

# THE FICKLE MISTRESS

## LOYAL CONSUMERS, CHANGING BRANDS AND THE CHANGE-CONSTANCY CONFLICT

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### INTRODUCTION: RESTLESS TIMES, RESTLESS BRANDS

Change defines modern reality. The modern obsession with innovation injects certain restlessness in brands today and there is an endless stream of product innovations, packaging innovations, new flavors, variants and sub brands across categories, to create a bewildering environment of change. Marketers believe that they are responding to the dynamic needs of consumers who demand similar dynamism in brands they interact with. An unchanging brand in such dynamic times would lead to a sense of stagnation, boredom and churn. But managing this change is a challenge, as a wrong move could break the carefully cultivated relationship with loyal consumers.

Our research studies over the years on the impact of change on loyal consumers show that loyal consumers are indeed excessively sensitive to change. But what is interesting is the fact that, parallel to the drive for stability, there is a drive for change. Our observation is that loyal consumers:

- Desire that their brands evolve and modernize, and
- Desire equally that their brands stay the same

We call this contrary set of drives the Change-Constancy conflict and believe that this impacts the way loyal consumers see and respond to change.

The intent in this paper is to get to the heart of this conflict, and understand how it impacts the loyal consumers' choices and behaviour. This understanding, we believe, will help marketers manage change more successfully, and will direct researchers towards more nuanced analysis, and better methods keeping the sensitivities of this conflict in mind.

This paper specifically explores:

- The nuances of the Change Constancy Conflict
- The manifestations of the change-constancy conflict across categories and loyal consumers
- The impact of the change-constancy conflict at a macro and at a micro level, on behavior at the time of change/renovation in the brand

The following is the process followed in building this paper:

- The initial thoughts were built based on mining data from qualitative research studies over the last decade involving multiple categories in consumer durables, FMCG and services covering skincare products, automobiles, white goods, cigarettes and liquor, paints to name a few. The focus was on qualitative diagnostic research that studied the impact of change in the brand on loyal consumers, and how lapsing took place.
- Discussions with experts and desk / internet research, literature survey were used to further build on and fine tune these ideas.
- Additionally, supplementary in depth interviews were conducted with eight informants to deepen the understanding of loyalty and stages of change.

This paper is presented in the sections as follows:

- Loyalty in an era of change
- The Change - Constancy Conflict
- Resolving the Conflict: Anchors and Change categories
- Brand Renovation/ Modification and The Change Constancy Conflict
- The Fickle Mistress: Conflict at the Point of Change
- Impact and implications on researching change

## LOYALTY IN AN ERA OF CHANGE

Given the pace of change and innovation, and the multiplicity of options across categories today, it is a wonder that loyalty exists at all. But loyalty is believed to be a fundamental human instinct, one linked with the idea of fidelity and persistence – values that are encouraged in society. Loyalty is also a coping mechanism to deal with change, a way to find stability and simplicity in a dynamic milieu.

*“Loyalty is noble. It suggests that a person has conviction, trust, and fidelity. But this aside, maintaining loyalty is easy; it is the tried and true. Consumers weary of consuming can repurchase without great effort, provided the consumable has not changed for the worse.”* (Richard Oliver).

The brands that populate our lives hold deeper meanings for us beyond their functionalities, and take on human dimensions. Some brands define identity and culture, some act as support structures and trellises on which our lives are built, and others are convenient helpers. Marketers have long accepted that our relationships with brands approximate relationships between humans.

We have identified five types of these ‘near human’ loyal relationships based on:

- Intensity of engagement
- Quality of emotional investment
- Positivity in the relationship.

*1. Passionate Devotee:* This buyer loves the brand, is mesmerized by the brand’s qualities, forgiving of faults, and quite unable to articulate why he loves the brand so much or provide strong rational explanations. The relationship with Apple for many is decidedly passionate with loyal consumers willing to defend their brand against all criticism, even forgiving or explaining away negative experiences. This is true of iconic brands such as Harley as well. These loyalists are open to change but apprehensive that the change may alter the brand’s aura, remove the magical quality that makes the brand so attractive.

*2. Settled Spouse:* This buyer is not passionate, but deeply dependent on the brand, emotionally. Some of these brands may even be anchored in the past, being part of a happy childhood or recalling the comfortable presence of a mother who may have used and passed on the brand to the child. Many of these relationships are built on rituals, and on sensorial aspects such as fragrances, colours. There is a sense of permanency and longevity, “growing old together” and resistance to change is very high. Consumers feel bereft and lost if forced to do without their brand.

Personal care brands and foods are some categories where such brands can be found. Loyalty to Pears Soap, for instance, is built on the fragrance, the translucence and the feel of the soap. Social networking sites such as Facebook also operate on the concept of deep friendship, ritual and comfort derived from structural and sensorial cues such as the colour scheme, fonts, location of buttons, navigation and so on. Ritualistic, habit based products are also found in this category, such as toothpaste. Essential working tools such as tractors for farmers or laptops for executives fall into this category as well.

*3. Master-Servant:* The buyer has no real attachment to the brand and the relationship is highly transactional and contract based. The relationship is largely inertial and could continue endlessly but can snap easily in case of temporary non-availability or a price change. Relationships with regular retail outlets, for instance, are often convenience based and dispassionate, with the consumer willing to shift brands easily if required.

*4. Illicit Liaison:* Relationships with brands of alcohol or cigarettes, if these are considered taboo or ‘bad’, or “sweet transgressions” when on diet, provide moments of stolen pleasure and have all the excitement of a fling. The search for pleasure creates a strong relationship based on sensual aspects of the brand including colours, textures, tastes and fragrances/ flavours, also extending to the brand colours and packaging, logo, etc. The brand could also have flaunting

value. Brands that don't live up to expectation could be discarded easily in favour of more attractive and fascinating options.

*5. Reluctant Loyalist:* Some consumers are forced into loyal relationships due to economic or social constraints and would take the first opportunity to move away. A housewife forced to consume the brand of tea at her in-law's home and who does not feel empowered to enforce her choice in this scenario, will do so the moment she shifts out into a home of her own. A lower income homeowner who has to make do with a lower end brand of car will upgrade to a 'higher order brand' the moment his income level rises. These constitute a form of Spurious Loyalty (Dick and Basu) – with non-existent emotional bonds.

Of these the Passionate Devotee and the Settled Spouse relationships are the most emotionally invested, while the others are less engaged. However, all relationships come with certain terms and conditions and a transgression of these fundamental tenets could cause a crack in the relationship.

## THE CHANGE CONSTANCY CONFLICT

### What is the Change - Constancy Conflict?

The Change Constancy Conflict represents conflict between two opposed drives: the drive for change and novelty, and the drive for stability and constancy. This conflict plays out daily in different aspects of our lives. For instance, young men in small towns wrestle with conflicting drives to migrate to larger cities and seek their fortune, and the drive to stay back in the comfort of home and familiar surroundings. In shifting jobs, we are conflicted between the desire to stay with the familiar environment and the need to make a change and try someplace new. We want security and adventure at the same time.

In the marketplace the conflict comes to the fore every time we pick up a new brand and consider trial. Should we stay with the brand that we always buy, or take a risk and try something new? A loyal consumer, no matter how engaged with his brand, faces the conflict and the temptation to "flirt" every time he enters a supermarket and sees the array of options that he could use instead of his regular brand.

### Conflict at the heart of relationships: Stability vs. Change

The theory of Relational Dialectics (Baxter and Rawlins) states that in every relationship there are "dialectic tensions" between relationship partners, and that relationships evolve through the dynamic resolution of these conflicts or tensions. One of the dialectic conflicts identified is the conflict between Stability and Change: partners seek both stability and unpredictability from each other, in order to keep their relationship alive.

This conflict is broken up as follows:

- certainty/uncertainty
- conventionality/uniqueness
- predictability/surprise
- routine/novelty

This particular conflict is, interestingly, found in the loyal consumers' relationships with their brands. While it appears that Loyal Consumers are in a state of temporary balance and quite happy with their chosen brand, there is also a deep-seated need for novelty and change.

Loyalty is not as stable as the term suggests and we often find "flirtatious behavior" from consumers who are apparently settled with a particular brand, but casually pick up other brands as well. Smokers, for instance, may have a stable brand for the large part, but have a set of 'occasionals' that they reserve for different situations- some of these highly expensive options reserved for special evenings (spouses and mistresses?). This flirtation in no way undermines the strength of loyalty with the primary brand- this is just a way of injecting some novelty or a different 'feel' into the proceedings.

What drives the need for change and constancy in brands and how does this conflict play out? In order to understand this better, we need to understand:

- the Change Paradigm
- the Constancy Paradigm

### The Change Paradigm: Moving while standing still

Loyal consumers are thought to be strongly constancy oriented. However what is interesting is that the consumers would like constancy in the relationship with the brand - not necessarily in the product metrics per se. In fact, in order to keep the relationship engaging, change appears to be an imperative.

The following are drivers to a certain minimum pace of change:

1. *Evolving culture*: Brands today are “cultural resources, useful ingredients to produce the self as one chooses.” (Holt, 2002). Brands operate in a multi category ethos where tastes are constantly modified by evolving culture - music, art, lifestyle, etc. A pack format that appears modern today will appear old fashioned tomorrow, not because the need from the pack has changed, but simply because the aesthetic has changed. This is today a strong driver as the world is becoming more interconnected and culture is dynamic. There is also a fear of obsolescence, of being left behind, that drives need for visible, if not fundamental, change.
2. *Evolving needs*: Evolving lifestyles lead to modified needs. For example, changes in food buying habits or storage methods lead to changing needs from refrigerators; hence the need for modified design.
3. *Life stage change*: Consumers have a perspective on age appropriateness of brands and may discard favorites if they believe that they are inappropriate for their age. Yet they may still have strong emotional bonds with the brand, retaining some nostalgia for it.
4. *Boredom, novelty seeking, curiosity*: The fundamental need for novelty for novelty’s sake- the need for small surprises, e.g. sudden offers or delight discounts and gifts – from a stable and loving partner (or from other options outside this relationship).

Sometimes, the desire for change is triggered by change in competitive brands, giving rise to a feeling that their brand is being left behind and is becoming outmoded. ‘Keeping up with the Joneses’ keeps the need for change alive.

Interestingly, some loyal relationships are predicated on constant change. A respondent trying to articulate the relationship with Apple said, “Apple will always be ahead and will always produce the best in class technology”- a promise of constant up-gradation and change which is compelling, even irresistible. The Apple positioning in fact resolves the conflict through this promise, exciting admiration.

While all loyal consumers seek change and novelty, the attitude towards change in their brand varies by type of relationship (see figure 1).

FIGURE 1. THE CHANGE PARADIGM

Change paradigm	
<b>Passionate</b>	Pro Change
<b>Devotee</b>	Likes to be surprised and fascinated (within specific parameters)
<b>Settled spouse</b>	Change apprehensive, very suspicious of any form of change – need transparency and dialogue in the change phase Willing to be delighted by small additions without tinkering with the basic specs of the brand
<b>Master servant</b>	Open to change that improves rational benefits Closed to change that does not
<b>Illicit liaison</b>	Pro Change Likes to be surprised and fascinated

#### *Change attitudes and consumers:*

Not all consumers have the same fundamental attitude towards change. We have identified four types of consumers in terms of their orientation to change:

1. The Change Averse: those who seek permanency and dislike change of any kind
2. The Change Apprehensive: those who want a long window of stability and are apprehensive and suspicious of change
3. The Change Adoptive: those who embrace change with a positive attitude, believing any change to be for the better
4. The Change Addicted: those who look for constant excitement and updates

The orientation to change varies by age. As consumers grow older, they become more inclined to stability and less inclined to seek change in their trusted brand, while the younger are more restless and need change. Generally consumers we encounter fall into the middle of the line categories of Change Apprehensive and Change Adoptive- they are cautious change seekers.

### The Constancy Paradigm: Standing still while moving

The fact that the consumer chooses to buy the same brand over a period implies a need for constancy. What drives the need for constancy?

1. *Risk reduction*: Maslow listed stability amongst safety needs as it represents risk reduction, dealing with a known paradigm. Fear of the unknown and fear of failure are some of the fears that keep a buyer loyal to a brand. The need for this sort of stability is higher for products that are technical in nature or which are high stakes, carry a high price tag. A consumer is likely to be far more risk averse in purchases of durables than in the purchase of nail polish. A housewife who needs to satisfy her family's tastes will think many times before she changes her brand of tea.
2. *Simplification*: Sheena Iyengar's work in understanding the mechanics of choice suggests that too much choice is paralyzing, as the probability of taking a wrong decision increases with increase in options. Having made a choice of a brand at a point in time, the natural inclination is to perpetuate the relationship without having to evaluate options at every purchase.
3. *Zone of Blind Comfort*: In his book "The Habit Loop" Charles Duhigg shows how consumers enter a particular behavioral pattern, a Zone of Blind Comfort which they find hard to break out of. This need for perpetuating a pattern arises from a reluctance to think, evaluate and take frequent decisions. The pattern also provides a ritual that creates a comfort zone, creating a sense of security. Habit is a much bigger 'keeper of loyalty' than fear.

The need for constancy also varies by different types of loyal relationships (see figure 2).

FIGURE 2. THE CONSTANCY PARADIGM

Constancy paradigm	
<b>Passionate devotee</b>	Brand Aura to remain undiminished through some key brand elements
<b>Settled spouse</b>	Would prefer the brand to remain largely unchanged for as long as possible
<b>Master servant</b>	No change tolerated in the fundamental terms of engagement
<b>Illicit liaison</b>	Basic product aspects to remain unchanged

Academic research shows that the stronger the emotional commitment to the brand, the more disturbed the consumer is by even small change, as he is likely to see any change as modifying the meaning of the brand in some way, and therefore feels insecure.

### The conflict

Different types of relationships have different change and stability needs, hence the extent of conflict/ nature of conflict varies as illustrated in figure 3:

FIGURE 3. THE CHANGE CONSTANCY CONFLICT

	Change paradigm	Constancy paradigm	Conflict	Action
<b>Passionate devotee</b>	Pro Change Likes to be surprised and fascinated (within specific parameters)	Brand Aura to remain undiminished through some key brand elements	Very rigid on some aspects of the brand (e.g. logo, aesthetic) Very open to change in other aspects	Need to clearly identify core equity elements that should not be changed
<b>Settled spouse</b>	Change apprehensive, very suspicious of any form of change – need transparency and dialogue in the change phase Willing to be delighted by small additions without tinkering with the basic specs of the brand	Would prefer the brand to remain largely unchanged for as long as possible	Need a basic sense of progress and currency but very apprehensive of alteration in any of the brand aspects	Need to take a consultative approach with the consumer, prewar when a change is imminent, help accept and understand the change
<b>Master servant</b>	Open to change that improves rational benefits Closed to change that does not	No change tolerated in the fundamental terms of engagement	None	Rational value additions, do not tinker with core deliverables
<b>Illicit liaison</b>	Pro Change Likes to be surprised and fascinated	Basic product aspects to remain unchanged	None	Image enhancement

The conflict is highest in the case of the two typologies that show the greatest emotional commitment to the brand: the Passionate Devotee and the Settled Spouse.

There is a strong temptation to map different categories in a 'Change- Constancy Continuum'. This thought has been considered and discarded as indications are that different types of consumers have different perceptions of each category.

At this preliminary stage, it would be premature to attempt a global classification without going into the complexities of each category and consumer base. This would however form a basis of further query.

## RESOLVING THE CHANGE CONSTANCY CONFLICT: ANCHORS AND CHANGE CATEGORIES

### Change orientation varies across categories

In order to explore the change and constancy orientation across a few categories, we circulated a list of 25 categories amongst 14 respondents in their 20s and asked them to identify:

- Those in which they had a brand to which they were loyal (felt an emotional connection)
- Those in which they wanted their favored brand to stay the same forever
- Those in which they wanted change in some aspects over a period of time
- Provide a time frame for the minimum period over which they wanted change (we deliberately did not provide them with optional time frames and left this open ended)

The findings from this short exercise were interesting. To start with, brand loyalty existed in a maximum of 6 out of 25 categories for any given respondent (which seemed to tie in with the assumption that the younger audience by and large displays positive change orientation and do not tie themselves to specific brands in many categories.)

There were some categories where they did not want any change whatsoever.

- A recent buyer of a Royal Enfield motorcycle wanted the brand to remain unchanged for posterity.
- A woman wanted her favorite brand of cigarette to remain unchanged since it represented a specific taste and sensorial that was just right and identified the brand. She was even against any sort of packaging change: *“Classic Menthol recently launched a limited edition pack with a race car theme. Made the pack look too Jazzy and colorful. I purchased packs but would crib about it to everyone and eventually transfer the cigarettes back to the old pack I had with me...”*
- Some wanted Maggi Instant noodles to remain unchanged. *“Maggi – feel emotionally attached to the taste ever since childhood. I still consume other brands like instant cup noodles/ chings, yippee, etc. but this has always remained constant”.*

In most categories there was need for limited change over a period. Most were unable to provide the minimum time frame over which the change should occur, some skipping the question altogether and others providing what they admitted were wild conjectures. But it was interesting that they wanted virtually constant change in mobile phone apps, were willing to accept change within months for their email templates and social networking sites, change in years in the packaging of their personal care brands (and no change at all in the composition!).

Whenever the kind of change sought was discussed, it was with a rider - that the basic elements of the brand should remain unchanged:

- *On email service (Gmail):* Purely because I feel that the rest of the email services seem a bit outdated in terms of layout – also, none of them have a chat option in the same email window itself. *Would not mind layout change but should not feel alienated or too cumbersome to navigate*
- *On favorite supermarket outlet:* I know exactly which aisle I can go to and find what I want to pick up. *Wouldn't mind small changes like having additional sections or aisles but would like the layout to be pretty much intact so I can maneuver easily*
- *On car:* *“I like the functioning in terms of how the car feels- since it is diesel I know exactly what the pick up is and the judgment. Would not mind additional features but the feel while driving should remain the same – indicator buttons, wiper, etc.”*
- *On personal care:* *“Yes – Once in 3-4 years after which few product changes to suit the skin ageing better can be introduced, but the brand per se should not change in anyway”*
- *Adobe Reader:* *“Semi-annually a new look is exciting & new features such as highlight the text, sharing, saving, signing should give users an added experience & feel to continue using.”*
- *E-Mail service:* *“3-6 months – New updates, features in hangouts, video calls, syncing of contacts etc. needs to be flawless.”*

What is apparent from this is that consumers appear to be taking a long-term ‘stability’ perspective on some categories, and short-term ‘change’ perspective on some other categories. The consumer seems to be evolving “Anchors” which they want to keep constant to give them a sense of stability and security, while they allow themselves Change in certain

brands/ categories. By holding both types of brands in their brand portfolio, they are able to simultaneously satisfy their drive for security and for change.

One of the industry practitioners I met over the course of this study suggested that the consumer approaches change through a “framework of familiarity”. Just as a toddler makes his first explorations with one hand securely tucked into his mother’s, we like to anchor ourselves to some familiar products/ brands that we try to keep static, while we allow change with others.

### **The concept of Anchors and Change categories**

From this evolved the idea of Anchor and Change brands. There are categories in which the consumer develops anchor brands, and categories where the consumer expects and actively seeks change, and develops ‘change brands’.

#### ***The Anchors***

Anchors are the “settled spouses” with whom we share a relationship of comfort and certainty and desire little change. These brands pop no surprises and are by and large predictable, and understand us as much as we understand them.

We have identified four ‘anchor characteristics’:

1. Personalisation: The category needs to have characteristics that allow for a feeling of personalization. For example a moisturizer that ‘suits me’, talcum powder or toilet soap that has ‘just the fragrance I love’. Personalised web pages, Blogs, personalized page on Facebook, etc. all qualify for this as well.
2. Ritualisation: Anchors involve rituals. Toothpaste for instance is a very strong anchor category from this perspective as it is part of a strong morning ritual. Social networking sites such as Facebook or Twitter have become habits occupying a specific time and place in the consumers life.
3. Strong branding: The consumer needs to use a brand with strong credentials, which is ubiquitous and has an established user base - this need not be large, but needs to be distinct.

Hygiene products, intimate personal care products, white goods and daily wear, formal wear constitute the anchors where the consumer is more stability oriented. Social networking sites, basic search engines, OS such as Android / Windows/ iOS, email sites that we use habitually also form anchors, providing stable platforms and identities. In the foods category for instance, staples are anchors in an overall food scheme, with breakfasts and mealtimes being strong anchor moments (as opposed to snack times which are change driven).

The consumer does not want these to change substantially or suddenly. They feel a sense of ‘co-ownership’, and are distressed if these anchors are shaken. Change is certainly required to keep these brands interesting- but cautious and transparent change where they have been warned and consulted.

#### ***The Change categories***

These are categories that the consumer enters with a short-term perspective, from the moment of purchase keeping an eye out for the next new thing. Relationships consist both of liaisons formed for pleasure and stimulation, as well as deep and passionate affairs. Brands in these categories are expected to be change oriented- always reinventing themselves, never failing to surprise and stimulate. They form the topics of conversation, generate buzz on the social media and create status and differentiation and envy.

The strong characteristics of Change categories today are as follows:

- Technology based, high pace of change and innovation generated by manufacturers
- Externally driven- visible products with flaunt potential/ socially significant products that are shared
- Strong branding- brands are well known, highly regarded and have a strong following

In India, “change categories” are the mobile apps, the mobile instruments and tablets that are launched by brands such as Samsung, Motorola and Apple with exciting features, evolving aesthetics and converging functionality.

Change brands are ordered to innovate by the consumer, this is a “term of engagement”. Apple, which is positioned on the concept of innovation leadership, is a powerful brand, trusted to keep the loyal buyer at the forefront of innovation.

Loyalty in a change category can be surprisingly high, as long as the brand keeps the promise to innovate. These are also actively engaged loyal consumers who loudly advocate the brand, take pleasure in discussing innovations, and display

great pride. (Unlike in the case of anchors which command an intimate and inward looking form of loyalty). Figure 4 provides a summary.

FIGURE 4. ANCHORS AND CHANGE CATEGORIES

Characteristics	Anchor category	Change category
<b>Characteristics</b>	Comfort creators, ritualized, personalized, internally driven	Excitement creators, identity drivers, technology and innovation driven, externally oriented
<b>Type of relationships</b>	Settled Spouse	Passionate Devotees Illicit liaisons
<b>Nature of Loyalty</b>	Quiet and deep believers	Loud advocates, vociferous defenders
<b>Change paradigm</b>	Change apprehensive, Need transparency and dialogue in the change phase Willing to be delighted by small additions without tinkering with the basic specs of the brand	Innovation mandated and expected Wants to be surprised and fascinated (within specific parameters)
<b>Constancy paradigm</b>	Would prefer the brand to remain largely unchanged for as long as possible	Brand Aura to remain undiminished through some key brand elements
<b>Conflict</b>	Change through the framework of stability	Stability through the framework of change

### **Recognising Anchor and Change brands**

Anchors and Change brands are likely to vary for different consumers, and hence need to be identified at the level of the individual. The following are thumb rules to identify the Anchors and Change Brands:

- Anchors: The consumer is apprehensive of change within the brand + the category itself has a medium to low pace of innovation/ change + the consumer feels emotionally dependent on the brand
- Change Brands: The consumer is open to change within the brand + the category itself has a high innovation and pace of change + the consumer identifies strong with the brand and feels emotionally connected

### **BRAND RENOVATION/ MODIFICATION AND THE CHANGE CONSTANCY CONFLICT**

Brand renovation and dynamism are strategies that marketers use to keep a brand current, relevant and the relationship with loyal consumers alive. What is the impact of the Change – Constancy analysis on possible strategies to this effect?

#### **Brand renovation/ modification in Anchor Categories: “Change through the framework of stability”**

In introducing change in an anchor brand, the company is essentially tinkering with a fundamental pillar of their consumer’s lifestyle. Therefore changing brand coordinates, launching variants in an anchor category can be tricky affairs, and could rebound on the company if not handled right

#### **Case: The Tropicana Pack change: Carrying a straw**



When Tropicana dropped the orange and straw logo from their packs they lost one-fifth of their sales in weeks. Consumers were very attached to this visual and were very unhappy with the change in the pack. Pepsico shortly went right back to the orange.

*“People don’t like change. And when a logo or packaging for a favorite product changes, it creates trust issues. The package has changed and they wonder if what’s inside has, too. The generic logo made people expect a generic product.”*  
Business Insider, 2013



**Case: “Old’ Cinthol**

Cinthol is a well-known Indian brand of soap from Godrej, a respected name in India. The original Cinthol soap is a chunky square pale green product with a distinctive and pleasant fragrance, positioned on fundamental hygiene and body odour control. As time went by, the company decided to launch a new updated version. The positioning continued to be the same but the new soap had a different shape, fragrance and colour. While this new offering garnered its own market, users of the original soap were so opposed to the new variant that the company had to bring back the original, and has till today retained it in the portfolio. It still has a sizeable (though aging) clientele and the retailers sell it, in its original form and packaging as “Old Cinthol”.

This is a case of ‘extreme anchor’ where the brand and product codes are so deeply enmeshed with each other that it is virtually impossible to make a change without disturbing the users. These brands then become static, and over a period, are considered “classics” to be kept untouched. In this case, companies may try to extend the brand name and launch variants while keeping an original version intact.

**Case: The New Coke Debacle**

Another example of an Extreme Anchor brand is Coke. When New Coke was introduced, there was an uproar as the original Coke was withdrawn from the market. *“An explanation offered in 1985 by executives of Coca Cola Company in response to the avalanche of complaints when they replaced the original version of Coca-Cola with New Coke: Consumers in focus groups liked the taste of New Coke, but were not told old Coke would disappear. The original version was hastily brought back as Coca-Cola Classic and New Coke eventually fizzed out.”* (New York Times, 2013)

In dealing with brands in Anchor categories, therefore, companies need to proceed with caution, as far as possible involving their consumers as advisors in the process of change and upgradation. Since consumers identify so strongly with their brands and have such high dependency on them, they perceive themselves as part owners of the brand and need to be engaged with collaboratively.

**Brand renovation/ modification in Change Categories: Stability through the framework of change**

Steve Jobs famously said, “A lot of times, people don’t know what they want until you show it to them.” This is true of the Change categories where the consumer not only is unclear as to what he wants; he actually does not want to know what he wants. He wants to be surprised and fascinated by change, to be shown the future in a little box so that he may feel the buzz of progress and ‘with it-ness”.

But even in the case of loyal relationships predicated on the concept of change and innovation, the consumer expects stability in certain elements of the brand to reassure on the brand’s identity or “signature”. These signature features could be subtle, embedded in the brand aesthetic, or in the tonality of the communication, in a fragrance or in aspects that even appear trivial. These form the Internal Anchors within the brand, which provide a sense of continued identity. These need to be identified and kept stable.

**Case: The wrong move: The GAP logo change debacle**

Recently the change in the GAP logo led to a furor with loyal consumers reacting very emotionally on the GAP Facebook Page. One update read: "If this logo is brought into the clothing [store] I will no long[er] be shopping with the Gap. Really a bummer because 90% of my clothing has been purchased there in the last 15+ years." The company defended the logo saying that they wanted customers to take notice of GAP and wanted their design to be more contemporary and current. "It honors our heritage through the blue box while still taking it forward." But sales dipped alarmingly, and within a week the company withdrew the new logo.

Despite being part a dynamic category, with their lines of clothing and fashion updated very frequently, consumers demanded stability from the logo. In his analysis of the GAP debacle, Craig Smith, a Marketing Expert in UK said, "Where marketers often go wrong is they think they have identified an opportunity for the brand to evolve and become something else, become more modern, and they think they can shortcut this by changing the visual identity, and carry the customers with them. It's a fundamental error because customers may not be ready to go with you."

**Case: Prometheus to Epimetheus: The Fall of Nokia**

Nokia dominated the Indian market for 14 years based on their great product quality and good service. They were initially innovation focused and were the first to introduce the smartphone the Symbian Series 60 devices, in 2002. But soon the consumer was exposed to the iOS and then to the Android, and the mobile phone had morphed into a pocket computer. Nokia stuck to their Symbian platform until 2011 when they transferred to the Windows phones. Nokia lost 25% market share over this period and has still not recovered. "Nokia was sort of an older brand, there wasn't a new panache to it. Samsung, as a marketed brand, was perceived as an innovator. Nokia has a legacy baggage — they are the traditional brick, candy bar phone maker." – Lam, Nokia.

Consumers carry nostalgia for the original Nokia pieces with the Snake game- it is associated with the technology of an earlier era, and the consumer has moved on. Unlike in the anchor category, nostalgia does work in change categories.

The same issues plagued Blackberry, which has had a steep fall in fortunes globally. Analysing the debacle, Time magazine pointed out three reasons for the fall: "First, after growing to dominate the corporate market, BlackBerry failed to anticipate that consumers — not business customers — would drive the smartphone revolution. Second, BlackBerry was blindsided by the emergence of the "app economy," which drove massive adoption of iPhone and Android-based devices. Third, BlackBerry failed to realize that smartphones would evolve beyond mere communication devices to become full-fledged mobile entertainment hubs."

It is clear therefore that brand strategies would need to vary based on whether the brand inhabits an Anchor or a Change category. The consumer's approach to these categories vary, being change apprehensive in one, and change adoptive in the other.

Therefore there are certain broad strategies for marketers to follow based on the relative needs for stability and change.

In Anchor categories it is important to engage and involve the consumer in change. In Change categories it is a good idea to surprise him – but there is a need to first understand and identify the holy cows in the brand's make up which are sacrosanct and cannot be altered

FIGURE 5. THE MARKETING IMPERATIVES

	Anchor category	Change category
<b>Marketing imperatives</b>	Identify the core loyalty creating elements in the brand at an emotional and product level Identify the change agents within the brand	Identify the core sacrosanct elements that provide the stability anchors within the brand
	Prime consumers for change Involve consumers in the process of change Communication during the change period	Constant innovation and communication of innovation while keeping internal anchors constant

### Managing the conflict through the portfolio

Maintenance of a portfolio of options for different needs addresses the Change Constancy Conflict:

- It allows the consumer variety within the same brand umbrella hence providing change points with constancy
- It provides a consumer with a sense of movement without necessarily altering the brand that they are using

Launching new variants frequently also provides a sense of change

### Managing the conflict in advertising

Visibility and fresh communication also serve to refresh the brand and create a sense of movement. However, the issue of how to keep the brand appear current without eroding some of the older values the brand stands for is a challenge especially for long standing mass brands which have a base extending across age bands.

Recently, a brand of rusk of long standing in India had the task of modernizing the image. The advertising agency hit on the strategy of “soft change” - they combined a backdrop familiar setting of a mother-in-law / daughter in law, but varied the dynamics between the two to show the evolution in brand values. The consumer was therefore given change in a “framework of familiarity” which therefore had both elements of constancy and change.

### THE FICKLE MISTRESS: CONFLICT AT THE POINT OF CHANGE

It is established that the consumer wants a certain measure of change from the brand- but the degree of change, type of change and measure of change need to be carefully calibrated. The moment of truth is obviously when the change is actually made and the consumer is confronted with it.

As we discussed earlier, the Change Constancy Conflict is brought to the forefront when the consumer is brought face to face with all the different options (s)he can consider at the retail outlets. But seeing these options does not necessarily drive change - it drives flirtation.

It is when something happens within the brand they have committed to, that they actually consider whether they want to stay with their longstanding brand, or move away. They face real conflict and take some time to resolve it in their own minds before acting.

### Stages of change & conflict

The consumer passes through different phases while trying to process the change, understand what it means and then take appropriate action.

We have identified the following stages at this point:

- Stage 1: “You-are-not-the-one-I-married”
- Stage 2: “Stick or Twist?”: Period of Vulnerability
- Stage 3: Post Change Emotions: Previous brand nostalgia

#### Stage 1: “You-are-not-the-one-I-married”

*“I’m looking through you/ where did you go/ I thought I knew you/what did I know...”* Beatles, “I’m looking through you”

As a first reaction, even superficial change can create doubt that the core properties of the brand have altered; that the brand has changed essentially. There exists a “zone of blind comfort” and equilibrium in each brand, which, if disturbed, leads to insecurity with the brand, regardless of the type of change. Even if there is no real feeling of insecurity there is a breakage of habit/ ritual that can be disturbing.

In a recent study, a retailer recounted an incident involving an irate customer who was upset because the brand of cigarette that he had been smoking for years had a new graphic on the stick that had not been there earlier. The customer was very concerned. Had the company made some change in the product? Was it the same? And why was he not told? The retailer said, "I wish the company would tell us of these changes beforehand so we can tell (warn) the customer about it. Otherwise they get disturbed." Why should a change as miniscule as a graphic on a stick of cigarette create such a disturbance?

There are two explanations for this:

- *Peripherals as product cues:* In experiential categories many consumers are not discerning enough to recognize/distinguish their brand on product parameters and use packaging cues, graphics, fonts and other peripheral as brand quality or authenticity signals. A change causes worry that it signals a more fundamental change in the product.
- *Brand identity disturbance:* The deeply loyal consumers bond with their brands at a holistic level. A change in any aspect of the brand could cause a disturbance in the perception and relationship with the brand. This is what happened when the GAP logo changed and the perceived identity of the brand altered to create a deeply emotional impact.

In this period, the consumer is just reacting but still not sure of how he feels about the change overall.

*Betrayal and anger* would form the strongest emotions on the negative range. The GAP logo change created a sense of betrayal, that the company had callously changed what they loved so much about the brand - its distinctive logo.

*Irritation* was the dominant emotion that consumers felt when their Facebook format changed, because time and effort would be needed to figure out the new layout and format, and reorganize. This was despite the fact that the changes actually improved the structure and usability of the site. The initial rejection of the change arose because of the break in the Habit Loop that they had established with the brand.

*Confusion:* A respondent discussed his bewilderment when the brand of skin cream that he had been using, a simple vanilla offering from a well-known brand, suddenly launched three variants. "I did not know which one I was using originally ... how was I to figure out which of these three was the one I was accustomed to? And they did not have the original that I had been using."

*Sadness:* An interviewee related her experience when her favorite talc, one that she had been using since childhood, suddenly changed the fragrance. "That fragrance carried so many memories of my childhood, about my mother, my parent's home..." This disturbed her so much that she dropped the brand and started to search for alternatives, unsuccessfully as she was actually searching for the specific fragrance that she was accustomed to. Then her brand reintroduced the original fragrance and she thankfully went back to it.

*Discovery of value:* We have also found, interestingly, that it is only when deprived of their brand in the original form are consumers able to discern what core elements had created their bond with the brand to start with.

Much of the angst at this stage arises from the abruptness of the alteration. Consumers do not feel prepared or consulted, which leads to a feeling of being disregarded by the company causing alienation, and the relationship weakens for that period of time.

There are also many cases of positive response to change, where the consumer feels delighted when the company is able to identify a real need gap in the product and delivers a solution. Royal Enfield launched a series of successful models starting with the Classic, which were well received and appreciated by a highly discerning and fastidious audience. In these cases the delight at the understanding shown by the brand strengthens the loyalty and belief in the brand.

### **Stage 2: "Stick or Twist?": Period of Vulnerability**

*"You don't look different but you have changed/ I'm looking through you, you're not the same"* Beatles, "I'm looking through you"

When the change happens, the consumer is faced with two paths- to stay or to look for other options.

*“Sticking”*

The reluctance to break out of a Habit Loop is a very strong loyalty driver. Therefore, many do not immediately search for alternatives, even if upset with the change. They put up and eventually adapt. In the case of the Facebook template change, the prospect of having to rebuild their identities and a new network all over again was so daunting that almost all users have stuck out the changes, grumbling.

But those who decide to “stick” for this reason are in a vulnerable state. Their bond with the brand weakens slightly, the trust reduces, and so does their emotional commitment. It is likely (though we are not able to say this with certainty) that with loosening commitment, the consumer flirts with other brands in a more free fashion. Eventually this flirtation may turn into familiarity and then one day the original brand may be replaced altogether.

When one of our respondents found that his brand of soap vanished one day and returned in a smaller size, he felt angry and betrayed – and thereafter, though he did continue using the brand, never felt the same about the company again. Today he has shifted out altogether to a new brand that he tried and found just as ‘suitable’. Incidentally, he still continues to buy his erstwhile brand, but as an “extra” soap for use by guests to his home.

Where the change is actually for the better, consumers eventually discover it and then settle back into the relationship with no real harm done. When Gmail changed their format, the initial reaction was one of rejection. Today however many admit that the changes have made Gmail easier to use with the mails classified neatly under Personal, Social and Promotions, and there is no strong impact on the brand.

*Implications: From a marketer’s point of view, this is a period when the consumer needs to be watched carefully and to be communicated with, as it could be the start of a long drawn out switching process. It is important to communicate the change to consumers and help them get over their change aversion at that point in time, to focus on the benefits that the change has brought them.*

*“Twisting”*

*“Why, tell me why did you not treat me right/ Love has a nasty habit of disappearing overnight” Beatles, “I’m looking through you”*

If the change is such that a basic trait of the product that the consumer values has been altered, the consumer feels no option but to leave the brand immediately. Twisting is an extreme step taken by loyal buyers and reserved for extreme situations, when their brand has been altered in such a way that it is not the same anymore. But in many cases they do so reluctantly.

In a research in the cigarette category, a change in packaging had a profound impact on the loyal buyers as they were convinced that the product had changed. They moved away to look at options but were dissatisfied for a long time, as they could not find an identical replacement for their brand. They found an option that was close to their taste, and had to go through a phase of adjustment with the new brand, which they found unnecessary and problematic.

*Implications: All in all, loyalty is not easily broken, and most loyal consumers look for reasons to stick with the brand. However, what could weaken is the strength of emotional commitment and trust. Changes also introduce an element of uncertainty about the brand and the consumer feels shaky and slightly abandoned by the company. It is important to open up a special channel of communication and talk consumers through the change in this period.*

**Stage 3: Post Change Emotions: Previous brand nostalgia**

*“You’re thinking of me, the same old way... You were above me, but not today” Beatles*

An interesting phenomenon is the feelings lapsing loyal users have for their erstwhile brand. In a study conducted to understand post-termination feelings towards a car brand, the researchers found that as high as 40% still identified with their former brand and about 60% showed positive or very positive attachment to the brand even after relationship termination (Odekerken-Schröder, Hennig-Thurau, Knaevelsrud 2010).

In the case of the lady with the talcum powder, she moved back to her brand the moment her brand reverted to its original self. She had retained feelings for the brand she had abandoned, and at first opportunity returned.

The feeling of nostalgia may in fact make the erstwhile brand appear more attractive in hindsight, the absence sharpening the aspects that they had really connected with. There is even nostalgia for an older variant, even if the consumer has not lapsed from the brand but has decided to “stick”. Many lapsed from brands have nothing negative to say about their

previous brand, and very few leave in anger or with negative feelings. In many cases, if the erstwhile brand launches another new variant, the recent lapsers are often amongst the first to try it out.

*Implications: This implies that marketers have the opportunity to wean back recent lapsers, that many of them actually harbor warm memories and positive affect towards the brand, sometimes even continuing to recommend it despite having moved away. The very fact that GAP changed their logo back to the original was a sign that they had listened and cared for their customers' opinions. Such an act could only have strengthened their position and equity in the eyes of their loyal customers.*

### **Stages of change & Anchor and Change Brands**

Quite obviously, the resistance to change, the initial negativity of response is far higher in Anchor than in Change brands, but then it depends on the type of change.

Previous Brand Nostalgia is strong in the case of both types of brands, but where it may bring consumers back to the brand fold in the case of Anchor brands, it actually works against the brand in the case of Change brands. For example, one of our respondents in discussing her feelings for Nokia, her erstwhile brand before she moved on, said simply: "Nokia is a very good brand but then I have moved on to Android. I will never go back to Nokia."

### **IMPACT AND IMPLICATIONS ON RESEARCHING CHANGE**

Keeping a brand dynamic and evolving without disturbing the sensibilities of the loyal consumer is not an easy task. The questions of what to change, how to change, how much to change have no easy answers and researchers do not always get these right. In the light of this analysis, there is a need for a far more nuanced approach to understanding what loyal users want and how they would like their brands to evolve.

Qualitative methodology is ideally suited to understand these nuances, and from the perspective provided in this research, we would recommend that the following process be followed in queries involving loyal consumers and change:

- Step 1: Identify and enumerate the types of loyalty relationships that exist currently amongst the brand's loyal users, and figure out which of these are predominant
- Step 2: Understand whether the brand is an Anchor brand driven by stability, or a Change brand, to the predominant loyal user typologies. Identify the specific role the brand plays in the consumer's life
- Step 3: Identify the anchors and change elements within the brand, the "holy cows" in the brands equity framework. This should include not just the values that the brand stands for but also the brand identity elements and symbols. Actual Brand Deprivation for a short period could be a highly effective methodology as it would help the consumer get in touch with what is essential in the brand based on what they missed.
- Step 4: Response to change:
  - In defining 'loyal consumers' we need to go beyond the behavioral definition of loyalty (frequency of consumption over time period) to more nuanced definition based on emotional engagement and relationship type
  - We need to consider for the research mainly those who are strongly and emotionally invested in the brand, as they would provide the true guidance on brand evolution. (If virtually all loyal users are disengaged at an emotional level, a different type of problem exists and needs to be addressed by the brand)
  - In exposing the consumer to change elements, allow for time over which the consumer is able to think and provide a realistic answer in response to stimuli. This based on the insight that the first response is more a reaction, and the consumer is usually conflicted as to his feelings.
  - The response should be evaluated holistically keeping in mind that inertia could keep the consumer in the brand even if the change may not be completely to their liking; this may cause a weakening of the bond.
- Step 5: Analysis: Need for strong contextual understanding to evaluate the response, which comes from an understanding of the consumer and his current relationship with the brand, his needs and conflicts.

## Methodologies

The methodological challenges in this query would be in the following areas:

- Identification of type of emotional relationship shared with the brand
- Identifying the anchor and change elements within the brand
- Realistic assessment of impact of change
- Greater involvement of consumers in brand building

Figure 6 summarises the kinds of challenges and suggested methodologies involved with each of these:

**FIGURE 6. KINDS OF CHALLENGES AND SUGGESTED METHODOLOGIES**

Area	Challenges	Suggested methodologies
Loyal relationship identification	This needs to be a combination of attitudinal and behavioral aspects of the relationship- just one or the other would not be strong enough for classification	<u>Combination of attitudinal + behavior based:</u> <b>Brand Narratives:</b> Collection from the respondent, <b>stories that involve the brand</b> (including small incidents, reminiscences, encounters, discussions, posts) – including all negative and positive incidents <b>Delta Moments</b> with the brand: Brand history and inflection points <b>Brand relationship:</b> self classification of the brand as close friend/ advisor/ mother/ etc. <b>Behaviour:</b> Snapshot of a week’s purchase behavior to understand the interaction of the brand with its peer, flirtatious behavior with competition.
Identifying Anchor and Change agents within the brand	This is difficult for a consumer to deconstruct and articulate	<b>Brand deprivation</b> A potentially powerful tool that could help us unravel the meaning of the brand in the consumers life; actual removal of the brand from the consumers life for a period (which would vary according to the category); combined with a verbal diary where the consumer records feelings of loss as and when they feel it, at the moment when they most feel it The Deprivation brings the consumer in touch with the most significant areas of the brand. A post deprivation in depth interview to uncover the significance of different aspects of the brand would be most effective way to identify the core anchors and change agents
Realistic assessment of impact of change	The consumer is conflicted at point of change and may not be able to provide a realistic assessment	<b>Long cusp of change vs. spontaneity</b> Any proposed change to be explained and left with the consumer for a period (again variable as per category)- shorter for Change categories and longer for Anchor categories Consumer to assess the change over this period, free to use personal “notes to self” over this period to figure out their thoughts Take the feedback post the considered period, including consumer deep comforts and discomforts in the change  <b>Change simulations</b> Set up of simulated situations in which the change is introduced to consumers in natural settings (pack tests in simulated shop shelves with other brands for instance)
Greater involvement of consumers in brand building	Consumers in Anchor categories want to feel part of the brand building effort	<b>Feed-In Feed-Back Brand Guidance Communities</b> Creation of communities of <b>Deeply Loyal Consumers</b> for a constant feed-in feed-back relationship for brand guidance. These would consist of Brand Volunteers who undertake to vet and advise on every new change that is thought of, and also provide new thoughts for change as they occur to them. This would provide a great sense of ownership and control over their favorite brand perpetuating the relationship and expanding the base through their advocacy

These methods and approaches need to be further developed and finalized based on their efficiency and effectiveness, and will provide fodder for future work in this area.

## CONCLUSION

Finally, the Change-Constancy Conflict adds to our understanding of the nuances of deeper consumer – brand relationships, and the dynamics that cause them to thrive, pull on and break up as well. The analysis has shown that different types of brands hold different sorts of significance in the lives of consumers, and that loyalty is a nuanced concept.

For marketers in particular, this analysis reveals how deeply consumers are invested in the brands that they use, and how changes that appear trivial and minor can actually be very significant to consumers. There is a strong case to engage more strongly with customers especially at the point of change when they feel the most insecure and are vulnerable to shift. This analysis reminds us that consumers consider themselves part owners of the brand and have a very strong stake in building and maintaining it. Also marketers can build different types of strategies and different tonalities to their

communication depending on whether their brands are seen as Anchors or Change brands. To this effect, this preliminary work does provide markers that could help identify the two types of brands.

Going forward it is possible to map categories on a Change – Constancy Continuum which could form the basis for future study as well.

Researchers need to build in a finer definition of loyalty beyond the behavioral definitions in use today, and provide a deeper and more contextual analysis, with more shades and greater granularity. This would involve greater use of qualitative methodologies involving as well online and offline Loyalist Communities to obtain deeper and ongoing insights into how consumers wish their brands to evolve.

In all, this understanding can help marketers and researchers alike to help build vibrant and thriving brands that are strongly bonded with consumers.

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