or she was aware of the outside influences, such as the employees giving advice or advertisements hanging in the store, and whether or not these influences affected the participant’s final choice of product. However, since it is not very common that the attitude can be changed while using the central route; it is not likely that any of these outside sources will affect the purchaser’s final decision because he or she will already have had ideas about what he or she wanted before going into the store.

In the case of the shampoo, it can be expected that the purchaser will not have put much thought into what type of shampoo they will buy before they go into the store. Therefore, it can be assumed that the person will depend on peripheral cues to help make the decision of which shampoo to buy. Seeing whether or not if outside sources have an influence on the participant
who bought the bottle of shampoo will be measured in the same way as by the participant who bought the laptop. After the participant buys the bottle of shampoo he or she will be asked whether the customer service was good and whether or not the way the employee acted influenced the final choice. Along with this the participant will be asked just as in the laptop condition, if he or she was aware of certain advertisements which were hanging up in the store, and whether or not those advertisements played a role in the participant’s final decision. The same Likert Scale questions will be used from the laptop condition in order to measure for the shampoo condition as well. Because the purchaser will be using the peripheral route in order to make the decision of which shampoo to buy, it is likely that he or she will be influenced by one of these outside sources when it comes to making his or her final decision.

Testing for Satisfaction

After it has been observed which choice the purchaser has made, the subject will be asked to answer on a Semantic Scale of 1-7 how satisfied he or she is with his or her purchase. This question will appear as follows:

-How satisfied are you with your product choice?

1  2  3  4  5  6  7

Extremely satisfied Not at all satisfied

The elaboration likelihood model states that the more cognitive effort which goes into making a decision leads to greater satisfaction. Relying on the elaboration likelihood model it can be expected that the subject who has purchased the laptop will have a greater immediate feeling of satisfaction than the subject who purchased the bottle of shampoo because of the fact that more effort went into making the decision to buy the laptop. Both of the subjects will be asked if he or she minds if his or her information is taken in order to check whether or not the amount of
satisfaction will change after a certain amount of time. In this case, the telephone numbers and email addresses of the participants will be noted and they will be told that contact will be made with them in a couple weeks in order to check if the level of satisfaction has changed during that period of time.

Based on the information which has been provided up until now about the elaboration likelihood model and the theory of satisfaction, it can be predicted that after a couple weeks have passed and contact has been made with the participants that the feelings of satisfaction will have stayed approximately the same compared to when the participant first bought the product. The time delay is needed in order to check whether or not the feelings of satisfaction have indeed stayed the same or if the feeling of satisfaction has changed during the lapse of time. In order to check this, the same semantic scale about satisfaction which was given immediately after the purchase, will be given again. The participants will again be asked to state on a scale of 1-7 how satisfied they are with the product they have bought. The answers will then be compared with the answers from immediately after the purchase in order to see whether or not the feelings of satisfaction have changed during the course of a couple weeks. It can be expected that the subject who bought the laptop used the central route from the elaboration likelihood model when making his or her decision which means that manifest satisfaction is experienced by the subject. As stated in chapter three, manifest satisfaction results after an evaluation of a product has been well elaborated upon or in other words if the central route has been used. Because of this, it is fairly certain that the subject who bought the laptop will still be experiencing manifest satisfaction when contact is made.

The subject who bought the bottle of shampoo however most likely used the peripheral route when making his or her decision. As seen in chapter three, when someone uses the peripheral route less satisfaction results from the purchase which was made, this is known as latent satisfaction. Latent satisfaction results when a purchaser has not elaborated upon his or her decision because of lack of motivation or ability or to put it simply, when the peripheral route
has been used. Therefore, the subject who bought the bottle of shampoo will still be experiencing latent satisfaction when contact is made with him or her.

It will of course be taken into account that some of the participants who bought either the laptop or bottle of shampoo will not still be experiencing feelings of satisfaction after time has passed and contact has been made. It is not logical to assume that every person who was asked to participate in the study will be fully satisfied with the product he or she has bought. What can be assumed however is that the majority of the people who bought the laptop while using the central route will still be experiencing a stronger feeling of satisfaction than the people who bought the shampoo while using the peripheral route after contact has been made.

**Testing for Brand Loyalty**

The next step which will have to be tested is seeing whether or not the different kinds of satisfaction lead to different levels of brand loyalty. Chapter three described how there are two different types of brand loyalty, true brand loyalty and spurious brand loyalty. The main difference between these two different types of loyalty is brand commitment, meaning people who experience true brand loyalty are more committed to a product they have bought than people who experience spurious brand loyalty. As we have seen in chapter three, manifest satisfaction links to the idea of true brand loyalty whereas latent satisfaction coincides with spurious brand loyalty.

In order to test the feelings of satisfaction and brand loyalty, questions will be asked in order to measure how satisfied and how strong the feelings of brand loyalty are for each participant. For the questions which involve scales, the semantic scale will again be used with a scoring of 1-7. The participants will be asked questions such as:

- How satisfied were you with the product after you first bought it on a scale of 1-7?
(1 being extremely satisfied and 7 being not satisfied at all)
-How satisfied are you with the product now on a scale of 1-7?
(1 being extremely satisfied and 7 being not satisfied at all)

-Would you say that the feelings of satisfaction have changed since the moment you bought the product? (The participant will need to answer yes or no. If the answer of yes is given, then the participant will be asked to explain in what way the feeling of satisfaction has changed).

-How loyal do you feel to the particular brand of product that you bought on a scale of 1-7?
(1 being extremely loyal and 7 being not loyal at all)

-Would you buy the same brand again? (The participant will need to answer yes or no and then explain why or why not they would buy the product again.

In asking these questions, it will be easier to distinguish what types of satisfaction and brand loyalty each of the participants are experiencing.

In the next chapter the expected results will be discussed along with a summary of what has been talked about in this thesis and a final conclusion.
Chapter 5: Results and Conclusion

Results

Knowing all of the information provided up until this point makes it easy to predict what will happen in the case at hand. The subject who purchased the laptop will end up feeling more committed to the product than the subject who bought the bottle of shampoo. Because the subject who bought the laptop will have experienced manifest satisfaction and is therefore very satisfied with his or her choice, he or she will experience true brand loyalty. The subject who bought the bottle of shampoo however, will only experience latent satisfaction which means that he or she will experience spurious brand loyalty. When asking the participants how he or she feels about the product, it is to be expected that the participant who bought the laptop will feel more committed to the brand and will therefore be more likely to buy the same brand again in the future. The subject who bought the bottle of shampoo however will not have a strong commitment to the brand and will therefore not feel as if he or she needs to buy the same brand again.

This brings the experiment to the final point which shows that the subject who purchased the laptop while using the central route experiences greater satisfaction otherwise known as manifest satisfaction which in the end results in true brand loyalty. In the case of the subject who purchased the bottle of shampoo, using the peripheral route leads to less satisfaction which can also be referred to as latent satisfaction which results in spurious brand loyalty. Because of this information, it is known that the purchaser who bought the laptop will have a stronger connection to the product which was bought and will be more likely to buy the same brand again compared to the purchaser who bought the bottle of shampoo.

Conclusion

This leads to the conclusion that the problem statement and research questions can be proven correct. It can be seen that the different routes in the elaboration likelihood model do have an
effect on how satisfied the customer is with a product. The different types of satisfaction do influence how loyal someone becomes to a certain brand. And finally, the different types of brand loyalty do play a role in whether someone will purchase the same brand again in the future. In general it can be concluded that people who use the central route when making a decision end up being more satisfied with the product they have chosen which leads to stronger brand loyalty in the end.

Limitations

As in any case, there are always things which could have been done differently in order to improve the experiment conditions or improve the results. In the case of this thesis, one of the things that could have been done differently in order to possibly get better results would be to have used more participants. There were thirty participants chosen for the laptop condition and thirty participants chosen for the shampoo condition; this was done because of practical reasons. If more people would have been asked for each condition, then it would have ended up taking longer to interview each of them before he or she went into the store, more participants would have had to been monitored on the video cameras during his or her buying process, and again more time would have been needed in order to make the follow-up phone calls. However, the plus side to having more participants is that there would be more information to work with. There would be more people to observe and get answers from which means that the results can only get more reliable, which is always positive. Another limitation could be that there were only two products used in order to test whether people were using the central or peripheral route. Ideally, it would be better to have multiple products in each the central processing category and the peripheral processing category. This way, it would be easier to say whether or not the results are indeed correct.

Future Research

In the future, it would be beneficial for improving the results of this study if someone were to again conduct an experiment which tested how people processed information about different
kinds of products. However, it might be an idea to use more participants and more products in order to compare whether or not the results which were found in this thesis can be improved on. By using more products, it will be possible to see if all central products and all peripheral products make people process information the same or if the information processing can differ within the groups as well. Meaning, that even if the central route is used to process information about multiple products, is it possible that one of those products will need even more attention than the other? Could there be a difference between how much effort someone needs to use in order to process information about a product, even though both products are central products? This idea could also be used to distinguish differences between peripheral route products when it comes to information processing.

Final Word

In the beginning of this thesis it was stated that it would try to be shown how different types of information processing can have different effects on a consumer’s satisfaction and brand loyalty towards a product. Even though there are limitations to the research which has been done and there is of course always room to improve, it can be said that overall this thesis has shown that different types of information processing do indeed have different effects on a consumer’s satisfaction and brand loyalty.
References


