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THE ROLES OF BRAND EXPERIENCE IN FORMING LOYALTY INTENTION

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ABSTRACT

Drawing from observations on branding theories, this study aims to examine the roles of brand experience dimensions (i.e. sensory, affective, behavioral, and intellectual) in forming loyalty intention towards sports brands. A survey based quantitative approach is employed to examine the posited hypotheses. A total of 320 participants were involved in the final sample. Analysis of structural equation modeling (SEM) revealed that out of four dimensions of brand experience, sensory had the most significant effect on consumer loyalty intention towards sports brands, followed by affective factor and behavioral factor. Marketing practitioners have come to realize that understanding how consumers experience brands is critical for developing marketing strategies that help to increase positive brand experience. Direction for future research is also provided.

> ***Keywords:*** Brand experience, sensory, affective, behavioral, intellectual, loyalty intention

Introduction

Competition among brands has become more complicated as the number of brands originating from local and foreign countries increases. Over the years, certain sports brands such Kappa, Schwarzenbach and Forest seem to have disappeared from the local market, while other brands, such as Reebok, Lotto, Diadora, and Umbro have barely maintained their market share as non-popular brands. Only a few brands, such as Nike and Adidas have established their popularity (see Table 1).

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Table 1: Most Valuable Sports Brand

No.	Brand	Description	Brand Value	
			2012	**2013**
1	**Nike**	Nike is the global leader with almost 20% of athletic footwear market, and its stock price has outperformed the Dow Jones U.S. Footwear index by 50% during the past five years.	$15.9 billion	$17.3 billion
2	**Adidas**	At the 2012 London Summer Olympics, Adidas kitted over 5,000 athletes, and 30% of the medals captured were by athletes wearing the brand.	$6.8 billion	$7.1 billion

Source: Forbes (2013) at www.forbes.com

Many factors have been identified as contributing to this market phenomenon. Several previous studies confirmed that brand loyalty contributes the most to maintaining market share (Lin, 2010; Oliver, 1999). However, depending on brand loyalty alone is no longer valid since brand competition has become more complicated and competitive. With very stiff competition where there are no real differences among the sports brand competitors, consumers begin to explore more experiential brands and products and this is where brand experience comes in. Therefore, this study aims to examine the influence of sensory, affective, behavioral, and intellectual brand experience on loyalty intention towards sports brands.

Branding experts and practitioners have acknowledged that consumers look for brands that provide them with unique and memorable experiences (Walter, Cleff, & Chu, 2013). As a result, the concept of brand experience has become of great interest to marketers. Furthermore, brand experience in general, has undergone quite an evolution. For the last decade, a smart marketer decided to package the sportswear products with high technology. The next evolution brought the additional features of sports and fashion full of colors that could be sold at a higher price. Sportswear products have become an experience delivered in sports outlets the world over. The price is not the driving factor; the experience is. Hence, this study aims to examine the roles of brand experience dimensions (i.e. sensory, affective, behavioral, and intellectual) in forming loyalty intention towards sports brands.

The rest of the paper is organized as follows. The next section reviews the literature of brand experience and its influence on forming consumer loyalty intention. The research hypotheses are also included in this section. Descriptions of the research methodology and empirical findings of the study are then provided. After recognizing several limitations, the final section discusses implications and suggestions for future research.

Literature Review

This section commences with review of the relevant literature on brand experience and loyalty intention that leads to hypotheses development.

Brand Experience and Loyalty Intention

Brand experience is conceptualized as sensations, feelings, cognitions, and behavioral responses evoked by brand-related stimuli that are part of a brand's design and identity, packaging, communications, and environments (Brakus, Schmit, & Zarantonello, 2009). Brand experience is created through consumer usage, seeking out more information related to the brand, events and advertising, or even talking to others about the brand (Ambler et al., 2002). Over time, the long lasting brand experiences stored in the consumer's memory affect consumer satisfaction and loyalty (Oliver, 1997). Brand experience encourages consumer loyalty by creating emotional connections through an engaging, compelling and consistent context (Sahin, Zehir, & Kitapci, 2011). The rapid expansion of the internet and continued fragmentation of mass media have brought the need for personalized marketing into sharp focus. To adapt to the increased consumer desire for personalization, marketers have embraced concepts such as experiential and relationship marketing (Keller, 2013).

Every interaction between an individual and a tangible or intangible brand artifact can be seen as a brand experience, which is more personal and implies the customer's involvement in four different dimensions that include sensory, affective, behavioral, and intellectual qualities (Brakus et al., 2009). Sensory experience (i.e. sight, sound, touch, taste, and smell) focuses on how the brand made an impression on the customers and was able to attract them. For example with tennis or badminton rackets, how a new racket feels in the customer's hand, whether it is comfortable and fits in the hand, whether the material of the racket feels fragile or durable. Affective experience (i.e. feel) refers to consumer's emotions and inner feelings towards brands (Shamim and Butt, 2013). Similarly, Keller (2013) explained that affective experience is related to customers' inner feelings and emotions, ranging from mildly positive moods linked to a brand. In addition, this dimension is linked with the humans' minds as it is usually related to brands that give them best experience and attract consumers to be loyal to them.

As for the behavioral (i.e. act) dimension, it is related to motor actions and behavioral experiences which are created by brand related stimulation based on the product design and identity, packaging, communication, and environment (Richins, 1997). Marketers enhance customers' brand experiences by focusing on their physical behavior, lifestyle, and interaction (Keller, 2013). Meanwhile, the intellectual dimension of brand experience results from knowledge, which includes perceiving, feeling, and doing, for which marketers develop a scene where the customer would engage in a lot of thinking when encountering the brand. However, preceding researchers (Sands, Oppewal, & Beverland, 2008; Schmitt, 1999; Pine and Gilmore, 1998) have a different perspective towards the four brand experience dimensions as they derived them from empirical investigation and confirmatory factor analysis instead of referring to relevant literature (Walter et al., 2013).

Based on the above discussion, the following hypotheses are proposed (see also Figure 1):
H1: There is a positive relationship between sensory and loyalty intentions towards a sports brand.
H2: There is a positive relationship between affective and loyalty intentions towards a sports brand.

H3: There is a positive relationship between behavioral and loyalty intentions towards a sports brand.

H4: There is a positive relationship between intellectual and loyalty intentions towards a sports brand.
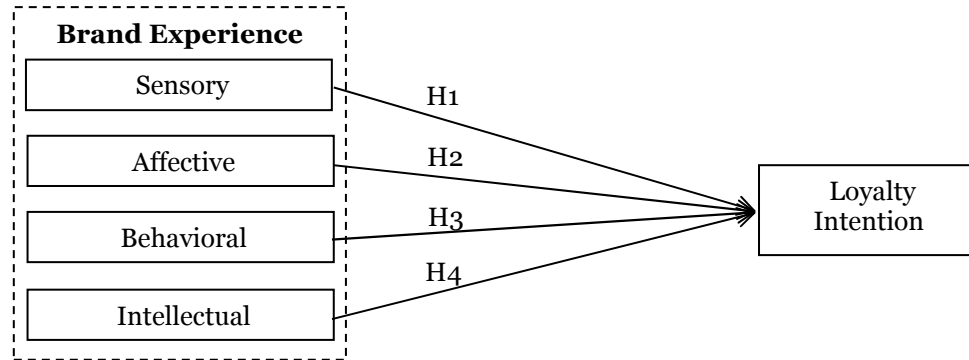

Figure 1: Conceptual Framework

Methodology

Data collection took about 3 months. It began in the second week of May 2013 and was completed by the second week of August 2013. Data were collected from a target population who had purchased and used sportswear products and brands within the territory of Sabah, Malaysia (Kota Kinabalu, Sandakan, Tawau, Keningau, and Labuan). In addition, a purposive sampling technique (also called judgment sampling) was selected to obtain the data needed to achieve the objectives of this study. The researcher sought a couple of specific requirements or predefined groups (i.e. purchase experience). Only respondents with some form of past experience were directed to the questions on brand experience and loyalty intention. In other words, the researcher controlled the required parameters – what should be known - and proceeded to identify those who were able and prepared to participate based on their knowledge or experience (Bernard, 2002). Purposive or judgment sampling is suitable when there is a need to reach many people quickly and where the primary focus is not sampling for proportionality. A total of 400 questionnaires were distributed. However, only 353 questionnaires were returned. Out of these 353 responses, 33 questionnaires were not usable due to incomplete information. Thus, the usable numbers of questionnaires in this study was 320 (i.e. valid response rate of 80%). The sample size of 320 fulfilled the minimum sample required for factor analysis as recommended by Hair et al. (2006).

This study took a quantitative approach to achieve its objectives, using a co relational study in a cross-sectional survey to test these relationships. A survey questionnaire was used for data collection. Measurements of items to measure brand experience (i.e. consumer experience of using sportswear brands) were adapted from Brakus et al. (2009). This factor consisted of 12 items. For loyalty intention factor (i.e. consumers' intention to repurchase and their willingness to recommend the branded product), it comprised 4 items which were adapted from Zeithaml, Berry, and Parasuraman (1996). All measurement items utilized a five-point Likert scale ranging from 1 for "very unlikely" to 5 for "very likely". Data was analyzed using exploratory factor analysis (EFA) via the Statistical Package for Social Science (SPSS) computer program version 21, and

the measurement model and structural model via structural equation modeling (SEM) technique using the Analysis of Moment Structure (AMOS) computer program version 21.

Data Analysis

A total of 320 participants were involved in the final sample. The profile of respondents is given in Table 2. With respect to gender, 65.9% of respondents were male and 34.1% of the respondents were female. In terms of level of education, the 'Degree' group had the most respondents with 42.8%, followed by the 'Diploma' (20.6%) and Certificate (11.9%) groups, while the remaining 24.7% had earned either SPM or SRP/PMR.

Table 2: Profile of Respondents (*n* = 320)

Profile	Frequency	Percentage
Gender		
Male	211	65.90
Female	109	34.10
Education		
SRP/PMR	30	9.40
SPM	49	15.30
Certificate	38	11.90
Diploma	66	20.60
Degree	137	42.80
Monthly Income		
No Income	75	23.40
Less than RM1000	79	24.70
RM1001-3000	74	23.10
RM3001-6000	61	19.10
RM6001-9000	31	9.70
Occupation		
Student	75	23.40
Self-employed	12	3.80
Private Sector	105	32.80
Government Sector	128	40.00

With regard to monthly income, 24.7% of the respondents earned less than RM1000 monthly, while 23.1% of the respondents reported having between RM1001 and RM3000, 19.1% earned between RM3001 and RM9000, and 9.7% earned between RM6001 and RM9000 per month. Additionally, the respondents predominantly worked in the government sector, which accounted for 40% of the respondents. This was followed by the private sector (32.8%), students (23.4%), and self-employed (3.8%).

Reliability and Validity

Exploratory factor analysis (EFA) using principal component analysis via the SPSS computer program version 21 was performed to provide a comprehensive profile of the brand experience factor as the measurements of items were adapted from various sources. The factor analysis on 16 items of a mixture of brand experience items and loyalty intention items created five factors with eigen values above one and were labeled as sensory, affective, behavioral, intellectual, and loyalty intentions. The Kaiser-Meyer-Olkin value was 0.616 and the Bartlett test of sphericity was significant at 0.00. Anti-

image correlations for the factors were greater than 0.50, while all the factors captured 85.23% of the total variance with an eigen value of 2.12. Table 3 shows that all item loadings of the EFA were more than 0.50, a cut-off point suggested by Hair et al. (2010), corroborating the constructs were one-dimensional and factorially distinctive (Field, 2009). Furthermore, the Cronbach's alpha values and composite reliability of all variables were greater than 0.70, thus confirming the measurements used in this study had high internal consistency.

Table 3: Exploratory Factor Analysis

Items	Factor Loadings
Sensory (Cronbach's Alpha = 0.968)	
S1- This brand makes a strong impression on my visual sense or other senses.	0.894
S2 - I find this brand interesting in a sensory way.	0.895
S3 - This brand does not appeal to my sense.	0.878
Affective (Cronbach's Alpha = 0.960)	
A1 - This brand induces feelings and sentiments.	0.875
A2 - I do not have strong emotions for this brand.	0.883
A3 - This brand is an emotional brand.	0.867
Behavioral (Cronbach's Alpha = 0.868)	
B1 - I engage in physical actions and behaviors when I use this brand.	0.784
B2 - This brand results in bodily experiences.	0.713
B3 - This brand is not action oriented.	0.637
Intellectual *(Cronbach's Alpha = 0.804)*	
I1 - I engage in a lot of thinking when I encounter this brand.	0.706
I2 - This brand does not make me think.	0.780
I3 - This brand stimulates my curiosity and problem solving.	0.794
Loyalty Intention (Cronbach's Alpha = 0.887)	
L1 - I will say positive things about the brand to other people.	0.952
L2 - I will encourage friends and relatives to use with the brand.	0.892
L3 - I will recommend this brand to anyone who seeks my advice.	0.787
L4 - I am more likely to repurchase the brand in the future.	0.840

Convergent Validity

The standardized factor loadings of the measurement items performed via SEM as shown in Table 4 were adequate, ranging from 0.620 to 0.971 (see Hair et al., 2010). Furthermore, all average variance extracted (AVE) values were above the recommended 0.50 level and ranged from 0.533 to 0.883. Results demonstrated a convergent validity.

Discriminant Validity

Table 5 shows the correlation matrix of the constructs which indicate significant two-way correlation between specified variables. All of the correlations between variables were less than 1, and specifically below 0.85, and were statistically significant at the $p<0.05$ level, endorsing a positive correlation among variables, constructs are truly distinct from each other and multicollinearity does not exist in the study (Allen & Bennett, 2010; Field, 2009). Thus, discriminant validity is justified and appears satisfactory. Indeed, the square root of each AVE (shown on the diagonal in Table 5) is larger than the related

inter-construct correlations (shown off the diagonal in Table 5) in the construct correlation matrix, indicating adequate discriminant validity for all of the reflective constructs.

Table 4: Confirmatory Factor Analysis

Construct	Items	Standardized Loading	Composite Reliability	Average Variance Extracted
Sensory	S1	0.906	0.958	0.883
	S2	0.971		
	S3	0.941		
Affective	A1	0.900	0.950	0.864
	A2	0.953		
	A3	0.934		
Behavioral	B1	0.899	0.855	0.665
	B2	0.720		
	B3	0.818		
Intellectual	I1	0.670	0.773	0.533
	I2	0.747		
	I3	0.769		
Loyalty Intention	LI1	0.906	0.846	0.584
	LI2	0.796		
	LI3	0.620		
	LI4	0.705		

The skewness values of all the items range from -0.138 to -0.634, below ±2.0. Similarly, the values for kurtosis range from -0.940 to 0.480, well below the threshold of ±10. Both the skewness and kurtosis values are well below the given thresholds, implying that the scores approximate a "normal distribution" or "bell-shaped curve".

Table 5: Correlations Analysis between Variables

Factors	1	2	3	4	5
(1) Sensory	**0.940**				
(2) Affective	0.634**	**0.930**			
(3) Behavioral	0.428**	0.603**	**0.815**		
(4) Intellectual	0.814**	0.686**	0.390**	**0.730**	
(5) Loyalty Intention	0.743**	0.702**	0.524**	0.660*	**0.764**
Mean	3.380	3.520	3.480	3.520	3.510
Standard Deviation	0.901	1.050	0.870	1.060	1.030
Skewness	-0.138	-0.634	-0.500	-0.367	-0.177
Kurtosis	-0.661	-0.271	0.048	-0.719	-0.940

* Correlation is significant at the 0.05 level; ** Correlation is significant at the 0.01 level; Diagonal elements shown in bold are the square root of the average variance extracted.

Structural Model

A structural model was checked via SEM to provide an empirical measure of the hypothesized relationships among the research variables by performing a simultaneous test. To assess the model, multiple fit indices were computed of which the overall evaluation and final comparison of all the fit indices with their corresponding recommended values provided evidence of a good model fit (see Table 6). Hence, the model fits the data reasonably well. The results of the multivariate test of the structural model show that the sensory, affective, behavioral, and intellectual jointly explained

64.6% of the variance in consumers' loyalty intention towards sports brands.

Table 6: Goodness-of-fit indices for structural model

Fit Indices	Recommended Level of Fit	Model Value
Absolute Fit Measures		
χ2 (Chi-square)		283.665
df (Degrees of Freedom)		226
Chi-square/df (χ2/df)	< 3	1.902
GFI (Goodness of Fit Index)	> 0.9	0.922
RMSEA (Root Mean Square Error of Approximation)	< 0.08	0.063
Incremental Fit Measures		
NFI (Normed Fit Index)	> 0.90	0.972
AGFI (Adjusted Goodness of Fit Index)	> 0.80	0.901
CFI (Comparative Fit Index)	> 0.90	0.912
Parsimony Fit Measures		
PCFI (Parsimony Comparative of Fit Index)	> 0.50	0.829
PNFI (Parsimony Normed Fit Index)	> 0.50	0.815

Table 7 demonstrated that the most significant finding related to the 'Sensory' factor (β=0.499; p<0.05), which was confirmed as the most important predictor of loyalty intention towards sports brands. Next, there was also support for H2 indicating that 'Affective' factor does affect consumers' loyalty intention towards sports brands (β=0.323; p<0.05). Likewise, H3 was also supported as 'Behavioral', was the third most significant factor in explaining consumers' loyalty intention towards sports brands (β=0.121; p<0.05).On the other hand, these results do not provide support for H4 i.e. there is a positive relationship between intellectual and loyalty intentions towards sports brands. Figure 2 shows the path diagram with the structural model estimates included on the paths.

Table 7: Summary of hypotheses testing results

	Path	β	S.E	C.R	p-value	Results
H1	Sensory → Loyalty intention	0.499	0.068	0.439	0.000*	Supported
H2	Affective → Loyalty intention	0.323	0.052	0.331	0.000*	Supported
H3	Behavioral → Loyalty intention	0.121	0.050	0.284	0.000*	Supported
H4	Intellectual → Loyalty intention	-0.015	0.061	0.023	0.812	Not Supported

Notes: *p<0.05; β = standardized beta coefficients; S.E. = standard error; C.R. = critical ratio

Discussion

This study examined the roles of brand experience dimensions (i.e. sensory, affective, behavioral, and intellectual) in forming loyalty intention towards sports brands. The estimation of the structural model indicated that three out of four postulated hypotheses were supported and consistent with expectations, because the hypothesized relationship was significant at p<0.05 and in the anticipated direction. Sensory had the most significant effect on consumer loyalty intention towards sports brands, followed by affective factor and behavioral factor. These significant results are in line with Brakus et al. (2009), Fransen and Lodder (2010), and Sahin et al. (2011) where consumers with more hedonistic lifestyles are seeking consumption that recognizes their need for new and exciting brand experiences.
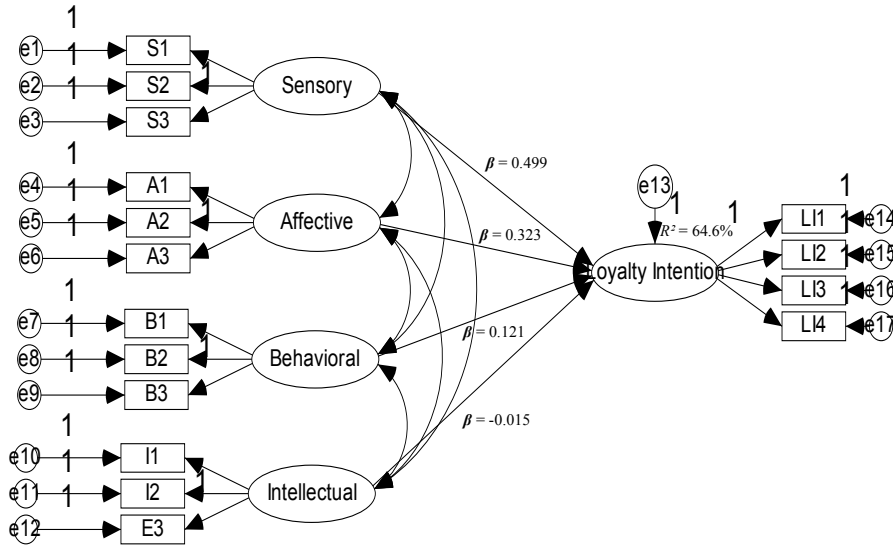
46

Figure 2: The result of structural model

Testing the influence of brand experience dimensions on brand loyalty yielded interesting results. Moreover, having a significant model with 64.6% variance explained, this closely resembles the $R^2=0.69$ in the brand experience model of Brakus et al. (2009). This finding favors the research hypothesis that brand experience components are significant predictors of loyalty. In addition, sensory, affective, and behavioral dimensions have significant effects on consumers' loyalty intention towards sports brands, implying that consumers pursue an active or sporting life with 'sense', 'feel', and 'act' contributed by the sports brands. In other words, these experiences allow them to stay connected with those they care about. Research by Brakus et al. (2009) and Sands et al. (2008) had comparable findings, where these dimensions provide a framework by which companies and brands can engage consumers in an experiential manner.

Conclusion

Understanding consumer experience is the aim of consumer research, and there is no doubt that the main objective of any business is to gain and maintain customer loyalty towards their brand or services. Morrison and Crane (2007) asserted that researchers have paid a lot of attention to brand experience especially related to brand differentiation, sales promotion, satisfaction, and loyalty. However, consumer and marketing research on brand experience is still emerging (Walter et al., 2013). In addition, a review of literature revealed that several attempts were made in the past to investigate the possible impact of brand experience on consumer loyalty (e.g. Brakus et al., 2009; Iglesias et al., 2011). Unfortunately, the majority of researchers failed to incorporate the four dimensions of brand experience (i.e. sensory, affective, behavioral, and intellectual) as a potential outcome of customer brand related experience in a holistic model. Empirically, this study found that sensory, affective, and behavioral factors significantly impacted loyalty intention towards sports brands, but the intellectual factor did not. These results made a significant contribution to the body of knowledge.

The magnitude of interrelations between these constructs would help practitioners to allocate proportionate resources to these variables in their marketing mix and positioning strategies. In a similar vein, if brands create valuable experiences, they will directly or indirectly affect the customers' satisfaction and loyalty (Brakus et al., 2009). In addition, consumers would be more likely to rebuy a brand and recommend it to others, and less likely to buy an alternative brand (Mittal and Kamakura, 2001; Oliver, 1997; Reicheld, 1996). This research investigated the proposed model for a single product and brand category. It is recommended that future researchers examine the model for other product and service categories. Besides, this research only explores the impact of four components of brand experience on loyalty intention towards sports brands. Hence, future research should consider other dimensions of loyalty such as behavioral, attitudinal, and composite approaches as possible outcomes of brand experience.

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