

# The Dark Side of Loyal Customers: The Study of Impact of Consumer Loyalty on Brand Avoidance, Brand Switching and Brand Revenge

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## Abstract

Consumer loyalty to a brand is essential to running a business. If brands are able to maintain consumer loyalty, this creates opportunities for business growth. Whenever consumer loyalty turns negative, it can affect businesses as well, or it could damage the business because the brand could lose its customer base to its competitors forever. Therefore, organizations/brands should maintain consumer loyalty to their brands as long as possible. Especially, brands should build relationships with Generation Z consumers as much as possible because this consumer group is moving towards becoming the main consumer in the near future that marketers are starting to focus on today.

The objective of this study is to study how consumer loyalty affects brands. This research used data to process data from a total of 358 questionnaires, collects questionnaires from experienced consumers about complaints, which are divided into 3 main parts processing descriptive statistics, factor analysis (FA), and using the method of analyzing the structural equation model (SEM).

The results of the research can be summarized as follows. If Generation Z consumers' loyalty to brands changes, this will influence their desire to switch brands, and revenge brands are statistically significant. While the loyalty of Generation Z consumers has no influence on brand avoidance.

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**Keyword:** Generation Z, Consumer complaint, Consumer loyalty, Brand switching, Brand avoidance, Brand revenge

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## Introduction

The evolution of consumer loyalty toward brands has changed with generations. In the past, consumers were loyal to brands because there wasn't much variety in their products or services. If consumers are dissatisfied, they choose to remain silent and patient. The changing times have led to a wide variety of products and services, giving consumers more choices. Whenever consumers are dissatisfied, they tend to make claims for the brand to fix the problem. If a brand is unable to recover from the failures that have occurred, it could change consumer loyalty to the brand as well. Therefore, consumer loyalty to a brand is essential to business growth. If consumer loyalty to brands changes, this could affect the relationship between consumers and brands. Whenever consumers are faced with a negative situation such as they were dissatisfied with what getting from the brand (dislike or dissatisfaction with the product or service), The complaint was ignored by the brand or not resolved. These reasons can cause brands to lose their customer base and can damage their business. Hakuodo Institute of Life and Living ASEAN: (HILL ASEAN) has studied consumer behavior in ASEAN countries. (Thailand, Vietnam, Malaysia, Indonesia, Singapore, and Philippines). The results of the study reveal that Generation Z consumers are becoming the main consumers in all industries of business as they have the potential to pay for a product or service. In addition, marketers pay attention and brands try to build loyalty as well as retain this customer base for as long as possible. However, Generation Z consumers behave differently from other

generations of consumers such as They have a low tolerance and a wide range of needs, and They are willing to pay to get what they want. They have confidence in the brand they decide to choose because it has gone through a thoughtful and analytical process, Instead, they face situations that result in negative feelings or dissatisfaction with what they receive from the brand. Will they be loyal to the brand again? For this reason, it is a point to focus on for marketers and researchers to study the potential impacts that change in Generation Z consumer loyalty can have on brand business.

## Research question

Literature Review on Consumer Complaints. According to the study, found that relevant research focused on the causes of complaints, failure recovery as well as consumer loyalty has also received a lot of attention from researchers and marketers. While the research on Generation Z consumers is interesting, relatively little research is relevant. Thus, the researchers wondered, how would Generation Z consumers' loyalty to brands change and affect their decision-making.

## Research objectives

The main objective of this research is, To study how Generation Z consumer loyalty influences brand avoidance decisions, brand switching, and brand revenge.

## Expected benefits

This study focuses specifically on Generation Z to study how consumers' brand loyalty affects behavioral



expression. The researcher hopes that the results of this study can be used as a guideline for further studies and as information for further development.

### **The expected benefits for theoretical**

This study provides important information about consumer loyalty, and enables scholars to understand the impact of loyalty influencing decision-making among generation Z consumers brand avoidance, brand switching, and brand revenge. We hope that scholars will be able to use the results of this study or its conceptual framework as a guide for further research that is consistent with Generation Z consumer loyalty.

### **The expected benefits for managerial**

The researchers expect that the results of this Generation Z consumer loyalty study in the Thai context will generate business benefits. By enabling marketers to better understand how consumer loyalty influences their decision to brand avoidance, brand switching, and brand revenge. However, marketers can use the results of this study to guide their business management or plan for dealing with problems and prevent problems that may have a serious impact on the business in order to be able to maintain the customer base of the business as long as possible.

## **Literature review**

The research was conducted to answer the question of how Generation Z consumer loyalty to brand changes affects their decision-making. We,

therefore, reviewed the literature and theories related to variables in this research.

### **Characteristics of generation Z consumers**

For marketers, determining the age range of consumers to use in grouping consumers in each generation, has an age gap of about 10-20 years. And researchers are always interested in studying the behavior of every generation of consumers to understand both their needs and their expressions (Eisenstadt, 2017). However, many studies have determined the age of each generation differently. Therefore, this research refers to the Generation Z designation of Seemiller & Grace (2016) described as consumers born between 1997-2012 (In 2022 aged 10-25).

Singh & Dangmei (2016) describe Generation Z consumers as being highly digitally conscious. They use the internet about 6-8 hours a day and are addicted to getting information through online channels. Additionally, they are always searching for information and comparing products and services before making a purchase decision. They tend to make purchases mostly through online channels.

The lifestyle of Generation Z consumers. They have ability to adapt to changes in all areas, such as communication through applications in various forms with constant technological development. Including services through online channels. Therefore, they tend to purchase products and services mainly over the Internet (Williams & Page, 2011; Dimock & Michael, 2019).



Expectations about Generation Z consumers' purchase decision. They pay attention and importance to quality and efficient products and services. Those things they need must be able to meet various needs and must be able to actually use them as expected. They admire multitasking products and prefer services that express their own uniqueness (Bassiouni et al., 2014). In addition, they have confidence in their own decisions. They dare to express their opinions on all matters that they are interested in or that they think are incorrect. Additionally, they have a relatively low tolerance and don't like waiting. If they dissatisfied with the situation, they tend to make a complaint right away (Francis et al., 2018).

However, Generation Z consumers have characteristics that differ from other generations of consumers. They are well-versed in the use of the Internet and online media. Additionally, they face various needs and the brand must respond quickly. They have a lower tolerance than other generations of consumers and have high expectations in the acquisition of products and services. If expectations are not met, they become dissatisfied and angry. Ultimately leading to complaints.

Goldring & Azab (2021) explained that complaints among Generation Z consumers tend to occur after purchasing or using a service. Their action focuses on making a complaint to the brand to express their dissatisfaction. If a brand is unable to recover, the failure that has occurred will affect its expression and will have a negative effect on the business, both the revenue and profit of the company. On the other hand, if a brand can build confidence in this group of

consumers. They are trusting and ready to continue to support the brand. Consequently, Generation Z consumers are unique and distinct from other generations (Mittal, 2017).

## Consumer loyalty

Anderson et al., 2003 Consumer loyalty is the level of trust they have in a brand or product & service. In this case, it means that consumers are willing to pay and always keep the brand in mind if there is wish. Consumers' expressions indicate that they feel confident, thereby enabling long-term business interactions between consumers and brands (Gefen 2002). Similarly, Srinivasan et al., (2002) defined consumer loyalty as an expression of behavior such as repeat purchases, or always remembering the brand name first if consumers have the desire to buy a product or use a service. If consumers feel good or happy with what they receive, it will result in satisfaction. In addition, they are willing to pay, even if the decision seems illogical, but they decide to buy the product and service unconditionally (Chaudhuri & Holbrook, 2001; Lam et al., 2010).

A review of past literature found that consumer loyalty has always been a topic of interest because if a brand can build loyalty with its consumers, it will benefit the business. Javalgi et al., (1997) explain that consumer loyalty stems from a good relationship between brand and consumer. Hence, it gives consumers confidence and trust in the brand. These are the impulses that drive consumers to continue purchasing the brand's products or services (Uncles et al., 2003). While Oliver (1999) explains that consumer loyalty to a brand cannot last forever.



Whenever consumers are faced with a situation that affects their feelings negatively, or they have feelings of disappointment for what he has received. They are ready to distance themselves from the brand, and they are ready to open up opportunities for other brands to replace their lost feelings. These reasons have influenced the consumer's loyalty to the brand gradually deteriorate and may not be left with brand loyalty (Yazdanifard & Mercy, 2011). Ultimately, a negative shift in consumer loyalty to a brand can have serious consequences for business operations.

Kincaid (2003) explains consumer loyalty toward a brand's product or service. If they experience problems or situations that affect their feelings negatively. As a result, they experience feelings of disappointment and dissatisfaction. These are the factors that make consumers decide to switch brands, and they are ready to open opportunities for other brands (Buttle & Burton, 2002; Uncles et al., 2003). This incident may affect the feelings of consumers and can result in a decrease in their loyalty to the brand. Additionally, they may be hesitant and no longer believe the brand that they are loyal to. Therefore, consumers pay attention to competitors' brands by researching product or service information. And then, they will start trying out the products or services of competing brands (Anderson et al., 2003; McMullan & Gilmore, 2008). Ultimately, consumers may lose brand loyalty, and the brand may lose customers forever (Chaudhuri & Holbrook, 2001; Yu & Dean, 2001; Srinivasan et al., 2002; Homburg & Fürst, 2005).

Breazeale & Michael (2009) explain that the impact of declining consumer loyalty to brands was caused by problems with brands unable to recover from the failures they cause, brand ignores them carelessly, or brand not responsible for the problem (Breazeale & Michael, 2009; Romani et al., 2015). Additionally, if a brand has a bad image from the point of view of consumers, it can affect their loyalty. Consumers may try to avoid brands because they don't want to have the same bad image as the brand (Evanschitzky et al., 2004; Homburg & Fürst 2005). For these reasons, consumers want to avoid the brand (Caruana et al., 2000; Liu et al., 2001; Bielen et al., 2007).

Bandyopadhyay & Martell, (2007) explain that whenever consumers experience problems, or they're in a situation where the brand can't be forgiven. Consumers' loyalty to the previous brand thus shifted, making them angry and unable to bear what happened any longer. They may end their relationship with the brand (Lam et al., 2010). Consistent with Wang et al., (2010) explain that especially Generation Z consumers if they experience unacceptable problems. They will not be patient and ready to end the relationship with the brand. In addition, Yazdanifard & Mercy (2011) further explain that consumers will not support brands. But they will counter neglected brands (abandon responsibility) to their loyalty to the brand, and in the future, they will not give brands a chance to create such a bad experience. They will never come back to buy another product or service. Moreover, Generation Z consumers are not attached to any particular brand. They are always trying interesting products or services to allow themselves



to learn something new. However, different generations of consumers have different loyalty (Yazdanifard & Mercy, 2011; Mohr et al., 2017; Stevens et al., 2018).

## Brand avoidance

Lee et al., (2009) defined brand avoidance as a consumer manifestation of resistance against a brand. They want to end their relationship with the brand, or they want to withdraw to reduce their relationship with the brand. However, such actions have been well-thought-out and considered by consumers (Hogg & Banister, 2001; Grégoire et al., 2009; Zouaoui, 2019). Consistent with the research of Parment (2012) defines brand avoidance as a situation in which consumers express themselves by rejecting their interactions with brands. Consumers do not want to buy a product or use a service from a brand. They will make a refusal because they have had a negative experience (Knittel et al., 2016; Abid & Khattak, 2017). While, Hegner & Van Delzen (2017) defined consumer brand avoidance as a situation in which they are trying to avoid a negative experience that has already occurred, avoiding the same image as a brand (what consumers don't want), cultural avoidance and avoidance of brand values that do not go hand in hand with oneself (consumer).

In their review of the literature on brand avoidance, Lee et al., (2009) characterize the situation as the main causes of brand avoidance, which consists of 1. The consumer has had a bad experience with the brand's products or services, for example, the product does not work, the service received is inefficient, etc. 2. The brand image is unacceptable and

unwanted by general consumers 3. Brands are not socially responsible, and 4. Brands don't have enough value for consumers to accept when paying (Keaveney, 1995; Belk, 1988; Kozinets & Handelman, 2004). As mentioned above, this is considered to be the main factor affecting consumers' decision to avoid brands.

Vong et al., (2016) explained that the reasons for consumers' desire to avoid brands arise after consumers conduct an evaluation, and they find that the attributes of products and services they trust do not meet expectations and the results fail to meet expectations (Khan & Lee, 2014). Likewise, Hegner & Van Delzen (2017) explain that consumers have negative experiences with brands. They will go against the brand because they don't want to experience the same events that have already happened. Correspondingly, Jayasimha et al., (2017) explained that consumers who received failed products or services, and brands are unable to recover from their failures, resulting in them having a bad experience with the brand. These causes have a negative impact on the relationship between consumers and brands. Consumers, therefore, want to avoid the brand (Iyer & Muncy, 2009).

However, Kozinets et al., (2010) explain that consumer brand avoidance can happen to all consumers and all price levels of products or services. Consumers are willing to pay to get what they want. Although they are loyal to the brand, they are ready to avoid the brand as well. If they find that what they receive is dissatisfactory. Especially Generation Z consumers, if they find what they get dissatisfied with and inconsistent with the expectations they had previously set





and if the same situation happens so often that it cannot be forgiven or sometimes unable to endure. They will decide to avoid the brand (Zouaoui, 2019). On the other hand, Hogg & Banister, (2001) explain that consumer brand avoidance only occurs for a certain period of time. In the future, they can return their attention to the brand, and repeat purchases of the brand's products or services. Therefore, consumer loyalty can always be forgiven for the brand (Szymanski & Hise, 2000; Giese & Cote, 2000; Lee et al., 2009).

### **Brand switching**

Deighton et al., (1994) define consumer switching brand as substituting a resource of greater value than an existing one, replacing whatever the consumer expects to be useful of greater value, or it is a review of new alternatives to prevent problems that have previously occurred (Hogan & Armstrong, 2001). Whereas, Sloot & Verhoef (2008) define brand switch as a consumer reaction. They pay attention to other brands and don't pay attention to the same brands that they used to buy products or use services regularly. Even so, consumers are still unsure if the new brand they decide to switch to will be able to deliver a better product or service than the original brand. But they were willing to give them the opportunity to experiment (Deng et al., 2010).

In their review of the literature on consumer brand switching, Dodson et al., (1978) described that after consumers compared the results of products and services. If they find that what they receive is not in line with their expectations and cannot be accepted. These are reasons consumers are

dissatisfied and want to make complaints to be addressed by the brand. If the brand is unable to recover from the failures that have occurred. They, therefore, want to look for alternatives, turn their attention to other brands, and expect that switching brands might be a good choice. Whereas, Appiah et al., (2019) further explains that the reason for influencing consumers to switch brands arises from their perception that another brand has a better offer. If switching brands can make a good impression on consumers from the very first moment they use the service, it can lead them to stay loyal to the brand forever (Lam et al., 2010). In addition, Bitner et al., (1990) further explained that consumers are dissatisfied with the failure of products and services and that they have had a negative brand experience in the past. As a result, consumers are no longer able to tolerate the brand. They are determined and want to change brands (Shukla, 2009). Similarly, Mazursky et al., (1987) explained that impulses generated by the perceived quality or performance of products and services received by consumers influenced brand switching decisions as well and may also reduce consumer loyalty to the brand (Lin et al., 2000).

Grover & Srinivasan (1992) explain that consumers with a desire to switch brands can conclude that they are willing and ready to open their minds to other brands that they are interested in. However, consumers tend to expect brand switching to be better suited to their needs. In addition, they expect the results of the brand switching to be more potent than the original brand (Bass, 1974; Givon, 1984). Specifically, Generation Z consumers have high expectations of their purchasing decisions for both



products and services, if they find that what they receive is inconsistent with their previous expectations. They will decide to switch brands without hesitation, and may not give that brand a chance anymore (Yen et al., 2004). Moreover, Generation Z consumers are loyal to the brand. Whenever they are in a situation where they feel abandoned (neglected) and do not get the attention of the brand, or the brand is not responsible for the problem or solution. Of course, their loyalty to the brand may be gradually diminishing. According to the above information that causes and influences the consumer's intention and desire to switch brands, product & service failures can have an impact on consumer loyalty. They may no longer use the products and services of the brands that cause them problems (Sloot & Verhoef, 2008; Lam et al., 2010; Sathish et al., 2011).

## **Brand revenge**

Grégoire et al., (2009) define brand revenge as the act of one party to punish the other in which the two parties have a bad relationship with each other. Here it can be explained that consumers perceive dissatisfaction, irresponsibility, and not being fair, resulting in consumers being unable to forgive the brand (Aquino et al., 2006; Grégoire et al., 2018). Corresponds, Bies & Tripp (2005) further explain that it is the expression of consumer behavior. They have a desire for revenge and retaliation against the brand to suffer and be damaged. Consumers are punishing brands for their troubles and create dissatisfaction with them (Romani et al., 2015).

In their review of the literature on consumer brand revenge, Joireman et al.,

(2016) described situations in which consumers experienced issues that may have triggered their commitment to brand revenge, for example, consumers were betrayed by the brand, the consumer receives a failure of the product or service, consumers perceive brands as irresponsible. Similarly, Grégoire et al., (2009) explain that brand loyalty consumers. If they get failed products and services. They may not show anger, but they will begin to feel resentment in their hearts. They then complained to the brand detailing the issue in the expectation that the brand would speed up the resolution. However, if they find the brand neglecting and not paying attention to the complaints. Such a situation will increase dissatisfaction and transform into anger, resulting in consumers wanting to punish the brand for revenge (Lin et al., 2013).

Joireman et al., (2013) explain that consumers with brand loyalty. Whenever they complain. Their actions are allowing brands to correct mistakes. If they are not treated with justice (Brand is not responsible for any resulting damage, the brand does not accept responsibility for errors made, the brand did not respond to complaints). These causes will induce consumers to seek revenge against the brand and may increase the intensity of the revenge which may cause the brand to suffer, and the brand may lose its reputation (Huefner & Hunt, 2000). In addition, Fahmi et al., (2018) further explain that consumers seek brand revenge. They will try to find ways to demand justice for themselves. They start with a complaint to the brand's highest authority. They expect brands to be aware of the issue and to investigate and punish irresponsible employees.





Whereas, Cartwright & Peter (2007) found that consumers desire brand revenge. They opt for legal measures and rely on government agencies (Consumer Protection Agency) whose duty is to help and provide justice to consumers to claim their rights and legitimacy (Romani et al., 2015). Likewise, Fetscherin & Marc (2019) found that if consumer complaints have not been treated fairly by the brand. For this reason, consumers have the desire to take revenge on the brand. And they are trying to find a way to make the brand suffer by relying on the law to take legal action between themselves and the brand (Grégoire et al., 2010; de Campos et al., 2018).

However, Romani et al., (2015) describe the loyalty of Generation Z consumers to the brand. They tend to be very angry and disappointed with the brand. If the brand waives responsibility for its problems or complaints. As a result, this increases consumer dissatisfaction, affects their

expression towards the brand, and will increase the degree of severity of brand revenge. The situation that occurs also creates a bad experience for consumers. Of course, in the future, they wouldn't be able to have a good relationship with each other (Hong et al., 2005; Li & Zongchao, 2019).

### Conceptual framework

Based on literature review and research related to consumer Loyalty, brand switching, brand avoidance, and brand revenge. The researcher presents a conceptual framework derived from the study of the factors mentioned above. However, the researchers speculated that a negative shift in consumer loyalty to a brand could lead to a negative shift in consumer relations as well. The researcher presents a conceptual framework (according to picture 1).

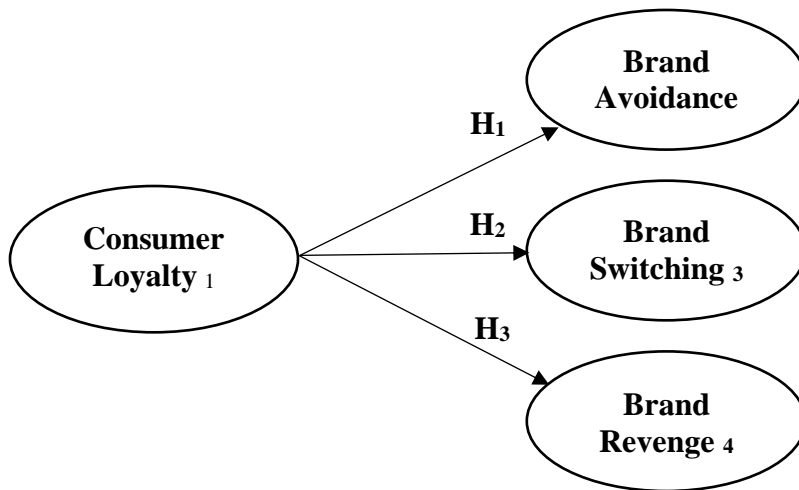


Figure 1 Conceptual Framework

Note: The proposed conceptual framework has been adapted from the literature review for hypothesis testing. <sub>1</sub> Improved from Oliver (1999); <sub>2</sub> Improved from Homburg & Fürst (2005); <sub>3</sub> Improved from Uncles et al., (2003) and <sub>4</sub> Improved from Mohr et al., (2017)



## Research hypothesis

The research hypothesis is detailed as follows.

Hypothesis<sub>1</sub>: Consumer loyalty has a negative impact on brand avoidance

Hypothesis<sub>2</sub>: Consumer loyalty has a negative impact on brand switching

Hypothesis<sub>3</sub>: Consumer loyalty has a negative impact on brand revenge

## Research method

This research is a study on the loyalty of Generation Z consumers. By choosing to use quantitative research to conduct a survey and defined the sample of this study as consumers who had experience with complaints for the purpose of collecting data. The questionnaire is used as a tool for collecting data which consists of demographic data, consumer loyalty, and the expression of consumers towards the brand (brand avoidance, brand switching, and brand revenge).

## Sample size

The researcher used the method of data analysis with a statistical package by constructing a structural equation model (SEM). However, many researchers have explained that it is still not possible to determine the exact sample size, but there is only a computational method of sample size suitable for the variables to be used for SEM data analysis (Kline & Santor, 1999; Jackson, 2003).

Calculation formula: Calculation of samples

The formula for calculating the sample size N:Q

N = Number of parameters

Q = Recommended ratio 20:1

Substituting the values in the equation N:Q found that, N = 4 (number of all factors in the model) Q = 20:1, so n = 4 x 20 = 80. Kline (2011) suggested that a sample size between 200-400 was sufficient for data analysis.

## Sampling method

The research sampling was a non-probability sampling, in which the researcher defined the sample by selecting only generation Z consumers, and they had to be between the ages of 20-25 years old. In addition, the questionnaire used for data collection consists of 3 parts: part 1 demographic information, part 2: consumer Loyalty and part 3, consumer expressions.

## Data analysis

### Data preparation

In this study, questionnaires were distributed to the sample, and which researcher has collected 400 sets of data already. The first step of the process was that the researcher reviews all the data and found there were some abnormal data sets caused by incomplete responses to the questionnaire. However, the researcher discarded the problematic dataset and was not bring those data into the analysis process. Then, the researcher used complete data for the analysis resulting in 358 sets of data representing 89.50% of the total collected data. According to the recommendation of Berdie (1973), the response rate for analytical and acceptable data should be 60-70%. However, A total of 358 datasets were sufficient for analysis, consistent with Kline (2011) suggests



that data analysis should include more than 200 datasets.

### ***Demographic profile***

The researcher took all 358 sets of data for statistical analysis and presented the results of the demographic study. It was found that most of the samples were males accounted for 57.30 percent, and females accounted for 47.70 percent. They had a mean age of 23.49 years (S.D. 1.696, MIN= 20, MAX =25). Most of the samples were private employees, the most 128 people, representing 35.80 percent, followed by 111 students, representing 31 percent, and freelance 50 people, representing 14 percent respectively. Most of the samples had an average income of 24,430.17 baht per month (S.D. 11,580.888, MIN= 10,000, MAX =60,000).

### ***Factor analysis***

The analysis begins with analyzing the factors. The technique used in this research group related variables into the same group. However, the factor analysis of this research was based on the

principal component method, which analyzed data from all 20 items. By analyzing the data, it was found that the components of the factors were related and can group all factors into 4 main factors which come from a total of 15 items. For the rest of the questions (5 items) that are not related and cannot group the factors. We, therefore, discarded the data and did not include it in the analysis process. According to the recommendations of Shevlin & Miles (1998) explain the criterion for determining the number of elements of each factor, there must be more than 3 elements and the factor loading weight is greater than 0.3 assuming that that information is reliable and can be accepted (Fu & Yu, 2009; Tabachnick & Ullman, 2007). In addition, the reliability coefficient was tested on the questionnaire results, where Cronbach's alpha coefficient should be greater than 0.70 (Cronbach, 1951). Each of the factors used in this article passed the specified criteria, and the analysis results appear in Table 1. All data can be processed in the next step.



**Table 1** Result of reliability model

	Indicators	Source of variables	Cronbach's alpha: $\alpha$	Component			
				1	2	3	4
Consumer Loyalty	(LY1) You would continue to use the product or service you have complained about.	Dehghan (2012)	.762	.703			
	(LY2) If given the opportunity again, you would still choose the product or service you have complained about.	Dehghan (2012)		.790			
	(LY3) You would consider purchasing additional products or services after you have made a complaint.	Dehghan (2012)		.735			
	(LY4) You would continue to remain loyal to the brands that make complaints by purchasing their products and using their services.	Dehghan (2012)		.615			
Brand switching	(BS2) You wouldn't support brands that have complained, and will support other brands instead.	Nagar (2009)	.711		.448		
	(BS3) You switched to another brand because the quality is better than the brands that have complained.	Nagar (2009)			.667		
	(BS4) You switched to another brand because it treats you better.	Nagar (2009)			.741		
	(BS5) You switched to another brand because better alternatives are presented.	Nagar (2009)			.776		
Brand avoidance	(BA1) You wouldn't purchase a product or use a branded service that does not take action to resolve your complaint.	Hegner et al., (2017)	.738			.645	
	(BA2) You refuse to purchase products or use the services of a brand that does not take corrective action for which you have complained.	Hegner et al., (2017)				.643	
	(BA3) You refrain from purchasing goods or using the services of a brand that does not take corrective action for which you have complained.	Hegner et al., (2017)				.650	
	(BA4) You avoid purchasing the products/services of your brand that you have complained about.	Hegner et al., (2017)				.630	
Brand revenge	(BR3) You wanted the firm to get what it deserves.	Grégoire et al., (2018)	.702				.788
	(BR4) You would complain to a consumer organization, government agency or newspaper.	Grégoire et al., (2018)					.586
	(BR5) You would email the brand executive to make a complaint.	Grégoire et al., (2018)					.576



***Hypothesis Testing: Structural equation modelling (SEM)***

The researcher takes the data that has already passed the criteria for factor analysis to be processed in a statistical package by analyzing structural equations modeling (SEM). Details from Figure 5 and Table 2 show the model fit statistics by measuring the fit of the model in the form of an incremental fit index consisting of the comparative goodness-of-fit index (CFI) and Tucker Lewis index (TLI) of more than 0.90. Statistical data analysis was within the established criteria and acceptable according to the recommendation of Marsh et al., (2004) and the Goodness of Fit Index was greater than 0.80 within the acceptable criteria according to the recommendation of Bentler & Bonnet, (1980).

However, from the hypothesis testing of this research can be explained that:

**Hypothesis1: Consumer loyalty has a negative impact on brand switching**

The correlation path coefficient is significant. Therefore, supports the hypothesis relationship between consumer loyalty and brand switching.

In other words, a hypothesis test showed that consumers who made brand complaints were influential on the change in consumer loyalty and had a statistically significant effect on brand

switching ( $\beta = 0.380$ ; S.E. = 0.075; C.R. = 5.095; p-value = 0.000\*\*\*).

**Hypothesis2: Consumer loyalty has a negative impact on brand avoidance**

The correlation path coefficient is insignificant. Therefore, rejects the hypothetical relationship between consumer loyalty and brand avoidance.

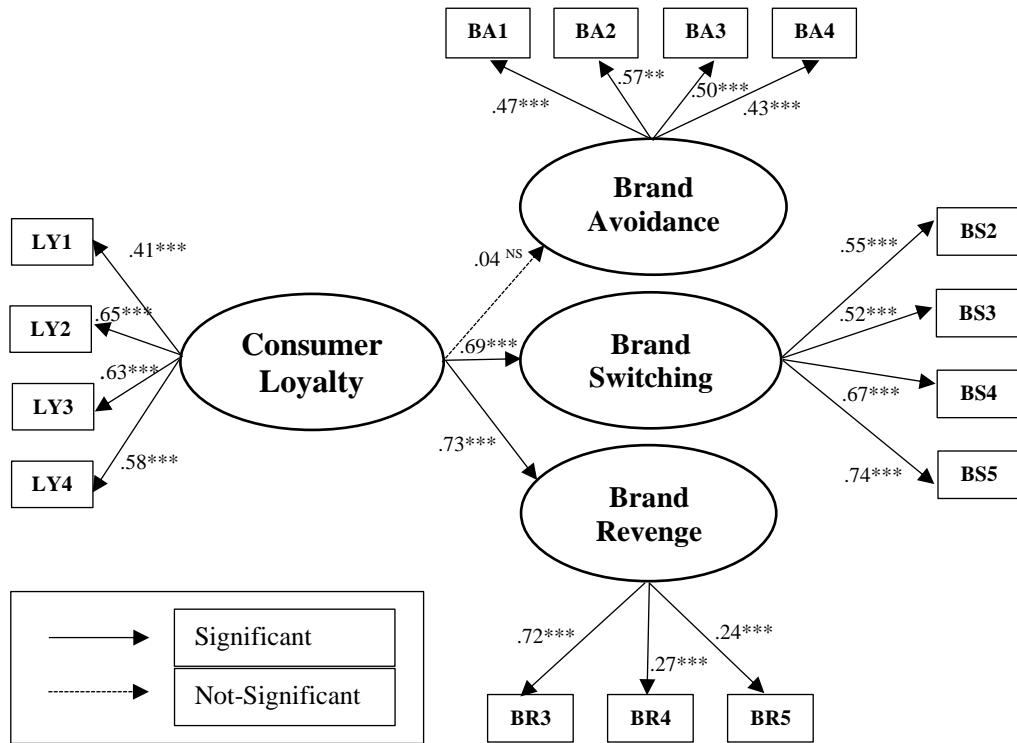
In other words, whenever a consumer makes a complaint about a problem with the brand. Consumer loyalty to brands had no statistically significant influence on brand avoidance.

The rejection of this hypothesis was found to be consistent with the theory in the consumer context, which can conclude that reduced consumer loyalty to brands does not influence brand avoidance.

**Hypothesis3: Consumer loyalty has a negative impact on brand revenge**

The correlation path coefficient is significant. Therefore, supports the hypothesis relationship between consumer loyalty and brand revenge.

In other words, the results of a hypothesis test reveal that consumers who have made complaints against brands have influenced consumer loyalty has a statistically significant effect on brand revenge ( $\beta = 0.851$ ; S.E. = 0.122; C.R. = 7.002; p-value = 0.000\*\*\*).



**Figure 2** Results of structural model analysis

Note: (1) \* The mean difference is significant at the 0.05 Level ( $p < 0.05$ ), (2) \*\* The mean difference is highly significant at the 0.01 Level ( $p < 0.01$ ), (3) \*\*\* The mean difference is very highly significant at the 0.001 Level ( $p < 0.001$ ) and (4) NS means Not statistically significant.

**Table 2** Goodness of fit of the model

All Items	Chi-Square	RMIN/DF (x <sup>2</sup> /df)	GFI	TLI	RMSEA	CFI
Overall Model Fit	.000	1.810	.903	.926	.0119	.913

Note: Incremental Fit index: Comparative Goodness-of-Fit Index (CFI) = > 0.90, Tucker-Lewis Index (TLI) = > 0.90

## Conclusions and discussion

Collecting data from a sample of 358 sets of data collected with Generation Z consumers, the researcher found that most of the samples were male with an





average age of 23.49 years (S.D. 1.696, MIN= 20, MAX =25). They work as company employees and have an average income of 24,430.17 baht per month (S.D.=11,580.888, MIN= 10,000 Baht, MAX=60,000 baht). Consumers who are loyal to products and services. Whenever they face a problem with the brand's products and services, or the brand can't recover from the failure that occurred. The reasons mentioned above have an

influence on consumer loyalty that can affect behavioral expressions that can damage businesses (Brands lose customers, brands may lose revenue, or profits may decline). Therefore, consumer loyalty influences brand switching and brand revenge. Whereas, consumer loyalty does not influence brand avoidance whatsoever. However, the hypothesis test results appear in Table 3.

**Table 3** Hypothesis testing results

	Paths	(B)	S.E.	C.R.	P	Support
Hypothesis1: Consumer loyalty has a negative impact on brand switching	LY → BA	.024	.049	.492	.623	Not supported
Hypothesis2: Consumer loyalty has a negative impact on brand avoidance	LY → BS	.380	.075	5.095	***	Supported
Hypothesis3: Consumer loyalty has a negative impact on brand revenge	LY → BR	.851	.122	.7.002	***	Supported

Note: \* The mean difference is significant at the 0.05 Level (\* =  $p < 0.5$ )  
 \*\* The mean difference is highly significant at the 0.01 Level (\*\* =  $p < 0.01$ )  
 \*\*\* The mean difference is very highly significant at the 0.001 Level (\*\*\*) =  $p < 0.001$ )

**Consumer loyalty and brand avoidance:** The analysis of data on consumer loyalty had no influence on brand avoidance, which was consistent with the research of Szymanski & Hise, (2000) explained that consumer loyalty had no influence on brand avoidance. If they're dissatisfied with failure recovery, or they are dissatisfied with the product or service. But they continue to support the brand and whenever the opportunity arises, they will buy again (Lee et al., 2009). Hogg & Banister, (2001)

emphasize that situations that affect consumer loyalty may lead them to avoid brands for a short period of time, and in the future, they can always come back to pay attention to the brand. Contradicts the research of Hegner & Van, (2017) described consumers' experience of the negative brand. They can't forgive the brand, resulting in them wanting to avoid the brand (Iyer & Muncy, 2009).

**Consumer loyalty and brand switching:** Complaints are part of the reason why consumer loyalty to a brand



can be negatively shifted and has a statistically significant influence on brand switching. Consistent with Kincaid's literature review (2003) explains that consumers are brand-loyal. Making a complaint to let brands know about their situation or problem is an action to allow the brand to recover from the failure. If the brand does not take action to fix the problem or is irresponsible. This group of consumers decided to change brands (Buttle & Burton, 2002). Moreover, Grover & Srinivasan (1992) further explain that changing consumer loyalty causes them to pay attention to competing brands and to support other brands instead (Sathish et al., 2011).

#### **Consumer loyalty and brand revenge:**

According to the data analysis results, it was found that consumer loyalty had a statistically significant influence on brand revenge. Consistent with research by Bielen et al., (2007) found that consumer loyalty affects post-complaint behavior that may increase the degree of brand damage. Consumers want to punish brands for being irresponsible and ignoring complaints. Therefore, they will try to find ways to take revenge on the brand and expect their own actions to cause trouble and damage to the brand (Stevens et al., 2018). As well as, Li & Zongchao, (2019) further explain that consumers are loyal to a brand's products or services. Whenever they are frustrated or dissatisfied, their anger level increases. They will have the intention of taking revenge on the brand. Consumers may rely on powerful people for help, such as government agencies (Consumer Protection), or they may rely on the law to prosecute the brand (Romani et al., 2015).

For this study, the researchers believe that the results of the analysis are sufficiently useful regarding the loyalty of Generation Z consumers because, in the future, this group of consumers will be important to almost every business sector because they are in between growth (They are moving towards becoming main consumers), and have the ability to buy products and services of brands that are quite competitive in the market. Whenever consumer loyalty turns negative, it can certainly influence brands and their decisions. This research can be useful for businesses and marketers interested in Generation Z consumers. In addition, marketers can use the findings of this research to plan for managing their business or use it as a guide to recovering failures that could damage the business. Ultimately, marketers may need to figure out how to build lasting consumer loyalty.

## **Recommendations**

For recommendations of this research, the researcher expects the research will benefit those interested in generation z consumer loyalty. The results can be used to further improve and develop both education and business.

Based on the results of this study, interested parties (business owners) can apply this conceptual framework to study and apply in companies to prove consumers' opinions on their brands and use the data obtained from the test as a guide to build consumer loyalty. In addition, marketers can use the survey results to analyze the expressions of generation z consumers to plan strategies for maintaining the brand's customers



and recovery from failures that may put the company at risk.

Finally, future researchers interested in studying the loyalty of generation z consumers can improve the conceptual framework of this research, and may conduct a study to compare consumer loyalty towards brands in each generation, which could lead to a greater understanding of consumer loyalty. Or conduct additional studies on dependent variables related to consumer expression behavior, such as negative word-of-mouth (WOM), boycott brand, etc. In addition, interested parties can conduct studies that specifically focus on consumer loyalty to a particular product or service.

## Business implications

This study has managerial implications, especially for businesses in the Thai industry. Entrepreneurs and those involved can use the results of this analysis to support or develop the potential of businesses to formulate strategies for building consumer loyalty towards their brands, retaining customers, or restoring consumer loyalty to the brand and ending problems that could severely affect the business and

profitability of the company. From the point of view of marketers, it is appropriate for brands to plan and formulate strategies to deploy in the event of an emergency that affects loyalty and influences consumer decision-making. Whenever consumers face problems in terms of products or services of the brand. Employees should act responsibly and act promptly without hesitation, if there is any progress on resolving the problem, the customer should be notified immediately. In addition, employees and brand associates should be educated and trained in problem-solving expertise on brand products and services in order to maintain consumer loyalty to the brand for as long as possible.

## Limitations

This research has limitations that should be considered: The study is the only data on generation z consumers which cannot be used to refer to every generation of consumers. This study does not explicitly study consumer loyalty to a product or service. Finally, collecting data from samples for analysis is from many industries, so it is impossible to separate clear details.

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