

Research: Employees as brand champions

Morhart, Herzog and Tomczak state that companies in the services sector mainly build their brand through their employees. Customers' experiences with the employees of a certain service provider determine to a large degree how they feel about that company's brand. In an ideal situation, employees would all be brand advocates, or even brand champions, in everything they do. That not only means that brand values are reflected by their behaviour, but also that they provide management with brand-specific customer feedback to enable brand managers to tweak the branding strategy wherever needed. The people behind this research also state that this kind of brand-specific behaviour (or on-brand behaviour) should not only be displayed on the job, but also off the job. Employees that act as brand champions can in their private lives generate positive word-of-mouth advertising for the company they work for.

The researchers posed the question of how you can best convert employees into brand champions. Or: what management style would be most effective in realising that? They start off by distinguishing two leadership styles:

- Transactional leadership;
- Transformational leadership.

The idea behind *transactional leadership* is that managers procure the desired behaviour through 'transactions' and control. Transactions can have a positive or a negative charge. When a manager instructs one of his employees on what brand-specific behaviour this employee is supposed to display to earn a bonus, we are dealing with a *positively* charged transaction. And when an employee knows that his/her brand-specific behaviour is closely monitored and that he/she can be called account for off-brand behaviour, we are dealing with a *negatively* charged transaction. Transactional leadership emphasises an individual "give & take" relationship between manager and employee.

Transformational leadership is all about (1) intellectual stimulation of employees ("how could you, in your view, add to brand-specific behaviour?"), (2) inspirational motivation (a manager who enthusiastically talks about what needs to be done to strengthen the brand), (3) normative influence (a manager sharing what the brand means to him/her), (4) exemplary behaviour, and (5) individual motivation of employees in their role as brand representatives. Transformational leadership stresses motivation, identification, empowerment and the relationship individual employees have with the company as a whole.

The researchers ran a study among the service staff of a telecommunications company to find out (1) which leadership style employees thought their managers adhered to, and (2) to what extent employees considered themselves to be brand champions (both on and off the job). It will go without saying that transformational leadership is more likely to breed brand championship than transactional leadership. However, the results of the study do show that a certain level of transactional leadership can enhance the effects of transformational leadership. But when transactional leadership prevails over transformational leadership, the positive effect of the latter will decline. In plain terms: motivational leadership is the most effective leadership style, but will be even more effective when there is also a certain level of control over the behaviour displayed by employees. The researchers conclude by showing through a second experiment that managers with a propensity for transactional leadership can still pick up transformational leadership techniques up to a certain level.

Reference(s)

Morhart, F.M., Herzog, W., Tomczak, T. (2009), Brand-specific leadership: turning employees into brand champions. *Journal of Marketing*, vol.73, no.5, p.122-142. *

* : Available in the EURIB library.