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# EXAMINING THE EFFECT OF BRAND EXPERIENCE ON CONSUMER SATISFACTION, BRAND TRUST AND BRAND LOYALTY

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#### Abstract

This study aims to examine the direct and indirect effects of brand experience on consumer satisfaction, brand trust and brand loyalty. It also aims to put forth a model encapsulating the notions of brand experience, consumer satisfaction and brand trust to explain the relationship between these three antecedents of brand loyalty. A face to face survey was used to collect data with the use of interviewers. The population of interest was consumers of four different brands from different product categories. Convenience sampling technique was used to gather data from 1200 respondents. A total of 1102 valid questionnaires were used for analysis where structural equation modelling was used for analysis.

Findings revealed that brand experience directly and positively affected consumer satisfaction, brand trust and brand loyalty. In addition, it was found that brand experience had an indirect impact on brand loyalty through both consumer satisfaction and brand trust. More specifically, it was found that the effect of brand experience on consumer satisfaction and brand trust was much more powerful than its direct effect on brand loyalty. On the other hand, in terms of total effects, it was seen that brand experience had a greater effect on brand loyalty by itself than the total effects of consumer satisfaction and brand trust combined. The empirical results indicate that brand experience has a direct effect on consumer turst. This study highlights the direct and indirect effects of brand experience on brand loyalty directly and through the mediating roles of consumer satisfaction and brand trust.

**Keywords:** Brand Experience, Consumer Satisfaction, Brand Trust, Brand Loyalty, Structural Equation.

#### JEL Classification: M31.

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# MARKA DENEYİMİNİN MÜŞTERİ TATMİNİ, MARKA GÜVENİ VE MARKA SADAKATİ ÜZERİNDEKİ ETKİLERİNİN İNCELENMESİ

# Özet

Bu çalışma, marka deneyiminin, müşteri tatmini, marka güveni ve marka sadakati üzerindeki doğrudan ve dolaylı etkilerini incelemeyi amaçlamaktadır. Aynı zamanda, marka deneyimi, müşteri tatmini ve marka güveni ile ilgili görüşleri içeren ve marka sadakatinin üç öncül değişkeni olarak nitelendirilen bu değişkenler ile marka sadakati arasındaki ilişkileri açıklayan bir model önerisi ortaya koymayı amaçlamaktadır. Çalışma kapsamına dört farklı markanın tüketicileri dâhil edilmiştir. Verilerin toplanmasında kolayda örnekleme yönteminden yararlanılmış ve anketörler aracılığıyla 1200 katılımcıya anket uygulanmıştır. 1102 geçerli anket elde edilmiş ve araştırma modelinin test edilmesinde yapısal eşitlik modellemesinden yararlanılmıştır.

Bulgular marka deneyiminin, müşteri tatmini, marka güveni ve marka sadakati üzerinde doğrudan ve pozitif bir etki yarattığını göstermektedir. Ayrıca, marka deneyiminin, marka sadakati üzerinde hem müşteri tatmini hem de marka güveni aracılığıyla dolaylı bir etkiye de sahip olduğu sonucuna ulaşılmıştır. Marka deneyiminin, müşteri tatmini ve marka güveni üzerindeki doğrudan etkisinin, marka sadakati üzerindeki doğrudan etkisinden çok daha büyük olduğu görülmektedir. Toplam etki açısından, marka deneyiminin marka sadakati üzerinde, müşteri tatmini ve marka güveninin birlikteki toplam etkisinden daha büyük bir etkiye sahip olduğu sonucuna ulaşılmıştır. Bu çalışmada marka deneyiminin marka güveni üzerindeki doğrudan etkisine dair ampirik kanıtlar elde edilmiştir. Böylece, marka deneyiminin müşteri tatmini ve marka güveni aracılığıyla, marka sadakati üzerindeki dolaylı ve doğrudan etkileri ortaya konularak teoriye katkı sağlamaktadır.

Anahtar Kelimeler: Marka deneyimi, Müşteri tatmini, Marka Güveni, Marka Sadakati, Yapısal Eşitlik.

### JEL Sınıflaması: M31

# 1. Introduction

For many years, functional product differentiations have been very important to marketers. Nowadays however, the importance of these functional product differentiations are decreasing, since many products in many categories began to resemble each other especially in terms of their function<sup>1</sup>. As a consequence of many products reaching their maturity stage in the product life cycle and hence attaining market saturation, marketers have realised that products and services cannot be differentiated only through their quality and functional attributes<sup>2</sup>.

<sup>&</sup>lt;sup>1</sup> J. Joško Brakus et. al. "Experiential attributes and consumer judgment", Handbook on Brand and Experience Management, Eds: Bernd H. Schmitt and David L. Rogers, Cheltenham, UK, Edward Elgar, 2008, p. 174.

<sup>&</sup>lt;sup>2</sup> Susan Whelan and Markus Wohlfeil, "Communicating brands through engagement with 'lived' experiences", **Journal of Brand Management**, 13, (4/5), 2006, p. 313.

Schmitt<sup>3</sup> states that consumers still want to buy products for their functional attributes, quality and a positive brand image, but at the same time they also want to buy products that deliver experiences. In other words, consumers do not simply buy products of a firm, instead they buy what the firm offers and what the offerings can offer them<sup>4</sup>. Thus, what is important for a consumer is how a certain product enriches his/her life, not just its functional benefits<sup>5</sup>. Both final and B2B consumers believe that products are not enough by themselves, they should also provide experiences<sup>6</sup>. Moreover, it is a known fact that information received through personal experience is more permanent and appealing than information obtained through learning<sup>7</sup>.

The concept of experiential marketing was first introduced by Pine and Gilmore in their book entitled *The Experience Economy: Work Is Theater & Every Business a Stage*. Additionally, Schmitt succeeded in arousing interest on experiential marketing among academics and practitioners through his academic article<sup>8</sup>.

In marketing literature, the notion of experience has been examined from different perspectives such as: customer experience<sup>9</sup>, consumption experience<sup>10</sup>, product

- <sup>4</sup> Philip Kotler et. al. **Principles of Marketing,** Essex, Prentice Hall, 2008, p. 501.
- <sup>5</sup> Philip Kotler and Kevin Lane Keller, Marketing Management, New Jersey, Prentice Hall, 2009, p. 539.
- <sup>6</sup> Anna Klingmann, Brandscapes: Architecture in the Experience Economy, London, The MIT Press, 2007, p. 36.
- Stephen J. Hoch, "Product experience is seductive", Journal of Consumer Research, 29, (3), 2002, pp. 448-449.
- <sup>8</sup> Rajagopal Raghunathan, "Some issues concerning the concept of experiential marketing", Handbook on Brand and Experience Management, Eds: Bernd H. Schmitt and David L. Rogers, Cheltenham, UK, Edward Elgar, 2008, p. 132.
- <sup>9</sup> Leonard L. Berry et. al. "Managing the total customer experience", MIT Sloan Management Review, 43, (3), 2002, pp. 85-90; Pennie Frow, and Adrian Payne, "Towards the 'perfect' customer experience", Journal of Brand Management, 15, (2), 2007, p. 89-101; Chiara Gentile et. al. "How to sustain the customer experience: an overview of experience components that co-create value with the customer", European Management Journal, 25, (5), 2007, pp. 395-410; Kamal Ghose, "Internal brand equity defines customer experience", Direct Marketing, 3, (3), 2009, pp. 177-185; Rajnish Jain and Shilpa Bagdare, "Determinants of customer experience in new format retail stores", Journal of Marketing and Communication, 5, (2), 2009, pp. 34-44; Christopher Meyer and Andre Schwager, "Understanding customer experience", Journal of Brand Management, 15, (2), 2007, p. 116; I. Ryder, "Customer experience", Journal of Brand Management, 15, (2), 2007, p. 85.
- <sup>10</sup> William J. Havlena and Morris B. Holbrook, "The varieties of consumption experience: comparing two typologies of emotion in consumer behavior", Journal of Consumer Research, 13, (3), 1986, pp. 394-404; Morris B. Holbrook and Elizabeth C. Hirschman, "The experiential aspects of consumption: consumer fantasies, feelings, and fun', Journal of Consumer Research, 9, (2), 1982, pp. 132-40; Haim Mano and Richard L. Oliver, "Assessing the dimensionality and structure of the consumption experience: evaluation, feeling

<sup>&</sup>lt;sup>3</sup> Bernd Schmitt, "Experiential marketing", **Journal of Marketing Management**, 1999, 15, (1-3), p. 57.

experience<sup>11</sup>, aesthetic experience<sup>12</sup>, service experience<sup>13</sup> and shopping experience<sup>14</sup>. One more research area was brand experience.

Brakus, Schmitt and Zarantonello<sup>15</sup> were the first researchers who comprehensively conceptualised the concept of brand experience and introduced a valid and reliable scale for its measurement. To define and conceptualise this construct, they examined former studies related to the concept of experience in consumer and marketing literature. Additionally, they also examined the literature on philosophy, cognitive science, and applied management in order to distinguish the dimensions of brand experience from other types of experience. By using the scale they developed on brand experience they examined its effects on brand personality, satisfaction and loyalty.

Delgado-Ballester and Munuera-Alemán<sup>16</sup> demonstrates that brand trust has high contributions to brand equity. Therefore, if a firm wants to capitalize the competitive edge of brand equity, the first thing it should do is to build brand trust. Similarly, Ha and Perks<sup>17</sup> adapted the concept of brand experience to the web and demonstrated that web brand experience has significant effects on brand familiarity, consumer satisfaction and brand trust. Şahin et al.<sup>18</sup> conducted a study in Turkey and examined

- Stephen J. Hoch, "Product experience is seductive", Journal of Consumer Research, 29, (3), 2002, pp. 448-454; Sylvia C. Mooy and Henry S. J. Robben, "Managing consumers" product evaluations through direct product experience", Journal of Product and Brand Management, 11, (7), 2002, pp. 432-446.
- <sup>12</sup> Annamma Joy et. al. "Speaking of art as embodied imagination: a multisensory approach to understanding aesthetic experience", Journal of Consumer Research, 30, (2), 2003, pp. 259-282.
- <sup>13</sup> Michael K, Hui and John E. G. Bateson, "Perceived control and the effects of crowding and consumer choice on the service experience", Journal of Consumer Research, 18, (2), 1991, pp. 174-184; Sara Sandström et. al. "Increased understanding of service experiences through involving users in service development", European Journal of Innovation Management, 12, (2), 2009, pp. 243-256; Kathryn Frazer Winsted, "The service experience in two cultures: a behavioral perspective", Journal of Retailing, 73, (3), 1997, pp. 337-360.
- <sup>14</sup> C. Campbell and P. Falk (1997), The Shopping Experience, London, Sage Publications, 1997; Roger A. Kerin et. al. "Store shopping experience and consumer price-quality-value perceptions", Journal of Retailing, 68, (4), 1992, p. 376.
- <sup>15</sup> J. Joško Brakus et. al. "Brand experience: what is it? how is it measured? does it affect loyalty?", **Journal of Marketing**, 73, (3), 2009, pp. 52-68.
- <sup>16</sup> Elena Delgado-Ballester, and José Luis Munuera-Alemán, "Does brand trust matter to brand equity?", Journal of Product and Brand Management, 14, (3), 2005, pp. 187-196.
- <sup>17</sup> Hong Youl Ha and Helen Perks, "Effects of consumer perceptions of brand experience on the web: brand familiarity, satisfaction and brand trust", **Journal of Consumer Behaviour**, 4, (6), 2005, pp. 438-452.
- <sup>18</sup> Şahin et. al. "The Effects of Brand Experiences trust and satisfaction on building brand loyalty; an empirical research on global brands", **Procedia Socaial and Behavioral Scien**ces, 24, 2011, pp. 1288-1301.

and satisfaction", **Journal of Consumer Research**, 20, (3), 1993, pp. 451-66; Marsha Richins, "Measuring emotions in the consumption experience", **Journal of Consumer Research**, 24, (2), 1997, p. 127-146.

the relationships between brand experience, brand trust, brand satisfaction and brand loyalty using automobiles as the brand in context. This study also examines the effects of brand experience on consumer satisfaction, brand trust and brand loyalty but also considers the mediating effects of brand trust and brand satisfaction for the impact of brand experience on brand loyalty. Additionally this study examines these effects taking into consideration four different brands.

This paper is comprised of six sections. In the first section the theoretical framework of the study is given where the relationship between brand experience, brand trust and brand loyalty is examined. The second section outlines the research methodology followed by results of the analyses and discussion sections. In the next section the limitations of the research and suggestions for further research are provided. The last section is conclusion where a summary of the findings are given.

#### 2. Theoretical Framework and Hypothesis Development

#### 2.1. Brand Experience

Researchers have defined the concept of brand experience in different ways. Ortmeyer and Huber<sup>19</sup> considered brand experience as the buying behaviour towards a specific brand and measured it through the amount of past purchases of this specific brand. Kim and Sullivan<sup>20</sup> considered brand experience as an experience which resulted from buying or using a specific brand's products or services. On the other hand, Ha and Perks<sup>21</sup> considered brand experience as the positive perceptions towards a brand. Qi et al.<sup>22</sup> described brand experience as the totality of a brand's appearance and communication and therefore made various measurements regarding a brand's logo, commercials and the use of word of mouth.

Brakus, Schmitt and Zarantonello<sup>23</sup> were the first academics to conceptualise and measure brand experience. Brakus, Schmitt and Zarantonello<sup>24</sup> defined brand experience as "the subjective, internal consumer responses (sensations, feelings, cognitive and behavioural responses) evoked by brand-related stimuli that are part of a brand's design and identity, packaging, communications and environments." The same academics also indicated that brand experience constituted of four dimensions: sensory, affective, intellectual and behavioural. On the other hand, Zarantonello and

- <sup>23</sup> Brakus et. al. **ibid**. pp. 52-68.
- <sup>24</sup> Brakus et. al. **ibid**. pp. 53.

<sup>&</sup>lt;sup>19</sup> Gwen G. Ortmeyer and Joel Huber, "Brand experience as a moderator of the negative impact of promotions", **Marketing Letters**, 2, (1), 1991, pp. 35-45.

<sup>&</sup>lt;sup>20</sup> Byung-Do Kim and Mary W. Sullivan, "The effect of parent brand experience on line extension trial and repeat purchase", Marketing Letters, 9, (2), 1998, pp. 181-193.

<sup>&</sup>lt;sup>21</sup> Ha and Perks, **ibid.** pp. 438-452.

<sup>&</sup>lt;sup>22</sup> Jiayin, Qi et. al. "An extension of technology acceptance model: analysis of the adoption of mobile data services in China", Systems Research and Behavioral Science, 26, (3), 2009, pp. 391-407.

Schmitt<sup>25</sup> defined these four dimensions as, "a sensory dimension, which refers to the visual, auditory, tactile, gustative, and olfactory stimulations provided by a brand; an affective dimension, which includes feelings generated by the brand and its emotional bond with the consumer; an intellectual dimension, which refers to the ability of the brand to engage consumers' convergent and divergent thinking; and a behavioural dimension, which includes bodily experiences, lifestyles, and interactions with the brand."

Nowadays, by using traditional communication channels, firms can reach only a limited section of their target market. Thus, to reach the whole target market it is necessary to use additional and more conventional communication methods. One of the new communication channels is to develop customer experiences related to brands. By creating a brand environment, firms try to encourage their potential and existing consumers to be part of this environment, rather than using traditional media<sup>26</sup>. Interaction between the brand and the consumer creates an experience which affects the thoughts and behaviours of consumers. Moreover, Shankar et al.<sup>27</sup> indicate that, many scholars have found that experiences are determinants of satisfaction<sup>28</sup> and brand experience directly affects consumer satisfaction and brand loyalty<sup>29</sup>.

# 2.2. Consumer Satisfaction

The concept of consumer satisfaction has been examined by both academics and practitioners for over four decades<sup>30</sup>. Although researchers agree on the importance of consumer satisfaction, there is no consensus on the definition of consumer satisfaction. The leading researcher of consumer satisfaction, Oliver<sup>31</sup>, defines consumer satisfaction as "a judgment that a product or service feature, or the product or service itself, provides (or is providing) a pleasurable level of consumption-related fulfilment including levels of under- or over fulfilment."

<sup>&</sup>lt;sup>25</sup> Lia Zarantonello and Bernd H. Schmitt, "Using the brand experience scale to profile consumers and predict consumer behaviour", **Journal of Brand Management**, 17, (7), 2010, p. 533.

<sup>&</sup>lt;sup>26</sup> Jan Drengner et. al. "Does flow influence the brand image in event marketing?", Journal of Advertising Research, 48, (1), 2008, pp. 138-147.

<sup>&</sup>lt;sup>27</sup> Venkatesh Shankar et. al. "Customer satisfaction and loyalty in online and offline environments", International Journal of Research in Marketing, 20, (2), 2003, pp. 153-175.

<sup>&</sup>lt;sup>28</sup> Ruth N. Bolton and James H. Drew, "A multistage model of customers' assessments of service quality and value", Journal of Consumer Research, 17, (4), 1991, pp. 375-384; Ernest R. Cadotte et. al. "Expectations and norms in models of consumer satisfaction", Journal of Marketing Research, 24, (3), 1987, pp. 305-314; Harrie Vredenburg and Chow-Hou Wee, "The role of customer service in determining customer satisfaction", Journal of the Academy of Marketing Science, 14, (2), 1986, p. 17-26.

<sup>&</sup>lt;sup>29</sup> Brakus et. al. **ibid**. pp. 52-68.

<sup>&</sup>lt;sup>30</sup> S. Allen Broyles et. al. "Examination of satisfaction in cross-product group settings", Journal of Product and Brand Management, 18, (1), 2009, pp. 50-59.

<sup>&</sup>lt;sup>31</sup> Richard L. Oliver, Satisfaction : A Behavioral Perspective on the Consumer, New-York, McGraw-Hill, 1997, pp. 10-14.

Results of different research show that highly satisfied consumers continually buy the products of the firm that provides satisfaction<sup>32</sup>. In another words, when a consumer is satisfied, he/she develops a high level of commitment and loyalty to the brand/firm<sup>33</sup>. Hence, satisfaction has a direct effect on loyalty.

#### 2.3. Brand Trust

The concept of trust has been defined in different disciplines: from psychology to economics; from sociology to administrative sciences<sup>34</sup>. Needless to say, these disciplines have different points of view concerning the concept of trust. Nevertheless, there is a common point among these differences: the importance of trust in human relations and its effects on human behaviour.

Marketing considers trust as a bond which could be the relationship that occurs between a consumer and a firm. The relationship of trust between a brand and its consumer affects the consumer's buying decisions<sup>35</sup>. Likewise, consumers are constantly in a relationship with various brands in their daily lives<sup>36</sup>. This type of relationship could be defined as a combination of cognitive, emotional and behavioural processes occurring between the brand and its consumers<sup>37</sup>. As mentioned, brand experience is a subjective notion. Internal consumer responses include: sensations, feelings, cognitions and behavioural responses. Therefore, it is evident that brand experience is clearly a part of the relationship that occurs between a brand and its consumer. Moreover, consumer satisfaction is one of the basic components of trust<sup>38</sup> and trust establishes a bridge between consumer satisfaction and brand loyalty<sup>39</sup>. Therefore, for a firm to build brand trust and brand loyalty, consumer satisfaction is the first step. Nevertheless, in order to be satisfied or dissatisfied, ordinarily a consumer should have an

- <sup>37</sup> Max Blackston, M. "Observations: building brand equity by managing the brand's relationships", **Journal of Advertising Research**, 40, (6), 2000, pp. 101-105.
- <sup>38</sup> Elena Delgado-Ballester and José Luis Munuera-Alemán, "Brand trust in the context of consumer loyalty", European Journal of Marketing, Vol. 35 No. 11-12, 2001, p. 1238-1258.
- <sup>39</sup> Jeff Hess and John Story, "Trust-based commitment: multidimensional consumer-brand relationships", Journal of Consumer Marketing, 22, (6), 2005, p. 313-322.

<sup>&</sup>lt;sup>32</sup> Ha and Perks, **ibid.** pp. 438-452.

<sup>&</sup>lt;sup>33</sup> Eugene W, Anderson, and Mary W. Sullivan "The antecedents and consequences of customer satisfaction for firms", **Marketing Science**, 12, (2), 1993, pp. 125-143; Vikas Mittal and Wagner A. Kamakura, "Satisfaction, repurchase intent, and repurchase behavior: investigating the moderating effect of customer characteristics", **Journal of Marketing Research**, 38, (1), 2001, pp. 131-142.

<sup>&</sup>lt;sup>34</sup> Larue Tone Hosmer "Trust: the connecting link between organizational theory and philosophical ethics", Academy of Management Review, 20, (2), 1995, pp. 379-403.

<sup>&</sup>lt;sup>35</sup> Susan Fournier, "Consumers and their brands: developing relationship theory in consumer research", Journal of Consumer Research, 24, (4), 1998, pp. 343-353.

<sup>&</sup>lt;sup>36</sup> Seong-Yeon Park and Eun Mi Lee, "Congruence between brand personality and self-image, and the mediating roles of satisfaction and consumer-brand relationship on brand loyalty", Asia Pacific Advances in Consumer Research, 6, 2005, pp. 39-45.

experience with the brand as brand experience leads to a response such as satisfaction or dissatisfaction<sup>40</sup>. For this reason, if brand experience has an effect on consumer satisfaction, it should also directly and positively affect brand trust, as brand trust is a bridge between consumer satisfaction and brand loyalty.

Trust is a vital part of all types of customer relationships and brand loyalty is one of the consequences of this relationship. It is likely that consumers will prefer brands and/or products that they trust, since perception of trust reduces or removes risks and ambiguity<sup>41</sup>. Therefore it could be stated that in order to establish a long term relationship between the consumer and the brand, the first step is to gain the trust of the consumer<sup>42</sup>.

## 2.4. Brand Loyalty

Oliver<sup>43</sup> defines loyalty as "a deeply held commitment to rebuy or repatronise a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behaviour." Academics and practitioners agree that brand loyalty is one of the most important strategic constituents in creating sustainable competitive advantage. This is because firms need to invest less in marketing and undertake less effort in addressing loyal customers as compared to disloyal customers<sup>44</sup>. Loyal customers continue to buy and use the same brand as long as they are satisfied. Moreover, loyal customers are usually willing to pay more for a certain brand, because they think no other brands are able to deliver the same offerings. A firm/brand that has loyal customers does not have to allocate a big budget for promotional activities<sup>45</sup>. Knox and Maklan<sup>46</sup> state that firms get 50% to 85% of their revenues from 10% to 20% of their total customers (who actually are their loyal customers). Hence brand loyalty is considered as the dependent variable in this study.

Figure.1 provides a graphic depiction of the proposed model of the study.

Taking into consideration the proposed model given in Figure.1 and also the theoretical framework provided above, the following hypotheses were developed for the study:

<sup>&</sup>lt;sup>40</sup> Brakus et. al. **ibid**. pp. 52-68.

<sup>&</sup>lt;sup>41</sup> John Power et. al. "The attractiveness and connectedness of ruthless brands: the role of trust", **European Journal of Marketing**, 42, (5-6), 2008, pp. 586-602.

<sup>&</sup>lt;sup>42</sup> Robert M. Morgan and Shelby D. Hunt, "The commitment-trust theory of relationship marketing", **The Journal of Marketing**, 58, (3), 1994, pp. 20-38.

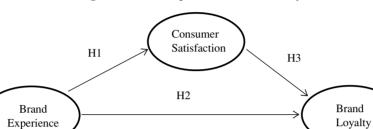
<sup>&</sup>lt;sup>43</sup> Oliver, **ibid.** p. 392.

<sup>&</sup>lt;sup>44</sup> Spiros Gounaris and Vlasis Stathakopoulos, "Antecedents and consequences of brand loyalty: an empirical study", **Journal of Brand Management**, 11, (4), 2004, pp. 283-306.

<sup>&</sup>lt;sup>45</sup> Arjun Chaudhuri, "Brand equity or double jeopardy?", Journal of Product & Brand Management, 4, (1), 1995, p. 26-32.

<sup>&</sup>lt;sup>46</sup> Stan Knox and Simon Maklan, Competing on Value : Bridging the Gap Between Brand and Customer Value, Financial Times, 1998, pp. 168-174.

- H1: Brand experience has a direct and positive effect on consumer satisfaction.
- H2: Brand experience has a direct and positive effect on brand loyalty.
- H3: Consumer satisfaction has a direct and positive effect on consumer loyalty.
- H4: Brand experience has a direct and positive effect on brand trust.
- H5: Brand trust has a direct and positive effect on brand loyalty.



Brand Trust

Figure 1. The Proposed Model of Study

#### 3. Methodology

For the study, as a first step pre-studies were conducted in order to determine the brands to be used in the main research. As a second step, the main research was undertaken to test the proposed model and the relevant hypotheses.

H5

#### 3.1. Pre-studies

H4

Two pre-studies were conducted to determine the brands to be used in the main research. The aim of the first pre-study was to determine the potential brands which could be used for the main research. To accomplish this, a focus group study was conducted which consisted of 5 male and 5 female MBA students from İstanbul Bilgi University. The concept of experiential marketing was explained to all participants. Following the necessary explanations, the participants were asked to state as many brand names as possible, which they believed were marketed using experiential marketing. Afterwards, all the brand names that were generated in the first pre-study were used as input for the second pre-study.

The aim of the second pre-study was to finalize the selection of the brands to be used in the main research. Hence, 80 MBA students from İstanbul Bilgi University who had not attended the first pre-study were selected for the second pre-study. After the explanation of the concept of experiential marketing, the students were asked to rate the extent of their experiences with the stated brands, using a five-point Likert type scale (1= strongly agree, and 5 = strongly disagree)<sup>47</sup>. The purpose of selecting MBA students for the second pre-study was because most of them were working in the private sector. It was believed that a more realistic assessment of brand experience would be made with a non-student consumer group. To determine the brands to be used in the study, a one sample t-test was conducted. As a result, four brands that had the highest means and that also had statistically significant differences from the midpoint of the scale were selected for the main study. The chosen brands were: Apple (X = 4.41; sd = 0.63; sig = .000), Sony Play Station (X = 4.26; sd = 1.02; sig = .000), Nike (X = 4.18; sd = 1.06; sig = .000) and Coca Cola (X = 3.97; sd = 1.04; sig = .000).

#### 3.2. Measurement

In the study, brand experience was measured using a 12 item, five-point Likert type scale (1=strongly disagree, and 5=strongly agree) that consisted of four dimensions: sensory, affective, behavioural and intellectual<sup>48</sup>. Brand trust was measured using an 8 item, five-point Likert type scale (1=strongly disagree, and 5=strongly agree) which consisted of two dimensions: reliability and intentions<sup>49</sup>. In order to assess consumer satisfaction, Oliver's<sup>50</sup> satisfaction scale was used, which is regarded as a valid and reliable scale by many researchers. It consists of a 6 item, five-point Likert type scale (1=strongly disagree, and 5=strongly agree). To measure brand loyalty, a 3 item, five-point Likert type scale (1=strongly disagree, and 5=strongly agree) was adopted from the work of Yoo and Donthu<sup>51</sup>. Additionally, two filter questions were used in order to eliminate irrelevant participants ("Do you use this brand?" which could be answered as "yes" or "no"; and "How well do you know this brand?" which could be responded as a five point scale (1=not at all, and 5=very well)). The main purpose of the filter questions was the belief that possible differences may exist between users and non-users of brand in terms of brand experience perceptions. The second purpose was to make sure that participants had enough experience with the brands to make evaluations. To accomplish these aims participants who said yes to the first filter question and gave a ranking of 3 or higher to the second filter question were included in the study.

### 3.3. Data Collection and Sampling

A face-to-face survey method was used to gather data for the main study. All the scales in the questionnaire were adapted from existing scales whose reliability and validity were already proven. To ensure the accuracy of the translation and to detect possible translation errors, a double translation/parallel translation method was

<sup>&</sup>lt;sup>47</sup> Brakus et. al. **ibid**. pp. 52-68.

<sup>&</sup>lt;sup>48</sup> Brakus et. al. **ibid**. pp. 52-68.

<sup>&</sup>lt;sup>49</sup> Elena Delgado-Ballester et. al. "Development and validation of a brand trust scale", **International Journal of Market Research**, 45, (1), 2003, pp. 35-54.

<sup>&</sup>lt;sup>50</sup> Richard Oliver, "A cognitive model of the antecedents and consequences of satisfaction decisions", Journal of Marketing Research, 17, (4), 1980, pp. 460-469.

<sup>&</sup>lt;sup>51</sup> Boonghee Yoo and Naveen Donthu, "Developing and validating a multidimensional consumer-based brand equity scale", **Journal of Business Research**, 52, (1), 2001, pp. 1-14.

used<sup>52</sup>. Two bilingual native English and two bilingual native Turkish speakers were asked to make the required translations. The two bilingual native English speakers at first translated the survey questions into Turkish, afterwards two bilingual Turkish speakers were asked to translate the Turkish version of the questionnaire back into English<sup>53</sup>. After comparing both translations, it was concluded that the translations were almost identical, therefore no probable semantic displacements were identified. Before the field study, a pre-test was used to test the questionnaire on 28 non-student participants to detect confusing or ambiguous wording. No objections were made, therefore the questionnaire was used without making any changes.

Convenience sampling was used as the method of sampling. Business administration students were used as interviewers in return for extra credits as in other studies<sup>54</sup>. The students were instructed to find four participants to complete the questionnaire. Three of the selected four participants had to be non-students and one had to be a student. In addition, students were instructed to try to recruit participants from different ages, gender and occupations<sup>55</sup>.

Since convenience sampling was used, some rules pertaining to statistical analysis techniques were considered in determining the sample size. For factor analysis, ideal sample size should be at least 20 twenty times the number of scale items<sup>56</sup>. On the other hand, some researchers<sup>57</sup> suggest that there should be at least 10 to 20 times as many observations as variables to make the estimates of LISREL stable. As there were 37 scale items in the survey, at least 740 surveys were needed in total. Taking into consideration that some surveys may be incomplete or filled incorrectly, data from 300 participants for each brand (Apple, Nike, Sony PlayStation and Coca Cola)

<sup>&</sup>lt;sup>52</sup> Naresh K. Malhotra et. al. "Methodological issues in cross-cultural marketing research a state-of-the-art review", International Marketing Review, 13, (5), 1996, pp. 7-43.

<sup>&</sup>lt;sup>53</sup> Boris Bartikowski et. al. "Culture and age as moderators in the corporate reputation and loyalty relationship", **Journal of Business Research**, 64, (9), 2011, pp. 966–972; Roger J. Calantone et. al. "Expecting marketing activities and new product launch execution to be different in the U.S. and China: an empirical study", **International Journal of China Marketing**, 2, (1), 2011, pp. 14-44; S. Van Auken et. al. "A cross-country construct validation of cognitive age", **Journal of the Academy of Marketing Science**, 34, (3), 2006, pp. 439-455.

<sup>&</sup>lt;sup>54</sup> Mark J. Arnold and Kristy E. Reynolds, "Hedonic shopping motivations", Journal of Retailing, 79, (2), 2003, pp. 77–95; Bartikowski et. al. ibid, pp. 966-972; Gianfranco Walsh and Sharon E. Beatty, "Customer-based corporate reputation of a service firm: scale development and validation", Journal of the Academy of Marketing Science, 35, (1), 2007, pp. 127–143.

<sup>&</sup>lt;sup>55</sup> Bartikowski et. al. **ibid**, pp. 966-972;

<sup>&</sup>lt;sup>56</sup> Joseph F. Hair et. al. Multivariate Data Analysis A Global Perspective, 7th. ed., New Jersey, Pearson, 2010. Pp. 661-662.

<sup>&</sup>lt;sup>57</sup> James C. Anderson. and David W. Gerbing, "Structural equation modeling in practice: a review and recommended two-step approach", **Psychological Bulletin**, 103, 1988, pp. 411-423; Claes Fornell et. al. The cooperative venture formation process: a latent variable structural modeling approach", **Management Science**, 36, (10), 1990, p. 1246-1255.

were gathered. A total of 1200 surveys were collected. After the elimination of incorrectly filled surveys and elimination due to the filter questions, a total of 283 surveys for Apple, 278 surveys for Nike, 268 surveys for Play Station and 273 surveys for Coca Cola, in total 1102 surveys, remained for further analysis.

Table 1. provides the sample profile (n=1102 for all four brands).

	Gen	der	Marital	Status			
Brands	Female	Male	Single	Married			
Apple	45.6%	54.4%	64.0%	36.0%			
Coca Cola	63.0%	37.0%	53.5%	46.5%			
Nike	57.6%	42.4%	53.2%	46.8%			
Play Station	14.2%	85.8%	69.0%	31.0%			
Total	45.3%	54.7%	59.9%	40.1%			
	101070	1 1	Age	101170			
Brands	18-29	30-39	40-49	50-59	60+		
Apple	57.6%	26.1%	12.7%	3.2%	0.4%		
Coca Cola	46.5%	23.1%	18.7%	9.2%	2.6%		1
Nike	50.0%	23.0%	17.6%	7.9%	1.4%		
Play Station	71.3%	20.5%	6.3%	1.5%	0.4%		
Total	56.3%	20.5%	13.9%	5.4%	1.2%		
		Edu	cation	I			
	Primary			D			1
Duranda	and	Associate	Bachelor's	Postgra-			
Brands	Secondary	Degree	Degree	duate Degree			
	Education			0			
Apple	37.5%	16.6%	40.3%	5.7%			
Coca Cola	52.4%	20.1%	23.8%	3.7%			
Nike	54.3%	14.4%	28.4%	2.9%			
Play Station	47.0%	17.2%	33.2%	2.6%			
Total	47.7%	17.1%	31.5%	3.7%			
		Persona	al Income				
	Less than	1001-2000	2001-3000		4001-	5001-	6001
Brands	1000 TL	TL	2001-5000 TL	4000	5000	6000	+ TL
				TL	TL	TL	
Apple	20.1%	29.7%	20.5%	11.3%	6.4%	5.3%	6.7%
Coca Cola	31.9%	36.3%	17.6%	7.3%	2.6%	1.1%	3.3%
Nike	24.5%	36.7%	19.8%	6.8%	4.0%	2.9%	5.4%
Play Station	26.5%	37.7%	17.9%	7.1%	4.9%	1.5%	4.5%
Total	25.7%	35%	19.0%	8.2%	4.4%	2.7%	5.0%
	1		ands				
Occupation	Apple	Coca Cola	Nike	Play statio		<b>Fotal</b>	
Self-employment	16.3%	9.9%	16.2%	16.8%		4.8%	
Dealer/Industrialist	2.1%	1.1%	0.7%	2.2%		1.5%	
Tradesman	2.5%	4.0%	4.0%	5.6%		4.0%	
Employee	2.8%	4.4%	4.3%	5.6%	4	4.3%	
Private Sector	42.0%	33.7%	35.3%	43.7%	3	8.7%	
Employee							
Officer	5.3%	4.4%	4.7%	2.2%	_	4.2%	
Retired	1.4%	4.8%	3.6%	1.1%	_	2.7%	
Housewife	6.7%	19.4%	16.2%	2.6%	_	1.3%	
Student	20.8%	18.3%	15.1%	20.1%	1	8.6%	

**Table 1: Sample Profile** 

#### 4. Analysis and Results

#### 4.1. Assessing The Validity of The Measurement Models

Since brand experience consists of four sub dimensions and brand trust consists of two sub dimensions, the two scales (measurement model) were tested in terms of their validity. Confirmatory Factor Analysis (CFA) was used to assess the validity of the measurement models. An acceptable goodness of fit indices and some specific evidence of construct validity are needed to mention the validity of the measurement model<sup>58</sup>. Construct validity was assessed via convergent and discriminant validity. The properties of the brand experience measurement model and goodness of fit indices are given in Table 2.

As seen in Table 2, all items significantly load to their assigned constructs and all factor loadings are higher than the desirable minimum threshold of  $0.5^{59}$ . Moreover, all composite reliability coefficients are greater than 0.6, the threshold proposed in literature<sup>60</sup>. Fornell and Larcker<sup>61</sup> state that, the average variance in manifest variables by extracted construct should be equal to at least 0.5 or higher. All average variance extractions (AVE's) are at least equal to 0.5 or higher except the AVE of intellectual dimension (0.47). However, the AVE approach for assessing convergent validity is a rather conservative approach<sup>62</sup>. Therefore, it was assumed that, convergent validity was achieved.

One criterion for adequate discriminant validity is that the AVE for a construct should exceed the squared correlation coefficients between any two constructs<sup>63</sup>. As seen in Table 3, none of the squared correlation coefficients (above the diagonal) exceeds the AVE, thus discriminant validity was achieved. Additionally, the measurement model gave an acceptable fit to the data ( $X^2 = 280.72$ , df = 48; NFI = 0.97, CFI = 0.97, IFI = 0.98, RMSEA = 0.06, SRMR = 0.03). Consequently, it could be said that the brand experience measurement model has acceptable validity.

<sup>&</sup>lt;sup>58</sup> Hair et. al. **ibid.** p. 664.

<sup>&</sup>lt;sup>59</sup> Richard P. Bagozzi et. al. "Assessing construct validity in organizational research", Administrative Science Quarterly, 36, 1991, pp. 421-458; Hair et. al. ibid. p. 709.

<sup>&</sup>lt;sup>60</sup> Richard P. Bagozzi and Youjae Yi, "On the evaluation of structural equation models", **Journal of the Academy of Marketing Science**, 16, (1), 1988, p. 74-94.

 <sup>&</sup>lt;sup>61</sup> Claes Fornell and David F. Larcker, "Structural equation models with unobservable variables and measurement error: algebra and statistics", Journal of Marketing Research, 18, (3), 1981, pp. 382-388.

<sup>&</sup>lt;sup>62</sup> Fornell and Larcker, ibid. pp. 382-388; Hair et. al. ibid. p. 710; Naresh K. Malhotra, Marketing Research An Applied Orientation 6th ed., New Jersey, Pearson, 2010. p. 734.

<sup>&</sup>lt;sup>63</sup> Fornell and Larcker, **ibid.** pp. 382-388;

Items	Constructs			
	Sensory	Affective	Behavioural	Intellectual
This brand makes a strong impression on my visual sense or other senses	0.86			
I find this brand interesting in a sensory way	0.91			
This brand does not appeal to my senses*	0.72			
This brand induces feelings and sentiments		0.80		
I do not have strong emotions for this brand*		0.64		
This brand is an emotional brand		0.66		
I engage in physical actions and behaviours when I use this brand			0.80	
This brand results in bodily experiences			0.84	
This brand is not action oriented*			0.74	
I engage in a lot of thinking when I encounter this brand				0.67
This brand does not make me think*				0.71
This brand stimulates my curiosity and problem solving				0.67
Mean	3.79	3.35	3.19	3.42
S.D.	0.87	0.86	0.95	0.83
Cronbach's Alpha	0.86	0.74	0.84	0.72
AVE	0.69	0.50	0.63	0.47
Composite Reliability	0.87	0.75	0.84	0.72
Goodness of Fit Indices	X = 280.72, df = 48; NFI = 0.97, CFI = 0.97, IFI = 0.98, RMSEA = 0.06, SRMR = 0.03			

# Table 2: Scale Properties and Goodness of Fit Indices for the Brand Experience Measurement Model

**Notes:** All p values < 0.01 \*Reverse Coded.

The correlation matrix for the brand experience construct is given in Table 3.

Table 3: Brand Experience Construct Correlation Matrix (Standard	ised)
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	Sensory	Affective	Behavioural	Intellectual
Sensory	0.69	0.41	0.27	0.38
Affective	0.64	0.50	0.27	0.37
Behavioural	0.52	0.52	0.63	0.42
Intellectual	0.62	0.61	0.65	0.47

For the brand trust measurement model, as seen in Table 4, all factor loadings and composite reliability coefficients are higher than 0.5 and 0.60, which are the thresholds proposed in literature, respectively. All the AVE values of brand trust are greater than the 0.5 threshold which shows that convergent validity is achieved.

<b>T</b>	Constructs		
Items	Reliability	Intention	
[X]' is a brand name that meets my expectations	0.70		
I feel confidence in [X] brand name	0.85		
[X] is a brand name that never disappoints me	0.79		
[X] brand name guarantees satisfaction	0.80		
[X] brand name would be honest and sincere in addressing my concerns		0.86	
I could rely on [X] brand name to solve the problem		0.89	
[X] brand name would make any effort to satisfy me		0.87	
[X] brand name would compensate me in some way for the problem with the product		0.85	
Mean	3.88	3.80	
S.D.	0.758	0.783	
Cronbach's Alpha	0.863	0.927	
AVE (Average Variance Extracted)	0.62	0.75	
Composite Reliability	0.86	0.93	
Goodness of Fit Indices	X = 186.02, df = 19; NFI = 0.99 CFI = 0.99; IFI = 0.99 RMSEA = 0.08, SRMR = 0.03		

 Table 4: Scale Properties and Goodness of Fit Indices for the Brand

 Trust Measurement Model

As seen in Table 5, since the AVE of reliability dimension is lower than the squared correlations among the two constructs of brand trust, it could be said that discriminant validity could not be achieved completely. Although convergent validity was verified and the model gave an acceptable fit to the data (X = 186.02, df = 19; NFI = 0.99; CFI = 0.99; IFI = 0.99; RMSEA = 0.08; SRMR = 0.03) but discriminant validity could not be verified.

Table 5: Brand Trust Construct Correlation Matrix (Standardised)

	Reliability	Intentions
Reliability	0,62	0,69
Intentions	0,83	0,75

An exploratory factor analysis with varimax rotation was employed to obtain new dimensions for brand trust. The results are given in Table 6. The exploratory factor analysis results showed that the data was appropriate for factor analysis (KMO = 0.923; Approx. Chi-Square = 6571, 172; df = 28; sig = .000) where all factor loadings ranged from 0.668 to 0.872 and were found to be statistically significant. Furthermore, the results revealed that all items loaded only on one single construct which explained 70% of the total variance and which is higher than the 0.60 threshold generally proposed in literature<sup>64</sup>. Consequently, brand trust was considered as a single construct in this study and was specified as such in the structural model.

Items	EFA Load	Cronbahc's Alpha
[X]' is a brand name that meets my expectations	.688	
I feel confidence in [X] brand name	.813	
[X] is a brand name that never disappoints me	.787	
[X] brand name guarantees satisfaction	.818	
[X] brand name would be honest and sincere in addressing my concerns	.859	0.928
I could rely on [X] brand name to solve the problem	.872	
[X] brand name would make any effort to satisfy me	.862	
[X] brand name would compensate me in some way for the problem with the product	.834	

# Table 6: Results of Exploratory Factor Analysis for the Brand Trust Construct

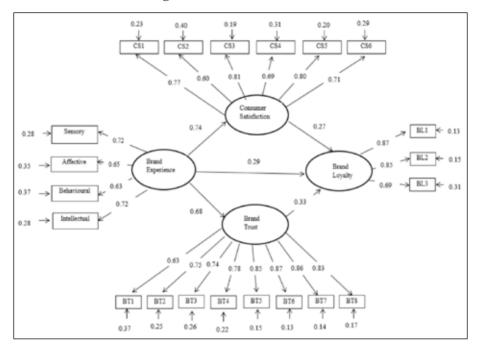
# 4.2. Validation of The Structural Model

The proposed model was tested with Lisrel 9.1 using maximum likelihood estimation method. Figure 2 shows the estimated structural equation model and Table 7 contains standardized path coefficients, t values and related hypothesis test results. Composite scores of brand experience dimension were used to estimate the proposed model. Internal consistency (Cronbach's alpha) of the composite scores were satisfactory (sensory dimension=0.863; affective dimension=0.739; behavioural dimension=0.835 and intellectual dimension=0.720). The estimated model gave an acceptable fit to the data (X = 1590.25, df = 184; NFI = 0.97; CFI = 0.97; IFI = 0.97; RMSEA = 0.08; SRMR = 0.07). All goodness of fit indices were found to be satisfactory in terms of proposed thresholds in the literature<sup>65</sup>. All path coefficients in the estimated model were significant (ps < 0.01). All hypotheses were supported. Therefore, brand experience directly and positively affects consumer satisfaction, brand trust and loyalty. Also brand experience indirectly affects brand loyalty through consumer satisfaction and brand trust. The direct effects of brand experience on consumer satisfaction, brand trust and loyalty are 0.74, 0.68 and 0.29, respectively. The indirect effect of brand experience on brand loyalty through consumer satisfaction is equal to (0.74 x 0.27) 0.20. Likewise, the indirect effect of brand experience on brand loyalty through brand trust is equal to  $(0.68 \times 0.33) \times 0.22$ . The indirect effects of brand experience on brand loyalty are nearly equal. The total effect of brand experience on brand loyalty is roughly equal to (0.20 + 0.22 + 0.29) 0.82. Notably, there are differential effects of brand experience on consumer satisfaction and brand trust, compared to

<sup>&</sup>lt;sup>64</sup> Hair et. al. **ibid.** p. 109.

<sup>&</sup>lt;sup>65</sup> Bagozzi and Yi, **ibid.** pp.74-94; Michael W, Browne and Robert Cudeck, "Alternative ways of assessing model fit", **Sociological Methods and Research**, 21, (2), 1992, pp. 230-258.

brand loyalty. The direct effect of brand experience of consumer satisfaction (0.74) is higher than the direct effect of brand experience on brand loyalty (0.29). Similarly, the direct effect of brand experience of brand trust (0.68) is higher than the direct effect of brand experience on brand loyalty (0.29). Therefore, brand experience appears to be a stronger predictor of satisfaction and trust. On the other hand, in terms of total effect, brand experience has a more powerful effect (0.82) on brand loyalty, compared to the total effects of satisfaction and trust (0.60) put together.



**Figure 2: The Estimated Model** 

 Table 7: Standardised Path Coefficients, t Values and Related

 Hypothesis Test Results for the Estimated Model

From	То	Standardised Path Coeffients	T Values	Supported Hypothesis
Brand Experience	Consumer Satisfaction	0.74	21.11	H1
Brand Experience	Brand Loyalty	0.29	4.94	H2
Consumer Satisfaction	Brand Loyalty	0.27	5.92	Н3
Brand Experience	Brand Trust	0.68	17.17	H4
Brand Trust	Brand Loyalty	0.33	8.40	H5

### 5. Discussion

This study focuses on the relationship between brand experience, consumer satisfaction, brand trust and brand loyalty. Specifically, this study tries to demonstrate that brand experience not only affects brand trust in the virtual world<sup>66</sup>, but also in the physical world. In addition, this study also examines the mentioned relationships in the context of a pool of four different brands (two durable goods brands – Apple and Sony, Playstation; and two fast moving consumer goods brands – Coca Cola and Nike) to get an overall view. Therefore, the proposed structural model was tested for the pool of brands and was not tested separately for the individual brands included in the study.

The results of the study indicates that the brand experience scale is a valid and reliable measure and consists of four dimensions: sensory, affective, behavioural and intellectual. This finding shows parallelism with the findings of Brakus et al.<sup>67</sup> and Zarantonello and Schmitt<sup>68</sup>. Although cultural differences have the potential to have an effect on marketing variables, the results of this study shows the validity and reliability of the brand experience scale and therefore, supports the fact that the brand experience scale could be used in a different country, Turkey in particular.

Another important finding of this study is that brand experience has a significant and direct, positive effect on brand trust. Consumers are likely to choose the brand they trust because trust reduces risk and ambiguity<sup>69</sup>. Therefore, brand trust leads to brand loyalty<sup>70</sup>. This finding is important, especially for firms that have the intention of establishing long term relationships between consumers and their brands, as it shows that they have to gain the trust of their consumers to achieve this  $goal^{71}$ . From this perspective, it could be said that brand trust is one of the fundamental antecedents of brand loyalty. According to Hofstede<sup>72</sup> risk aversion is one of the five criteria which is used to separate one culture from another. Thus risk aversion could be effective on consumers' buying decisions. Especially in emerging markets such as Turkey which has a very high risk aversion level, reliable brands are preferred since they carry low risk. In other words, Turkish consumers tend to choose reliable brands. Therefore it could be said that brand trust is an important antecedent in building brand loyalty. The findings of this study shows that, the effect of brand experience and brand trust on brand loyalty is nearly equal. However, brand experience has an indirect effect on brand loyalty through brand trust which means, in terms of total effects that

- <sup>71</sup> Morgan and Hunt, ibid. pp. 20-38.
- <sup>72</sup> Geert H. Hofstede, Culture's consequences: International differences in work-related values, Newbury Park, CA., Sage, 1980.

<sup>&</sup>lt;sup>66</sup> Ha and Perks, **ibid.** pp. 438-452.

<sup>&</sup>lt;sup>67</sup> Brakus et. al. **ibid.** pp. 52-68.

<sup>&</sup>lt;sup>68</sup> Zarantonello and Schmitt, **ibid.** pp. 532-540.

<sup>&</sup>lt;sup>69</sup> Power et. al. **ibid.** pp. 586-602.

<sup>&</sup>lt;sup>70</sup> Arjun Chaudhuri and Morris B. Holbrook, "The chain of effects from brand trust and brand affect to brand performance: the role of brand loyalty", **Journal of Marketing**, 61, (2), 2001, p. 81-93.

brand experience has a greater effect on brand loyalty. As a result it has been deduced that brand experience is a crucial antecedent of brand loyalty.

This study has demonstrated that brand experience has a direct and positive effect on consumer satisfaction and brand loyalty. Also brand experience indirectly affects brand loyalty through consumer satisfaction. More specifically, the results indicate that the effect of brand experience on consumer satisfaction and brand trust is nearly equal. However, the effect of brand experience on consumer satisfaction and brand trust is stronger than the effect of brand experience on brand loyalty. These findings differ from Brakus et al.<sup>73</sup> in terms of the size of the effect of brand experience on consumer satisfaction and brand loyalty. Their study shows that, the effect of brand experience on consumer satisfaction and brand loyalty is nearly equal, but consumer satisfaction has a more pronounced effect on brand loyalty compared to brand experience. However, the results of this study may be related to the natural relationship between experience and satisfaction. Many scholars<sup>74</sup> have acknowledged experience as a determinant of satisfaction. Since experience is one of the key determinants of satisfaction, it is necessary to know the level of experience of that person as well as his/her expectation, need and purpose<sup>75</sup>. Similarly, the results demonstrate that brand experience is a stronger predictor of consumer satisfaction and can be regarded as a key determinant of satisfaction. Additionally, this research indicates that consumer satisfaction directly and positively affects brand loyalty. Likewise, brand trust directly and positively affects brand loyalty. These results are consistent with the findings of the preview research<sup>76</sup> in terms of the effects of consumer satisfaction and brand trust<sup>77</sup> on brand lovalty.

#### 6. Limitations and Implications for Future Research

Despite the useful findings of this study, it has several limitations. The most important limitation is that the sample of the study was drawn from only a single city in Turkey, specifically Istanbul. The study can be strengthened by the inclusion of other geographical areas. However, the study contains valuable findings indicating how brand experience affects consumer satisfaction, brand trust and loyalty in a de-

<sup>&</sup>lt;sup>73</sup> Brakus et. al. **ibid.** pp.52-68.

<sup>&</sup>lt;sup>74</sup> Bolton and Drew, **ibid.** p. 375-384; Cadotte et. al. **ibid.** pp. 305-314; Shankar et. al. **ibid.** pp. 153-175; Vredenburg and Wee, **ibid.** pp. 17-26.

<sup>&</sup>lt;sup>75</sup> Abraham Pizam and Taylor Ellis, "Customer satisfaction and its measurement in hospitality enterprises", **International Journal of Contemporary Hospitality Management**, 11, (7), 1999, pp. 326-339.

<sup>&</sup>lt;sup>76</sup> Anderson and Sullivan, ibid. pp. 125-143; Vikas Mittal and Wagner A. Kamakura, "Satisfaction, repurchase intent, and repurchase behavior: investigating the moderating effect of customer characteristics", Journal of Marketing Research, 38, (1), 2001, pp. 131-142.

<sup>&</sup>lt;sup>77</sup> Chaudhuri and Holbrook, **ibid.** pp.81-93; Christine Moorman et. al. "Relationships between providers and users of market research: the dynamics of trust within and between organizations", **Journal of Marketing Research**, 29, (3), 1992, pp. 314-328; Morgan and Hunt, **ibid.** pp. 20-38; Power et. al. **ibid.** pp. 586-602.

veloping country. For comparison of results, it is recommended that further research is conducted in other developing countries.

The second limitation of the study is the use of convenience sampling as the sampling technique. The results of the current study pertains only to the sample of concern and cannot be generalized to the whole population. Random sampling would be more appropriate for generalizing the results. However, the selection of relevant participants was carried out with great care by using filter questions.

The third limitation of the study is the inclusion of only four brands. Future studies should replicate this study using other brands, especially service related ones as this study used only physical product brands. This would allow the comparison of the effects of brand experience on brand trust, brand satisfaction and brand loyalty for product and service related brands. It should also be noted that for this study analysis was conducted for the pool of the four brands and not for the brands individually. Hence, future studies may focus on the effects of brand experience on brand trust, brand satisfaction and brand loyalty taking into account the differences of brands according to durability and/or involvement.

This study is a cross-sectional study and thus examines short-term effects of brand experience on consumer satisfaction, brand trust and brand loyalty. By using longitudinal research, further research could focus on long term effects of brand experience, especially its effects on customer life time value. In other words, further research could examine whether brand experience builds customer equity or not<sup>78</sup>.

The current study examines the relationships between brand experience, consumer satisfaction, brand trust and brand loyalty. However, there is a need to have a greater understanding of the impact of brand experience either on the aforementioned concepts or on other brand related concepts. Hence, further research should examine relationships between brand experience and other concepts such as brand involvement, brand attachment, brand reputation, brand equity, brand value and brand relationship quality.

# 7. Conclusion

Present consumers are not only interested in the functional attributes of products, but they also are interested in the experiences that they have with these products. Consumers want to have feelings, sensations or good memories about brands. In short, they want to purchase products that deliver experience. Consumer experience, consumption experience, shopping experience or service experience have provided valuable insights to understand the way consumers have experiences with products. However, conceptualisation of brand experience and developing a valid scale for its measurement have revealed new insights to manage satisfaction, trust, personality, loyalty or other brand related situations. Therefore, the concept of brand experience has begun to be valued by both practitioners and scholars.

<sup>&</sup>lt;sup>78</sup> Brakus et. al. ibid. pp. 52-68.

This study demonstrates that brand experience directly and positively affects consumer satisfaction, brand trust and brand loyalty. In addition, brand experience has an indirect impact on brand loyalty through both consumer satisfaction and brand trust. More specifically, the direct effect of brand experience on consumer satisfaction and brand trust is more than its direct effect on brand loyalty. On the other hand, in terms of total effects, brand experience has a greater effect on brand loyalty than the total effect of consumer satisfaction and brand trust put together. In short, this study reveals that brand experience is a significant antecedent of consumer satisfaction, brand trust and brand loyalty. Therefore, it is suggested that, brand experience should be subject to further examination in terms of its antecedents and consequences.

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# **Appendix: Brand Experience Scale**

- 1. This brand makes a strong impression on my visual sense or other senses.
- 2. I find this brand interesting in a sensory way.
- 3. This brand does not appeal to my senses\*
- 4. This brand induces feelings and sentiments
- 5. I do not have strong emotions for this brand\*
- 6. This brand is an emotional brand
- 7. I engage in physical actions and behaviours when I use this brand
- 8. This brand results in bodily experiences
- 9. This brand is not action oriented\*
- 10. I engage in a lot of thinking when I encounter this brand
- 11. This brand does not make me think\*
- 12. This brand stimulates my curiosity and problem solving

## **Brand Trust Scale**

- 1. [X]' is a brand name that meets my expectations
- 2. I feel confidence in [X] brand name
- 3. [X] is a brand name that never disappoints me
- 4. [X] brand name guarantees satisfaction
- 5. [X] brand name would be honest and sincere in addressing my concerns
- 6. I could rely on [X] brand name to solve the problem
- 7. [X] brand name would make any effort to satisfy me
- 8. [X] brand name would compensate me in some way for the problem with the product

# **Consumer Satisfaction Scale**

- 1. I am satisfied with my decision to get this brand
- 2. If I had it to do all over again, I would feel differently about this brand\*
- 3. My choice to get this brand was a wise one.
- 4. I feel bad about my decision concerning this brand\*
- 5. I think that I did the right thing when I decided to get this brand
- 6. I am not happy that I did what I did about this brand\*

# **Brand Royalty Scale**

- 1. I will not buy other brands if X is available at the store.
- 2. I consider myself to be loyal to
- 3. X would be my first choice.

\*Items are reverse coded.