

# *A Review of Research on Consumer-Company Identification*

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**Abstract:** Consumer-company identity is an important factor influencing consumers' psychological needs and behaviors. Among them, corporate identity characteristics, product functional characteristics, and consumers' self-needs fulfillment are important factors that directly contribute to consumer-company identification. At the same time, consumer-company identity profoundly affects consumers' continued loyalty, and consumers who identify with the company help the company to offer advice and make altruistic behaviors beyond the role of the company. In this paper, we organize domestic and foreign related literatures to review the concept, dimension and consumer behavior of consumer-company identity and to prospect the future research direction.

## **1. Introduction**

In a market environment of product proliferation and information overload, more and more firms are trying to establish deeper and more meaningful long-term customer relationships with their customers, and customer-firm identification is considered to be one of the core concepts representing the firm-customer relationship, which has a positive impact on customer behavior [1]. Nowadays, consumer-business identification has long been confirmed by a large number of studies to play a key role in consumer behavior. With the maturity of research, the issue of consumer-firm identification has attracted the attention of scholars in psychology and marketing. Based on this, this paper focuses on the concept of Consumer-Company Identification.

## **2. The Concept and Composition of Consumer-Company Identification**

Identity is defined as a learned cognitive response in which an individual (S) internalizes (M) motives, traits, or affective states as part of his or her own mental organization [1]. Social identity theory suggests that the social environment influences and shapes an individual's cognitive system, and that people tend to categorize themselves and others into different social categories and locate or define themselves in the social environment, and that social identity arises when individuals perceive their sameness or belongingness to a certain set of categories [2]. Today's research on identity is being conducted in a variety of fields, including consumer behavior, organizational behavior, and the impact of artificial intelligence (AI) technology. In terms of consumer behavior, consumers construct identity by categorizing (e.g., I belong to this firm's customer group) and comparing firm traits or product

attributes that reflect their self-values. On the one hand, consumers establish a psychological connection with a product brand and perceive a state of oneness with the brand, through which they fulfill their need for belonging and self-definition as a consumer-brand identity[3] . On the other hand, consumers actively choose to integrate corporate identity (e.g., values, mission, etc.) with their self-concept to help them satisfy their self-definitional needs constituting consumer-corporate identity, such as self-continuity, uniqueness, and identity prestige[4], which emphasizes the role of non-product elements of the firm. Specifically, consumers' psychological attributions that blend corporate identity (values, behaviors) with self-concept, i.e., when corporate traits match consumers' personal values, stimulate identification [5]. Overall, brand identity is an emotional connection that is directly triggered by consumers' product experience, whereas corporate identity is a deeper meaning given to the brand, referring to the psychological integration of consumers with the corporation as a whole (including non-product dimensions such as mission, culture, and social responsibility) [4].

Different scholars have divided consumer identity into different dimensions. Bhattacharya et al. measured consumer corporate identity mainly in terms of consumers' perceptions of the fit between their own identity and the related corporate identity, such as “I like the idea that company X stands for”[4]. Wolter et al. argued that consumer- corporate identity represents a meaningful affective connection between the consumer and the company and encompasses both cognitive and affective dimensions, where the cognitive dimension is based on the need for self-definition to construct a self-concept through the corporate identity (e.g., “I am congruent with the traits of this company”), and the affective dimension is based on the need for self-appraisal to enhance self-esteem through the corporate identity (e.g., “This company makes me feel good about myself”). “The business makes me proud”), [6]. Li Chunqing et al. developed a three-dimensional scale mainly from the emotional connection between consumers and enterprises based on the Chinese context, which is divided into sense of conformity (e.g., I think that enterprise X conforms to some of my perceptions, such as values, corporate culture, etc.), sense of belonging (when other people criticized enterprise X, I felt that it was an infringement on us as consumers), and sense of efficacy (I am helpful for the development of enterprise X) [7]. Details are as shown in Table 1.

Table 1. Dimensions of Consumer-Company Identification

Type	Literature Source
Cognitive dimensions	[4]
Cognitive dimensions, affective dimensions	[6]
Sense of fit, belonging, efficacy	[7]

Note: The information is derived from the author's summary of the relevant literature.

### 3. Research Related to Consumer-Company Identification

Regarding the formation of consumer-corporate identity is influenced by multi-dimensional factors, the core can be summarized into the following three categories: (1) Corporate identity characteristics. Corporate social responsibility (CSR) directly drives consumer-corporate identity, and CSR stimulates identity by satisfying consumers' self-definition needs (e.g., values matching), e.g., public service marketing is more likely to build emotional connections than product marketing; CSR such as sponsorship and corporate philanthropy can significantly enhance consumers' identity with the company[5]. Existing studies point out that corporate reputation serves as a social signal that conveys the ideal of social identity to satisfy consumers' self-enhancement needs, e.g., high-reputation corporations (e.g., Apple, Google) can strengthen consumers' self-uniqueness and self-esteem, thus promoting identification [8]. Consumers' positive evaluations of core features such as corporate culture and strategy promote identification by satisfying self-definition needs. (2)

Functional characteristics, product/service importance drives consumer-firm identification, and consumers' perceived fit of self-identity with products and technologies focuses on identifying with products, benefits, or risks[9], meanwhile, consumer-firm identification is influenced by the core functional characteristics of the firms, e.g., perceived quality is a key element for customers to evaluate the firms, and customers' perception of the products provided by the firms' The subjective judgment of customers on the innovation and price of the products provided by the firm affects the customers' identification with the firm[10]. (3) Individual consumer factors, when a firm satisfies or partially satisfies consumers' self-defined needs and thus identifies with the firm[11]. Self-defined needs are psychological motivations for consumers to construct identity through corporate identification, covering three dimensions: continuity, uniqueness, and enhancement, and firms need to systematically manage identity communication (corporate symbols, ambience) to trigger these needs in order to build deep consumer relationships [4].

Customer-firm identification is the process of special categorization between a customer and a firm, in which the customer tries to establish a strong emotional connection with the firm in order to build a sense of belonging to promote customer-firm identification [12]. Whereas consumer-firm identification affects consumer behavior, consumers who identify with the firm have a belief-supported loyalty to the firm, and when there are situational and competitive barriers, consumers who have a belief-supported loyalty to the firm are able to overcome the barriers to maintain the behavioral predictive relationship[13]. Consumer-firm identification can promote consumers to voluntarily engage in supra-role altruistic behaviors, including volunteering to help odd customers, sharing experiences to recommend products, and becoming more tolerant of service offerings to maintain the stability of behavioral loyalty [11]. In the case of companies, consumer-company identification has a positive significance for the company, and the emotional connection generated by consumers with the company promotes consumers to invest more efforts to achieve the company's goals to help the company develop and actively contribute to the development of the company[5].

#### 4. Future Research Perspectives

In the digital context, AI is gradually applied in the consumer domain, profoundly influencing consumer behavior. In the field of organizational behavior, AI directly affects employees' self-perception, and AI helps employees realize their ideal selves (e.g., improving professional skills) to stimulate their sense of identity[14]. Nowadays, many companies embed AI in real-time interactions with consumer dialogues, which leads to positive identity perceptions and enhances customers' needs such as sense of belonging and self-esteem, thus enabling customers to identify with the company. In the future, the drivers of consumer-company identification and outcome orientation can be explored in the field of AI in the context of digitalization.

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