

EMOTIONALLY ATTACHED: NEURAL CORRELATES OF FIRST CHOICE EMPLOYER BRANDS - AN fMRI STUDY

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ABSTRACT

Employer branding is becoming increasingly important for organizations, due to the rising importance of service- and knowledge-intensive tasks and products (Berthon, Ewing, & Hah, 2005; Vargo & Lusch, 2004). As a consequence, value-creation becomes ever more decisive in the effort to “create and deliver service quality” (Hartline & Jones, 1996, p. 207) to the customer, and is directly related to repurchase behaviour, customer loyalty (Cardador & Pratt, 2006), and word-of-mouth (Brown, Barry, Dacin, & Gunst, 2005), thereby impacting brand success and profitability (Moroko & Uncles, 2008). Additionally, employees directly and indirectly influence the reputation of organizations in several ways, most notably, communicating information about the company to both potential customers and potential employees (Helm, in press). Attracting and recruiting the best personnel, therefore, is an important driver of long-term firm success. It is surprising that, until very recently, marketing research has been dominated by a focus on consumers of a company’s products and services, while mainly neglecting branding research regarding company employees (Cardador & Pratt, 2006).

Against this background, our paper focuses on applying the concept of employer branding, the process of imparting “the package of functional, economic and psychological benefits provided by employment, and identified with the employing company” (Ambler & Barrow, 1996, p. 187) to current as well as potential employees. To identify neural correlates of attractive employer brands, a functional magnetic resonance imaging (fMRI) study was applied, based on the design of Deppe et al. (2005) for the first choice brand effect for fast-moving consumer goods (FMCG) brands. The participants ($N = 22$) were asked to indicate which of two management consultancies they would prefer to work for, using decision sets (a) including, and (b) not including, their individual first choice employer brand (FCB). We focused on management consultancy brands as stimuli for two primary reasons. First, within the service industry, and particularly in the consultancy industry (Ambler & Barrow, 1996), personnel is the key driver of a company’s success (Vargo & Lusch, 2004). Second, people are less likely to have experienced the services of consultancies themselves, than they are to have regularly interacted with service people at, for example, a bank. Focusing on this field should reduce confounding influences resulting from a participant’s personal experiences as a brand consumer, in contrast to perception of a brand as a potential employer. All subjects were students approaching the end of their study who did not yet work for a company. Additionally, the subjects indicated a score of five or more on the statements “I could imagine myself working for a consultancy” and “A consultancy is an attractive employer for me” (1 “totally disagree”; 7 “totally agree”; $\alpha = .85$; $M = 5.91$, $SD = 0.60$). Consequently, our sample represented one of the main target groups of early employer branding activities.

Our first results provide evidence of an FCB-effect for employer brands. For decisions including the FCB, increased activation was found in brain areas associated with the processing of emotions. Decreased activation was found in areas associated with reasoning. However, compared to the FCB-effect for FMCG brands (Deppe et al., 2005), the FCB decisions did not decrease reasoning with a similar magnitude. Results lead to the conclusion that the processing of preferred employer brands differs—at least partially—from the processing of preferred consumer brands. Decisions regarding future employers may be considered as far more complex than decisions between two different consumer brands. Itself, this may not be surprising, but this was also true when the FCB was part of the decision set and is in contrast to FCB effects found for FMCG brands. These results provide directions for future research in such areas as the complexity of long-term brand-related decisions.

References are available on request.