THE MODERATING EFFECT OF BRAND RECOVERY ON BRAND HATE AND DESIRE FOR RECONCILIATION: A PLS-MGA APPROACH

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ABSTRACT

This paper discuss the strategies that can control the extreme negative phenomenon called brand hate. Our purpose is to introduce a new concept called brand recovery which helps in managing band hate among consumers after having poor experiences. A model in this regards is assessed empirically. Experiments were conducted on five groups of fast food brand consumers in Pakistan. Different interventions of brand recovery such as apology, compensation, and explanation were applied on five groups to identify which group intervention is suitable for brand hate recovery. A pair-wise comparison was carried out with the help of multigroup analysis in SmartPLS to assess the categorical moderator variable i.e. brand recovery. According to PLS-MGA results, the group that received the combination of all three interventions (i.e. A+C+E) was the most significant in managing brand hate and further lead consumers towards desire for reconciliation. The comparison showed that the control group with no treatment differs significantly from all other groups while there is negligible differences in the remaining groups.

Keywords: Brand hate; Brand management; Brand recovery; Customer brand relationship

1. INTRODUCTION

Recently, there is an increasing concern in the field of branding towards negative consumer brand relationships. Marketing scholars have started to realize that brands are greatly threatened by negative consumer brand relationships and the extreme notion of this relationship is called brand hate (Kucuk, 2016; Zarantonello, Romani, Grappi & Bagozzi, 2016; Hegner, Fetscherin & Delzen, 2017). There is a limited research on negative emotions of consumers towards brands and various scholars have suggested for further exploration (Romani, Grappi & Dalli, 2012; Fetscherin & Heinrich, 2015). Because of the narrow research in consumers' extreme negative emotions like brand hate there are several aspects that are still unknown which needs to be explored i.e. how hate among consumers can be reduced? Studies on 'what is brand hate' (Zarantonello et al., 2016), 'how it evolves' (Zarantonello et al., 2016; Hegner et al., 2017), 'how it develops over time' (Zarantonello, Romani, Grappi & Fetscherin, 2018) have emerged but how brand hate can be

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