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The Branding Impact of Brand Websites: Do Newsletters and Consumer Magazines Have a Moderating Role?

The internet offers both growth and loyalty opportunities for brands. To this end, over the recent years, companies have accelerated the development of their websites, including richer and more interactive content as well as relationship tools such as email newsletter and consumer magazines. Using the example of a leading French manufacturer's website, the present research demonstrates that visitors satisfied with their overall website experience are more inclined to revisit and recommend the site and in turn develop more positive attitudes toward the brand as well as higher purchase intent. These relations are stronger for consumers that are members of the website email newsletter program and those that receive the brand consumer magazine.

INTRODUCTION

In the first quarter of 2007, U.S. retail e-commerce sales totaled $31.5 billion, an increase of 18.4 percent from the first quarter of 2006 and accounting for 3.2 percent of total retail sales (U.S. Census Bureau, 2007). Additionally, the number of company websites greatly increased. Today, the large majority of companies have at least one website for their brands and products (image website, corporate website, e-commerce website), and the rapid growth of the internet offers compelling advantages in terms of e-commerce and branding. However, as traffic to brand websites is increasing, it has become critical to both researchers and practitioners to have a better and deeper understanding of visitors’ navigation and experience online (Peterson, Balasubramanian, and Bronnenberg, 1997). Indeed, traditional tools measuring traffic performance such as the number of visitors to a website and page views are no longer sufficient specifically for brand websites (Florès, 2004a).

In fact, the overall use of the internet has also evolved. A website describing the technical or functional characteristics of the products offered may decrease total consumer search. But a successful brand website must clearly offer more than product description to maximize consumer experience and branding (Overby, 2003; Rogowski, 2007).

This changing environment has triggered renewed research interest regarding the importance of branding, effective brand building, and communication strategies in this new environment. Whatever the alternative is, it remains clear that the internet represents a new channel of communication and distribution for brands. Its interactive nature offers marketers new opportunities to create stronger brand identities with the potential to induce brand loyalty (Upshaw, 2001). The internet allows consumers to react and interact, creating a dialogue outside managerial control (Travis, 2001).

In this new environment, a well-designed website is no longer sufficient. Delivering a satisfying and valuable experience online is important and may be key to increase favorable brand perceptions and purchase intent (Florès, 2004).

The aim of the current article is twofold. First, we replicate findings from earlier research (Hong and Kim, 2004; Supphellen and Nysveen, 2001) and extend their results by demonstrating that the more satisfied visitors are with the overall site
experience, the more inclined they will be to revisit and recommend the website and to develop a positive attitude toward the brand. Second, we explore how different relationship tools, such as newsletters and consumer magazines, may further increase website experience value and its impact on brand opinion and purchase intent.

The conceptual framework of the present article will review existing research on website design and its effects on satisfaction and brand attitude. A conceptual model that highlights our research hypothesis is then presented. The analyses of results discuss findings and provide key research outcomes, which are further described in the Conclusion, Managerial Implications, and Future Research section.

WEBSITE DESIGN AND ITS EFFECTS ON SATISFACTION, WEBSITE LOYALTY, BRAND IMAGE, AND PURCHASE INTENT

Recently, marketers have had to cope with a changing environment concerning their companies and brands. The underlying forces of this changing environment namely relate to the massive development of hard discounters, the decrease in the number of brands owned by big companies, and the rise of the internet. In this changing landscape, it therefore becomes increasingly difficult for companies to succeed. Establishing a dialogue with customers, to understand and anticipate their needs, is key to offer better and personalized products and services (Lewi, 2005). These requirements, in fact, are dramatically enhanced by the internet. Pleasant and well-designed websites are no longer sufficient for attracting customers and making them want to return. Substantial amounts are invested nowadays to develop additional services in order to deliver superior website experiences able to generate revisits and enhance customer relationships.

The focus of attention in the literature on internet is increasingly directed to website design and the identification and classification of different website dimensions, such as entertainment, interactivity, ease of use, information content, and quality (Chen and Wells, 1999; Cheung and Lee, 2005; Eighmey, 1997; Ghose and Dou, 1998; Shankar, Smith, and Rangaswamy, 2000; Wu, 1999). One of these dimensions is interactivity.

According to Upshaw (2001), the interactive nature of the internet offers marketers new opportunities to create stronger brand identities that have the potential to translate into brand loyalty. Berthon, Leyland, and Watson (1996) suggest that the level of interactivity on a website is critical in converting visitors from interested contacts into interactive customers.

Besides interactivity, numerous articles discuss the effects of websites on brand attitude and intention variables. For example, website quality and design (Loiacono, Watson, and Goodhue, 2002; Wolfinbarger and Gilly, 2003), overall satisfaction with the website (Hong and Kim, 2004), attitude toward the website (Karsun and Fisher, 2005; Supphellen and Nyssveen, 2001), entertainment, and attitude toward the brand (Raney, Arpan, Pashupati, and Brill, 2003) were identified as having a positive effect on intentions to return to the website. In the same line of thought, purchase intention seems mainly affected by similar variables, including interactivity (Wu, 1999; Yoo and Stout, 2001), attitude toward the site (Jee and Lee, 2002), website quality and design (Loiacono, Watson, and Goodhue, 2002; Wolfinbarger and Gilly, 2003), and attitude toward the brand (Raney, Arpan, Pashupati, and Brill, 2003). Finally, some research has identified determinants of attitude toward the brand after the website visit, such as interactivity (Macias, 2003; Wu, 1999) and attitude toward the website (Raney, Arpan, Pashupati, and Brill, 2003).

Our research focuses mainly on the relationship between website satisfaction, loyalty toward the website, brand attitude, and purchase intention. Visitors’ overall satisfaction is an indicator of “how well customers like their experience at the site and it is probably the best indication of their willingness to return to the site again” (Jiang and Rosenbloom, 2005, p. 159). In this study, we integrate available literature and replicate findings from earlier research (Chang, Simpson, Rangaswamy, and Tekchandaney, 2002; Hong and Kim, 2004; Supphellen and Nyssveen, 2001), extending their results by valuing the impact of word-of-mouth and intention to return to the website on both brand opinion and purchase intention. Therefore, we verify that the visitors’ overall navigation satisfaction has a positive influence on website loyalty behavior (intention to revisit and recommend the website). Moreover, providing further evidence of earlier research from Chang, Simpson, Rangaswamy, and Tekchandaney (2002), we will specifically look at the influence of loyalty toward the site on branding (change of opinion toward the brand and purchase intention). Both academics and practitioners alike agree that it is very important to obtain customers’ willingness to revisit a site, even though this may be difficult to achieve. Fortunately, “the web is actually a very sticky space […] and customers exhibit a clear proclivity toward loyalty” (Reichheld and Schefter, 2000, p. 106).

The importance today is to build relationships with customers because they buy the brands they know and trust. By offering added value through newsletters or consumer magazines, a brand website can shorten this process. These tools “can place the brand in front of consumers on a monthly, weekly or even daily basis. […] The brand goes from being something
The importance today is to build relationships with customers because they buy the brands they know and trust. By offering added value through newsletters or consumer magazines, a brand website can shorten this process.

Consumers only think about periodically when shopping, to a trusted, daily source of category information” (Florès, 2004a, p. 27). In addition, Richard and Chandra (2005) argue that the reasons a customer has to visit a website are positively related to pre-purchase intentions. In consequence, companies invest large amounts of money developing programs and management tools in order to offer additional services that should develop relationships with their customers. But the effectiveness of those services are rarely tested or analyzed. Our research directly addresses this need and investigates the impact of relational tools, such as newsletters or consumer magazines, on consumer behavior. Customer behavior in terms of loyalty and purchase intention tends to vary according to the degree of involvement and interest that is expressed toward a brand by subscribing to one of the relational tools developed by the company. We therefore suppose that:

The more consumers become voluntarily involved with a brand through relationship tools (such as newsletters or consumer magazines), the more they will be interested in recommending and revisiting the website and in turn will favorably change their opinion and intention toward the brand.

We summarize the overall research model in Figure 1.

**RESEARCH METHODOLOGY**

As stated, the main purpose of this study is to evaluate brand website impact on brand opinion and purchase intention. The electronic environment of this research provides the opportunity to achieve this target by asking people about their opinions immediately after a particular website visit. Using the SiteCRM® methodology (www.crmmetrix.com) (see Figure 2), visitors are invited to respond to a survey when leaving the website of a specific brand in

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**Figure 1** Overall Research Model
the food industry. Using exit invitations, people were randomly asked to participate in the study. Information is available in real time through the “EZViews” platform. This dashboard makes it possible to track website performance in terms of quality of website experience and brand impact. In addition, SiteCRM® normative benchmarks offer relative performance metrics able to guide website improvements over time.

The data collection was conducted over a two-month period, and a total of 870 surveys were analyzed. The questionnaire lasts about 10 minutes and aims at identifying visitor profile (sociodemographic information), motivations for visit, source of visit (online advertisements, search engines, website partners), evaluation of website content, design and quality of navigation, intention to buy, and overall perception of the brand following a website visit.

To evaluate the added value of additional communication and relationship channels, the data collected were sorted into segments. The relationship tools studied are a biweekly newsletter and a consumer magazine sent out every three months. The first subgroup makes a distinction between magazine subscribers ($N = 639$) and nonsubscribers ($N = 231$). The second division consists of separating newsletter subscribers who systematically open the newsletter ($N = 584$), subscribers who do not systematically open it ($N = 91$), and nonsubscribers ($N = 195$).

As shown in Figure 1, the proposed model structure is made of eight observed variables related to the brand website and three latent constructs that are satisfaction index, website loyalty index, and brand impact index.

The satisfaction index is a composed measure of overall website satisfaction reflected in eight constructs ($\alpha = 0.82$). Website visitors were asked to evaluate their satisfaction on a 5-point Likert scale (from 1 = “not at all satisfied” to 5 = “very satisfied”) concerning the attractiveness of the website according to the following items: ease of navigation, interesting content, information update, daily help in managing food habits, interesting promotional offers, personalized service/advice, providing information about the brands and events of the group, and interesting online games.

The website loyalty index is a composed construct of faithfulness to the website (intention to revisit the website) and word-of-mouth (intention to recommend the website). Finally, the brand impact index is a measure composed of change of opinion concerning the brand upon website visit and purchase intention. All the constructs are measured on 5-point Likert scales.

**ANALYSIS OF RESULTS**

We first present our sample and the results of the overall model by exploring the effects of a website visit on loyalty toward the site and brand impact. Then, we analyze the impact of the two relationship tools, the biweekly newsletter and the consumer magazine, on the Brand Impact Index.

Our sample is largely made of female visitors (90.6 percent), aged mainly between 25 and 44 (66.8 percent). Most visit the website regularly: 29.7 percent declare visiting the website once a week or more often and 27.4 percent every two or three weeks. 92.5 percent are responsible for grocery shopping in the household.

The hypothesized relationships were tested using structural equation modeling. Chi-square, CFI, GFI, AGFI, and Root-Mean-Square Error Approximation were used to measure goodness of fit. Results for the proposed model revealed a Chi-square/df value of 3.198, GFI of 0.968, AGFI of 0.952, CFI of 0.956, and a RMSEA of 0.050 ($p < 0.46$), indicating that the model fits well and is acceptable. All relationships were positive and significant ($p < 0.01$), confirming prior research. As such, satisfaction may not be sufficient for website loyalty, but it remains key in driving and enhancing it, acting as a necessary condition. In addition, loyalty toward the website does have an impact on brand image and
Loyalty toward the website does have an impact on brand image and purchase intent that favorably speaks to interactive marketing investments.

purchase intent that favorably speaks to interactive marketing investments.

To test the hypothesis regarding the impact of the different customer relationship management tools, multigroup analysis with Amos was conducted. First, a model in which all paths were constrained to be equal in different groups was estimated. Then, an unrestricted model was tested. Comparison between the two models makes it possible to identify the importance and relative effect of each antecedent in different groups (Banerjee, Iyer, and Kashyap, 2003). Results in Table 1 show a significant difference between those who subscribe to the consumer magazine and those who do not ($\chi^2_{52d.f.} = 70.07$, $p < 0.000$). The same difference may be observed on the newsletter. In fact, we observe a significant difference between three groups ($\chi^2_{52d.f.} = 141.88$, $p < 0.000$): those who are not subscribed to the newsletter ($N = 195$), those who are subscribed, but who do not systematically open it ($N = 91$), and those who systematically open it ($N = 584$).

Data clearly support our hypothesis stating that relationship tools enhance website loyalty and eventually brand image and purchase intent. Indeed, both consumer magazines and newsletter subscribers are more inclined to be website loyal and show more favorable attitude toward the brand.

Mean differences for analyzed variables (see Table 2) give us more detailed results concerning the impact of the relationship tools and confirm that the more involved consumers are the better and the greater the website impact.

CONCLUSION, MANAGERIAL IMPLICATIONS, AND FUTURE RESEARCH

The aim of this research was first to demonstrate that the more satisfied visitors are with the overall site experience, the more inclined they are to revisit and recommend the website and the more they develop a positive opinion toward the brand and purchase intention. Results show a positive and significant relationship between all these variables. Clearly, although the overall perceived value of a website may not be sufficient, it remains critical for inducing repeat visit behavior and positive word-of-mouth.

The second objective was to measure whether consumers who are more involved with the brand were more disposed to positively change their opinion toward the brand. Their involvement is measured by the subscription to a magazine or newsletter. By comparing different groups of respondents relative to their subscription to one of the relationship tools, significant differences are observed. Results indicate a main and strong difference between subscribers and nonsubscribers on purchase intention and brand opinion change and a limited effect on the path concerning website loyalty behavior. Regression coefficients suggest that those who subscribe to a newsletter or consumer magazine are more inclined to purchase the brand and change their opinion concerning the brand.

The main explanation for these results is that subscription to relationship tools (e.g., newsletter and consumer magazine) reflects the interest of the consumer in the brand and its history or recent developments more than toward the website itself. As the website loyalty index measures the intention to return to the website and to recommend it, the effect is weak.

Overall, results suggest that additional services, which are offered to consumers in order to develop more involving and enduring relationships, can be effective in terms of driving purchase intention and brand opinion change. By providing higher satisfaction to consumers, “companies have the opportunity to start building relationships with them, strengthening the brand further and making it more difficult for competitors to imitate” (Ibeh, Luo, and Dinnie, 2005, p. 357).

By and large, and from a pure managerial standpoint, results are encouraging and support current management practices of increasing investment in online spending as well as in website development and support. Indeed, at a time where ROI for any marketing activity needs to be justified, it is specifically beneficial for interactive brand managers to be able to “value” the branding returns of their interactive brand websites strategies. As stated in the introduction, website traffic and the number of visits/visitors are no longer sufficient to value the true return of brand websites. This is particularly true when a website mainly supports branding efforts with only indirect sales effects because it does not support any direct e-commerce activities. To that end, it is clearly reassuring that brand website exposure has a branding impact value through purchase intent and brand opinion change. Along the same lines, the impact of satisfaction and loyalty toward the site on branding effects also speaks in favor of interactive brand managers’ goal to make their brand websites more “sticky” with higher revisit and recommendation rates. As such, these first results show the contribution and impact
of relationship tools (the newsletter and consumer magazine) and also offer initial support to interactive brand managers. Furthermore, those initial results also suggest additional research in the area of better understanding what types of specific content may be or less effective at engaging consumers over time. For example, questions that need answers relate to:

- What should be the right mix and frequency of promotional (i.e., coupons) and relational contents offered to consumers?
- Which relationship tools (newsletters or consumer magazines) may be best at

TABLE 1
Standardized Parameter Estimates and Summary of Results

<table>
<thead>
<tr>
<th>Model Description</th>
<th>Satisfaction → Loyalty</th>
<th>Loyalty → Brand</th>
<th>Model Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global model</td>
<td>0.66 (10.23)** SMC: 0.44</td>
<td>0.90 (9.75)** SMC: 0.82</td>
<td>—</td>
</tr>
<tr>
<td>Consumer magazine</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes (639)</td>
<td>0.66 (8.59)** SMC: 0.43</td>
<td>0.95 (7.32)** SMC: 0.91</td>
<td>$\chi^2_{26d.f.} = 70.07$</td>
</tr>
<tr>
<td>No (231)</td>
<td>0.68 (4.97)** SMC: 0.46</td>
<td>0.75 (5.32)** SMC: 0.56</td>
<td>$p = 0.000$</td>
</tr>
<tr>
<td>Newsletter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No (195)</td>
<td>0.67 (5.78)** SMC: 0.45</td>
<td>0.77 (4.64)** SMC: 0.60</td>
<td>$\chi^2_{26d.f.} = 141.88$</td>
</tr>
<tr>
<td>Yes (91), no opening</td>
<td>0.59 (2.59)** SMC: 0.36</td>
<td>0.99 (3.95)** SMC: 0.98</td>
<td>$p = 0.000$</td>
</tr>
<tr>
<td>Yes (584), opening</td>
<td>0.67 (7.88)** SMC: 0.45</td>
<td>0.96 (7.36)** SMC: 0.92</td>
<td>$p = 0.000$</td>
</tr>
</tbody>
</table>

*Significant between nonsystematic opening and not receiving.
**Significant between systematic opening and not receiving.
*Significant between systematic and nonsystematic opening.

TABLE 2
Mean Differences between Variables within Groups

<table>
<thead>
<tr>
<th></th>
<th>Magazine</th>
<th></th>
<th>Newsletter</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General</td>
<td>Yes (639)</td>
<td>No (231)</td>
<td>F, p</td>
</tr>
<tr>
<td>Revisit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recommend</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loyalty</td>
<td>4.50</td>
<td>4.56</td>
<td>4.32</td>
<td>29.810</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>2.88</td>
<td>2.95</td>
<td>2.67</td>
<td>32.802</td>
</tr>
<tr>
<td>Opinion change</td>
<td>3.55</td>
<td>3.54</td>
<td>3.56</td>
<td>0.079</td>
</tr>
<tr>
<td>Brand impact</td>
<td>3.21</td>
<td>3.25</td>
<td>3.12</td>
<td>10.742</td>
</tr>
</tbody>
</table>

*Significant between systematic and nonsystematic opening.
**Significant between systematic opening and not receiving.
*Significant between nonsystematic opening and not receiving.
Both consumer magazines and newsletter subscribers are more inclined to be website loyal and show more favorable attitude toward the brand.

pushing either promotional or relational contents or a mix of the two?

Some limits to this research have to be underlined. First, the measurements of the loyalty and brand impact indexes are only based on two items. Moreover, due to the context of the data collection, the brand impact index is composed of two different concepts that should not be associated. This limit has to be nuanced because by analyzing the models with two separate concepts, the stability of the results could be verified. Second, this research does not take into account the length of consumer affiliation to the relationship programs like newsletters and consumer magazines. Third, we have to underline an implicit self-selection bias because the sample includes only those who choose to respond to the popup message. Finally, some other characteristics should be taken into consideration, like trust or involvement with the product category, and other types of websites should be analyzed.

As briefly highlighted earlier, future research should not only look at expanding the present research limitations, but should also look at demonstrating the ROI of brand websites in different product categories, for different types of brands (new versus established brands), and for different types of website contents (promotional, informative, entertaining; Dou and Krishnamurthy, 2007). Furthermore, future research should also look at measuring the long-lasting effect of the brand website exposure and relationship over time. In other words, how quickly and consistently do consumers buy and develop higher affinity toward the brand? How does the brand website complement and support other marketing activities to develop true brand loyalty over time? Finally, from a more tactical standpoint, future research should also investigate how website elements drive higher satisfaction that in turn leads to higher website loyalty and thus branding impact. To that end, it is and will be particularly interesting and useful for managers to pinpoint the particular variables and website tactics that have the biggest impact on branding. In other words, it would be very valuable to equip managers with an adequate tool for measuring and valuing website features that may bring the biggest ROI. In fact, some early practical research findings and modeling show encouraging results as they provide managers with such a predictive model able to value and measure the ROI impact of their brand websites (Florès, 2004b).

Empowered by such approaches and models, interactive brand managers will therefore have a powerful tool for piloting website investment, growth, and business impact. We encourage academics and practitioners alike to further investigate this direction of research as the internet will continue to grow in importance, and we welcome future joint collaboration to expand industry knowledge and further support the internet and brand website specifically as a viable and powerful marketing channel.

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