

Exploring the Influence Mechanism of Brand Crisis on Consumer Repurchase Behavior

Shuying Zhang

Economy and Management College, South China Agricultural University, Guangzhou, 510642, China

*Corresponding Author: sy13691909475@163.com

ABSTRACT

The outbreak of a brand crisis can lead to an increase in public distrust of the brand, a sharp drop in sales, a blow to brand reputation and other phenomena, thus causing consumer dissatisfaction. How to repair the trust between brands and consumers, regain consumers' forgiveness and recognition can stimulate consumers repurchase behavior is a hot topic in society. Based on attribution theory, this study starts from the types of brand crises and explores the impact of brand crises on consumer repurchase behavior and the moderating role of brand awareness. On the basis of enriching the theoretical research on brand crisis management, this study also provides effective help for brands to formulate the perspective of crisis public relations program and rebuild brand image.

KEYWORDS

Brand crisis; Consumer repurchase behavior; Brand awareness

1. INTRODUCTION

Brand crisis is an indispensable obstacle in the course of brand development, either due to the influence of the times, or due to the macro environment of the market, or due to their own negligence. In general, the emergence of brand crisis will bring threats and challenges to the brand itself. Corporate ethical brand crises are directly associated with the brand's own lack of social responsibility, strategic errors, and other unethical factors; while product performance brand crises are associated with product faults caused by the brand as well as negative product reports [1]. However, no matter which type of brand crisis, it should be paid attention to and emphasized, and relevant research is needed to clarify the mechanism of its impact on consumers as well as on the brand itself.

Consumer repurchase behavior belongs to the economic behavior of consumer post-purchase behavior, which mainly refers to the subsequent financial behavioral response of consumers [2], and is a necessary condition for activating the market, expanding the scale of consumption, and stabilizing the market for sustained growth. After a brand crisis occurs, consumers are bound to have certain perceptions of the event, which will affect whether their repurchase behavior occurs or not. For this reason, both academia and society should pay close attention to the chain reaction of brand crisis, and formulate relevant measures to provide examples for the brands involved as an effective reference in order to solve the crisis in a timely manner to appease consumers.

Brand awareness is a mandatory element of the overall knowledge system in the customer's mind - how likely the customer is to recognize the brand in different situations, how often the brand name enters the customer's mind, and how much they like the brand [3]. Brand awareness is one of the prerequisites for consumers to take the brand into consideration in their consumption decisions [4].

Most scholars have reached a consensus that brand recognition and recall are important when consumers make purchasing decisions and evaluate product usage experience or product quality, and brand awareness and recall also affect consumer attitudes and emotions, and even company performance [5].

Based on this, this paper will explore the impact of different types of brand crises on consumer repurchase behavior. Using attribution theory as a guide, this paper reveals the mechanism by which consumers' perception of brand crisis affects their repurchase behavior. Using the moderator variable of brand awareness as an entry point, this paper explores the degree of consumers' tolerance to different types of brand crises and the degree of response to subsequent repurchase actions under its effect.

2. THEORETICAL MODELING AND HYPOTHESIS FORMULATION

2.1. Attribution theory

Attribution refers to the process by which an individual makes inferences about the motives behind another person's or his or her own behavior, and an individual's perception of the reasons behind a particular behavior determines his or her response to that behavior [6]. In attribution theory, the internal reasons for the occurrence of an individual's behavior refer to the qualities and characteristics that an individual possesses in himself or herself that lead to the performance of his or her behavior, including the individual's motivation, ability, effort, etc. [7]. According to attribution theory, people's attribution of things affects their emotions and attitudes. Specifically, when people believe that the positive behavior of others is sincere and voluntary, people will produce the emotions of appreciation, gratitude and approval; on the contrary, when people believe that the positive behavior of others is done for self-interested purposes and forced to do it, not only will they not produce those positive emotions, but they may also produce the negative emotions of aversion, contempt, and so on [8].

Responsibility attribution is the first step for consumers to control the crisis, and it dominates the process of consumers' cognitive crisis information, which will influence consumers' crisis cognition, emotional reaction and behavioral intention. [9]. Therefore, according to the types of brand crisis, i.e., corporate ethics and product performance, based on attribution of responsibility, when consumers deal with the crisis information of a brand, especially a brand that they have purchased before, due to the intervention of brand awareness, consumers will re-examine the brand and its products while paying attention to social opinion, and decide whether to make a re-purchase in the future or not.

2.2. Brand crisis and consumer repurchase behavior

Based on self-categorization theory, some scholars explored the differential impacts of competence-related brand crises and corporate ethical brand crises on consumers' post-purchase behaviors (repurchase and word-of-mouth), and found that self-brand association played a buffering role in the occurrence of brand crises, and inhibited consumers' resistance to a certain extent [10]. There are also studies, regardless of the type of brand crisis, stating that brand forgiveness is a necessary mediator of the impact of consumers' attribution of failure to repurchase intentions for brand crises [11], and that regardless of the type of brand crises, consumers' trust has been undermined, and that repairing the relationship in time to obtain forgiveness and forgiveness is not an ineffective salvage measure. Consumers' attention to brand crisis events and their ethnocentrism can cause a series of negative reactions to the brands involved, which include higher boycott attitudes, higher negative word-of-mouth communication, and lower purchase intentions [12]. Corporate social responsibility has a significant impact on business interactions with customers, and poorly reputable marketing practices can negatively affect customer attitudes, social behaviors, and satisfaction [13]. While a product performance-based brand crisis may cause consumer dissatisfaction and disappointment, it is only for the product in question and not for other products under the brand in question, and consumers will

not question the entire brand because of the product's problems. Therefore, timely remedial measures such as product recalls may be able to gain consumers' forgiveness as soon as possible in order to retain their willingness to repurchase. Summarizing the above analysis, the following hypotheses are proposed in this paper:

H1 Brand crisis has a negative effect on consumer repurchase behavior

2.3. Moderating influence of brand awareness

Brand awareness as an important cue for consumers to predict product quality, also has a large impact on consumers' purchase intention [14]. Due to the differences between brand awareness, consumers' trust and recognition of the brand will be different, and the brand experience and perceived value that can be brought to consumers by brands with different reputations are also very different. Consumers are more likely to feel good about products with high reputation in the process of brand experience, which can effectively reduce the psychological perceived risk [15]. When a corporate ethical brand crisis occurs, a high-profile brand is more likely to inspire consumers to repurchase after the crisis has subsided based on the widespread recognition it has accumulated; whereas, when faced with a product performance-based brand crisis, consumers may even ignore the crisis information and actively repurchase for the sake of brand value. Summarizing the above analysis, this paper puts forward the following hypotheses:

H2 Brand awareness moderates the effect of brand crisis on consumer repurchase behavior

Based on the above theoretical foundation and hypothesis analysis, this paper proposes a research model as shown in Figure 1.

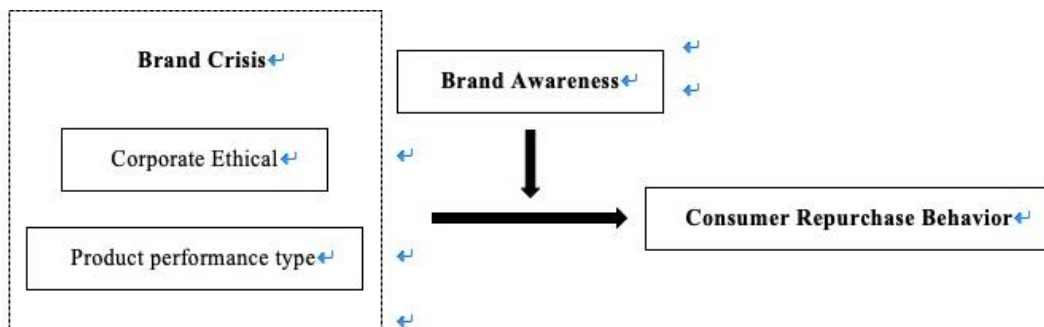


Figure 1. Conceptual model

3. RESEARCH METHODOLOGY AND HYPOTHESIS TESTING

3.1. Questionnaire design

Since this study needs to measure the specific performance of consumer repurchase behavior, a large number of actual behavioral quizzes were conducted throughout the study to enhance the robustness of the experimental results. Through virtual scenarios, we verified the specific responses of corporate ethical brand crises and product performance brand crises on consumer repurchase behavior, and examined the moderating effect of brand awareness. The external validity of the research results in the virtual context is enhanced by examining the specific effects of brand crises on consumer repurchase behavior through actual behavioral question and answer sessions in order to enhance the robustness of the results.

In this paper, the research is conducted through the method of questionnaire, which adopts a five-point Likert scale for statistics, and refers to the past literature and the mature scales used to extract the corresponding measurement indexes. Among them, the brand awareness dimension refers to the

scale proposed to measure a series of consumer behaviors after learning about the crisis information [16].

3.2. Data collection

The questionnaires were distributed online through Questionnaire Star from April 7 to April 10, 2024 with the help of WeChat QR code scanning function. A total of 109 valid questionnaires were collected, with an effective recovery rate of 100%.

3.3. Sample characteristics

Information on the demographic variables of this survey is shown in Table. There are 14 males (12.84%); 95 females (87.16%) in this survey. In terms of age, this survey is dominated by young people under 30 years old, as young people are the main group of people who are close to the brand and pay attention to brand opinion. The monthly consumption level of the respondents is concentrated in the range of 1,000-2,000 yuan, and they have enough financial ability to consume some brands appropriately.

Table 1. Respondent demographics

	Classification	Numbers	Percentage
Sex	Man	14	12.84%
	Woman	95	87.16%
Age	Under 20	41	37.61%
	21—29	59	54.13%
	30—44	7	6.42%
	45 and above	2	1.83%
Monthly consumption level	Under 1000 yuan	10	9.17%
	1000-2000 yuan	60	55.05%
	2000-3000 yuan	31	28.44%
	3000 yuan and above	8	7.34%

3.4. Data analysis

In this paper, the reliability of the questionnaire was analyzed by testing the Cronbach's coefficient through SPSS software. The Cronbach's coefficients of each variable are 0.889, 0.903, 0.940, 0.631 are all greater than the required minimum value of 0.6, in which the Cronbach's coefficients of the two variables of corporate ethical branding crisis and product performance branding crisis are much higher than 0.8, which indicates that the items of this questionnaire are reliable and there is a high degree of consistency among the items. The KMO values are 0.827, 0.849, 0.853, and 0.500 (the KMO value is 0.5 because it is two analyzed items), which are higher than the minimum requirements, indicating that the scale of this questionnaire has good convergent validity. The specific test results are shown in Table.

Table 2. Test for reliability and validity

Variant	Questions	Cronbach	KMO
Corporate ethical brand crisis	3	0.889	0.827
Product performance-based brand crisis	3	0.903	0.849
Consumer repurchase behavior	7	0.940	0.853
	3	0.631	0.500

One-way analysis of variance was used to test the main effect between brand crisis (corporate moral brand crisis and product performance brand crisis) and consumer repurchase behavior (reluctance to purchase). ANOVA revealed that the difference between different brand crisis types on consumers' repurchase willingness was not significant (SD moral = 1.14, SD performance = 1.31, $p > 0.05$). As can be seen from Tables 4 and 5, the levels do not show significance, so the original hypothesis is not rejected, brand crisis does seriously inhibit consumer repurchase behavior, in which the product performance type of brand crisis on consumer repurchase behavior plays a stronger negative role than the corporate ethics type of brand crisis. Hypothesis H1 is verified.

Table 3. ANOVA on Corporate ethical brand crisis and consumer repurchase behavior (reluctance to buy)

	Sample size	Average value	Standard value
Corporate ethical brand crisis	42	3.21	1.14
F		0.232	
p		0.631	

Table 4. ANOVA on Product Performance-Based brand crisis and consumer repurchase behavior (reluctance to buy)

	Sample size	Average value	Standard value
Product performance-based brand crisis	67	3.21	1.31
F		0.217	
p		0.642	

The moderating effect analysis was conducted with two types of brand crisis as the independent variable, consumer repurchase behavior as the dependent variable, and brand awareness as the moderating variable. Under the corporate ethics-type brand crisis, the significant change of F-value (0.213-0.384-0.533) indicates that brand awareness plays a role in brand crisis and consumer repurchase behavior, and there is a moderating effect. Under product performance-based brand crisis, the significant change in F-value (0.147-0.236-0.756) indicates that brand awareness plays a role in the relationship between brand crisis and consumer repurchase behavior with a moderating effect. Hypothesis H2 is verified.

4. CONCLUSIONS AND IMPLICATIONS

4.1. Conclusions of the study

Based on attribution theory, focusing on the influence paths behind consumers' perceived awareness and repurchase behavior is of great value to both brand crisis research and subsequent marketing strategies. The main conclusions are as follows: First, brand crisis has a negative inhibitory effect on consumer repurchase behavior. Whether it is a corporate ethical brand crisis or a product performance brand crisis, consumers' brand recognition and repurchase intention are negatively affected by the brand crisis. Especially in the case of product performance-based brand crisis, the majority of

consumers are unwilling to repurchase due to the crisis. Second, brand awareness affects the interaction effect of brand crisis on consumer repurchase behavior. In fact, brand awareness alleviates consumers' anger and dissatisfaction when receiving a brand crisis to a certain extent, which in turn leads to consumers' willingness to consider repurchasing the brand involved in a relatively short period of time. In particular, after a product performance-based brand crisis, brands with high awareness are more likely to stimulate consumers' repurchase intentions [9].

4.2. Management Insights

First, this paper provides a new perspective for brands to correctly deal with the relationship between crisis and consumers, and provides effective help for brands to formulate the perspective of crisis public relations program and specific measures to repair consumer trust. The data results show that in the case of corporate ethical brand crisis, consumers prefer brands to apologize in a timely manner after the crisis to try to restore the brand image; at the same time, enhance the optimization of after-sales service to improve consumer satisfaction; and improve product quality in order to gain consumers' favor. In product performance-based brand crisis scenarios, consumers prefer brands to understand their real needs in depth, so as to improve satisfaction and stimulate repurchase behavior.

Second, it is necessary for brands to take appropriate measures to enhance their visibility. Brands with high visibility tend to capture a large share of the market, with strong brand equity and a prominent brand image. With the prevalence of consumer-centered marketing concepts, consumers tend to favor reputable brands - even after a brand crisis, consumers are more likely to forgive their mistakes, especially after a product performance-based brand crisis, consumers are still willing to believe in the brand involved and take the initiative to buy its products again.

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