'Branded access offers' dilute parent brand via perceived lack of consumer commitment: Study

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Why buy when you can rent? From cars to high-end clothing, the short-term renting or sharing of consumer goods through "branded access offers" has become an increasingly popular alternative to the traditional ownership model. But such time-limited consumption may have unintended consequences for the parent brands that offer them, according to a new study co-written by a University of Illinois Urbana-Champaign expert in consumer-brand relationships.

Consumers who highly identify with a brand take a dim view of branded access offers, said Tiffany Barnett White, a professor of business administration and the Bruce and Anne Strohm Faculty Fellow at the U. of I.'s Gies College of Business.

"Brands are constantly pursuing new customers, and the leading trend is a focus on branded access offers, which was motivated by this other trend in consumption of moving away from ownership to more of a short-term rental mode," she said.

A concrete example would be the Zipcar model: Why spend tens of thousands of dollars on a luxury import sedan when you can rent the same vehicle for a couple of hours now and then?

"In response to disruptive startups like Zipcar or Rent the Runway, established brands like H&M, Peloton, and BMW have launched their own branded access offers," said co-author Aaron J. Barnes of the University of Louisville.

"The unintended consequence of these offers that are meant to entice 'accessors,' however, is that doing so can seriously damage the brand image to existing customers—particularly the brand's most hard-core adherents," White said. "Those consumers are especially sensitive about a perceived lack of brand commitment from these new consumers who are seemingly jumping on the bandwagon."

Despite their growing popularity, surprisingly little is known about how branded access offers affect consumer responses to brands, White said. Across four studies spanning fashion, sports and fitness goods, White and Barnes found that consumers with high group-brand connections reacted less favorably to the introduction of new access offers compared with the traditional ownership model.

"The research shows that otherwise well-intentioned attempts by firms to entice new customers with low-commitment rental offers can backfire for those who, ironically, are most committed to the brand," White said.

"Those whose connection to the brand is based on their belief that it connects them to others shun those who want access but not commitment to the brand. Furthermore, those consumers then penalize the parent company for sharing its offerings with those whom they perceive to lack commitment."

The perceived lack of brand commitment led to lower brand image, an unintended consequence the researchers dubbed the "accessor effect."

"This is really about the penalizing of these brands for inviting people into this inner circle of consumers, into settings when they are clearly not adhering to the intragroup dynamics," White said.

"And it's the hard-core brand adherents who are holding it against these latecomers, the bandwagon consumers. You can imagine what happens with sports brands, for example, when a whole segment of consumers is seen as less loyal than the die-hard fans. They're looked at as the party crashers. Well, you can apply that to all sorts of consumer goods."

The reason why brands, even prestigious brands, have these access offers is because of concerns that "startup sharing services will eat their lunch from a profitability standpoint," White said. "Big brands want to play in this space, but at what cost? They need to do it in a way that gives them some sort of control because, after all, it's their brand that's on the line."

To mitigate the "accessor effect," White and Barnes say that businesses should communicate that consumers can access goods in longer rather than shorter rental periods, as the perception of a longer commitment to a brand sends a better signal to its long-time adherents, according to the paper.

"The accessor effect occurs because consumers who really identify with a brand are particularly sensitive to accessors' perceived lack of brand commitment," White said. "So if you're a brand and you want to mitigate that effect, you really have to, essentially, blur the signal. We know that branded access offers signal a lack of commitment to ownership of that brand. So whatever brands can do to add noise to that signal is helpful for attenuating the effect."

For example, in one of the four studies, the perceived brand commitment of college basketball fans was gauged as higher when brand accessors were only allowed to return team-branded jerseys two weeks rather than two days after the season ended.

"Again, we're blurring the signal with this longer rental period," White said. "It's a signal that you're more committed to the brand if you rent this jersey for longer because you're still going to stick by this team—and by extension, this brand—even after the party has ended.

"Now, that doesn't necessarily signal one's commitment to the brand forever, it just blurs the commitment, which, in turns, reduces brand dilution. So it's this middle-ground mechanism where you don't do it in a way that weakens the parent brand quite as much."

The paper was published by the *Journal of the Academy of Marketing Science*.

More information: Aaron J. Barnes et al, The accessor effect: How (and for whom) renters' lack of perceived brand commitment dilutes brand image, *Journal of the Academy of Marketing Science* (2024). DOI: 10.1007/s11747-024-01006-z

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