Investigating Role of Brand Experience and Emotional Attachment in Building Brand Loyalty

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Abstract

From the past one decade, importance of providing unique and memorable brand experiences is acknowledged in marketing literature. Giving importance to this growing concept of brand experience, this study develops and tests a model which describes the influence of brand experience and emotional attachment on brand loyalty. Luxury brand users were contacted for collecting the data. The study uses structure equation modelling to assess the hypotheses of the study. Findings indicate that brand experience dimensions and emotional attachment influence brand loyalty positively. Out of four brand experience dimensions (sensory, behavioral, affective and intellectual), intellectual dimensions does not show significant effect on brand loyalty. This study provides a significant contribution to the brand experience and emotional attachment literature. Managers will also get benefit by understanding the role of providing experience in building brand loyalty. They will be able to prioritize the resource in managing experiences at the level of brand, and be able to develop emotional attachment and brand loyalty.

Keywords: *Brand experience, Brand loyalty, Emotional attachment, Luxury brand.*

1. Introduction

The advancements in technology and globalization of the luxury industry have provided many brand choices to luxury customers, which bring intense competition among companies (Ryan, 2009). Market of luxury brands is growing and predicted to reach USD40 trillion by 2020 (ASSOCHAM, 2013). The luxury market have been developed in many Asian countries namely Hong Kong, Japan, Singapore, South Korea, and also growing rapidly in the emerging Asian economies like India and China (Dasgupta, 2009). This necessitates the investigation of consumers' perspective towards luxury brands in the Asian context (Jain *et al*., 2015). Increase in disposable income of consumers in the Asian countries creates a market for the luxury brands (Atwal and William, 2009), for instance, average household incomes of Indians are increasing at 12–15 percent per year for the previous several years. Many of the Indian residents are earning more than US\$ 100,000 per annum and are ready to spend on luxury brands (Schultz and Jain, 2015). Consequently, many of the luxury brands namely Prada, Gucci, Channel, Bulgari have established their retail outlets, dealing in the product categories such as watches,

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jewelry, fashion, automobiles, apparel, etc. (Schultz and Jain, 2015). India is a promising market with great potential for luxury products (Eng and Bogaert, 2010). As such, Indian consumers are shifting their focus towards improved individual comfort and pleasure from simple product superiority (Granot *et al.*, 2013). Importantly, it has been asserted that luxury market is all about the emotions and experiences rather than traditional core attributes (Danziger, 2007).

 The purchase decision of consumers in the luxury market is more depends on emotional and experiential value with the brands (Choo *et al.*, 2012). Though, luxury firms have started focusing on experiential and emotional branding concepts in order to cultivate brand loyalty, but lacks in proper understanding and application of these concepts (Atwal and Williams, 2009). The role of brand experience (Morrison and Crane, 2007) and consumer emotional attachment in building brand loyalty has been studied separately (Thomson *et al.*, 2005), with a less focus on studying the kind of relationship exists between them. The need to examine how brand experience related to emotional attachment and brand loyalty still exists. Till date, no study has examined the aforementioned relationships. This need and interest has led to study the brand experience for the luxury brands, particularly luxury fashion brands.

The present study addresses this research gap by developing a theoretical framework explaining the relationship that brand experience share with brand loyalty and emotional attachment. The model proposed in the present study has significant relevance to the existing literature (that has assessed loyalty in the context of luxury fashion brands). First, the model proposes that brand experience can influence emotional attachment and brand loyalty. Second, the examination of brand experience as a multi-dimensional phenomenon provides an understanding of the distinct brand experiences in luxury fashion market.

2. Literature Review

Brand Experience

Brakus *et al.* (2009) defined brand experience as consumers' "sensations, feelings, cognitions, and behavioral responses evoked by brand-related stimuli that are part of a brand's design and identity, packaging, communications, and environment" (p. 53). Brand experiences evoked when customers interact with the brand during the customer decision journey. Any touch point (or brand-related stimuli) is capable to build an impression in the minds of the customer, and customer take those impressions with them in form of memorable brand experiences. Brand experience is a multi-dimensional phenomenon that incorporates sensory, behavior, affective and intellectual experiences.

Studies have asserted that by providing superior brand experiences a firm can build strong customer-brand relationship (Chang and Chieng, 2006). Unique and memorable brand experiences can improve customer satisfaction with the brand (Ha and Perks, 2005), and enhances brand loyalty (Brakus *et al.*, 2009; Khan and Rahman, 2015). Studies have found significant effect of brand experience on brand loyalty via affective commitment (e.g., Iglesias *et al.* 2011). In another important study, Nysveen *et al.* (2013) examined brand experience scale of Brakus *et al.* (2009) in context of telecommunication services, and suggested an additional dimension (i.e., relational experience). While studying brand experience in retailing, Ishida and Taylor (2012) verified sensory, affective and behavioral experience dimensions and advised the identification of other experiential attributes. They found a significant influence of brand experience on brand personality, brand satisfaction and brand loyalty. Moreover, Khan and Rahman (2015) in a qualitative study advocates the important role of brand experiences in improving brand loyalty in the context of retail brands.

Customer Emotional Attachment to Brand

Based on attachment theory found in the psychology literature, Thomson *et al.* (2005) has explained the phenomenon of emotional attachment to brand. Studies in psychology explained that individuals want to establish emotional relationship with the particular objects (Bowlby, 1982). Researchers have studied the concept of emotional attachment in relation to variety of objects. For instances, customers can develop emotional attachment to gifts (Mick and DeMoss, 1990), and collectibles (Slater, 2001). In particular, it has been found that customers can build emotional attachment with the brands also (Park *et al.*, 2010). The aforementioned studies provided direction to researchers in studying the concept of consumer emotional attachment in relation to the brands, and resulted into several studies on this domain in the recent times (e.g., Grisaffe and Nguyen, 2011; So *et al.*, 2013).

Customer emotional attachment to the brands is an important area of study, as it explains the strength of relationship form between customers and brands (So *et al.*, 2013). The strength of this relationship bond produces a significant effect on the customer behavioral outcomes, and assists in sustaining long-term profitability of the companies (Thomson *et al.*, 2005). Formation of customer emotional attachment bond depends upon the brand affection, brand love and brand connection (Grisaffe and Nguyen, 2011). Consumers who form strong emotional attachment to brand are more likely to show brand commitment and create long-term relationship with the brand (Thomson *et al.*, 2005). Pointedly, customers' emotional attachment to brand can better predict brand purchase share, actual purchase, and brand need (Park *et al.*, 2010). Hypothesis of the study and conceptual model is depicted in Figure 1.
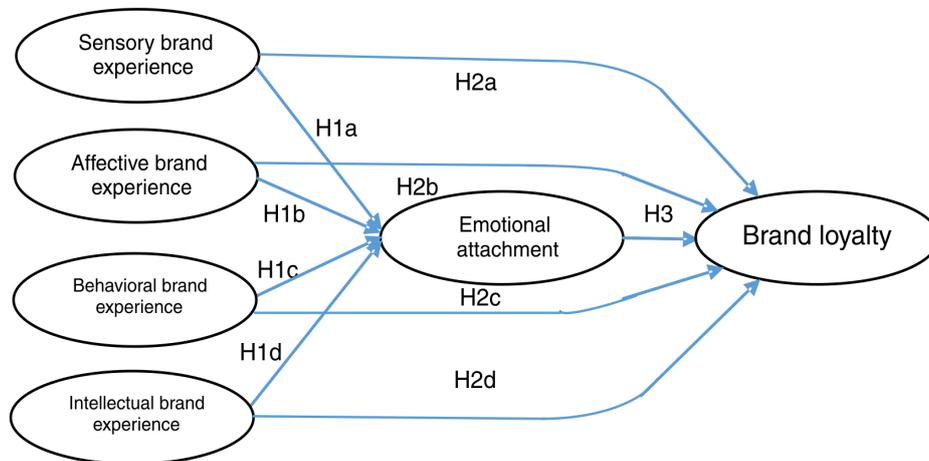
CONCEPTUAL FRAMEWORK AND HYPOTHESIS

Figure 1: Conceptual Framework

Hypothesis of the Study

H1a-1d: Brand experience positively influences emotional attachment to brand.

H2a-2d: Brand experience positively influences brand loyalty.

H3: Emotional attachment has a tendency to influence brand loyalty positively.

3. Method

Survey Instrument

This study has employed a self-administered questionnaire to gather data. The questionnaire contained two sections. First section consisted of questions that have measured the brand experience, emotional attachment, and brand loyalty. Second section contained questions that were used to collect demographic characteristics of the respondents. All the questions were evaluated on a seven-point Likert scale ranging from 1 = "strongly disagree" to 7 = "strongly agree" excluding demographic variables. Measures were adapted from the existing studies. Some modifications have been done in the wordings of the measurement items to fit their applicability in the luxury fashion market (please see Appendix 1 for the details). A pre-test was performed to measure the modified items on a sample of 42 masters and doctoral level students to improve their clarity, readability, and consistency. The students were selected using convenience sampling method from a large university. All the students were participated voluntarily. The results of the pre-test suggested no major modifications and ensure the reliability issues of the survey instrument for the actual analysis.

Sampling and Data Collection

Data were collected from the luxury brand consumers in Delhi, India. Mall intercept methodology was employed to get the consumer responses (Bush and Hair, 1985). The team of researchers had followed two criteria to satisfy the sampling condition: (1) a shopper "had to be above 18 years of age, and (2) had purchased a luxury fashion brand in the last 12 months" (So, Parsons and Yap, 2013, p. 413). Respondents were asked to select a luxury brand of their choice to which they made their recent purchase (within last one month) and complete the questionnaire. High-end shopping areas were selected as the sampling location in order to found most luxury brands' flagship stores. Data collection was performed over six weeks at different shopping malls between 11 a.m. and 8 p.m. selecting random days. As a result, 468 questionnaires were collected during the data collection process.

4. Analysis and Results

Survey Response

Out of 468 collected questionnaires, 54 questionnaires were discarded due to incomplete responses and outliers. Hence, 414 questionnaires were found usable for the analysis purpose. The majority of the respondents in the sample were females (68 percent) because luxury fashion market is more targeted towards the female consumers. 44 percent of the respondents were aged between 28 and 37 years old. 52 percent of the respondents had master degree and above. The demographic profile of our sample represents the profile of general Indian luxury consumer in India (Euromonitor International, 2015).

Structure Equation Modeling (SEM)

SEM was used to examine the model hypothesized for this study (i.e., Figure 1). Based on Anderson and Gerbing's (1988) suggestion, this study applied confirmatory factor analysis (CFA) and SEM based two-step approach was applied. CFA was applied to validate the proposed model before testing the proposed model through SEM.

Measurement Reliability and Validity

The psychometric properties of all the brand experience dimensions (i.e., sensory, intellectual, behavioral and affective) and the individual constructs (emotional attachment and brand loyalty) were evaluated using CFA. CFA results showed that the model has a good fit ($\chi2$=432.46, $\chi2/$

df=1.88, CFI= 0.96, GFI= 0.93, TLI= 0.92, RMSEA= 0.051). The χ_2/df value (i.e. < 3) and the value of fit indices were exceeded the recommended threshold level of 0.90 (Hooper *et al.*, 2008; Hair *et al.*, 2010). The measurement model was assessed for the validity (both convergent and discriminant). Convergent validity was examined on the basis of average variance extracted (AVE), composite reliability (CR), and factor loading values (Fornell and Larcker, 1981). Factor loadings of all the indicators were found above than the suggested level of 0.50 (Bagozzi and Yi, 1988) and significant at p < 0.05 (see Table 1). CR and AVE values of all the constructs found above than the recommended value of 0.70 and 0.50 respectively. Hence, convergent validity of constructs was established. Discriminant validity was evaluated following Fornell and Larcker's (1981) recommendation. Table 1 shows that AVE values are above than the square of all inter-construct correlation estimates. Thus, discriminant validity was established for the used constructs.

Table 1: Reliability and Validity of Measures

Construct	No. of items	Item loadings	CR	AVE	SBE	ABE	BBE	IBE	EA	BL
SBE	3	0.71-0.85*	0.81	0.53	—					
ABE	3	0.66-0.79*	0.84	0.62	0.18	—				
BBE	3	0.72-0.87*	0.78	0.71	0.29	0.32	—			
IBE	3	0.65-0.81*	0.75	0.55	0.11	0.37	0.14	—		
EA	7	0.76-0.81*	0.71	0.59	0.44	0.31	0.49	0.46	—	
BL	3	0.73-0.86*	0.79	0.66	0.29	0.08	0.25	0.11	0.38	—

Notes: Values of final measurement model: χ_2=431.45, χ_2/df= 2.579, GFI= 0.912, TLI= 0.943, CFI= 0.919, RMSEA= 0.048. *p<0.05. SBE-Sensory brand experience; BBE-Behavioral brand experience; ABE-Affective brand experience; IBE-Intellectual brand experience; EA-Emotional attachment; BL-Brand loyalty.

Hypotheses Testing

Structural model has shown a satisfactory fit to data (χ_2= 521.24, χ_2/df=2.351, CFI= 0.95, GFI= 0.94; TLI= 0.91, RMSEA=0.059). All the four dimensions of brand experience (sensory, behavioral, affective and intellectual) had a significant influence on consumer emotional attachment, which supports H1a, H1b, H1c, and H1d. However, intellectual (β = 0.05, p < 0.001) dimension showed a weak positive influence on consumer emotional attachment compared to sensory (β= 0.41, p < 0.001), behavioral (β= 0.36, p < 0.001), and affective (β= 0.11, p < 0.001) dimensions. In addition, results showed that the sensory (β= 0.29, p < 0.001), behavioral (β= 0.21, p < 0.001), and affective (β= 0.16, p < 0.001) dimensions produces a significant positive influence on brand loyalty. Hence, H2a, H2b and H2 are supported. However, the path coefficient (β= 0.07, ns) for the relationship between intellectual brand experience dimension and brand loyalty was not significant. Thus, H2d was not supported. The results also showed a significant positive influence of emotional attachment on brand loyalty (β= 0.28, p < 0.001), thus, supported hypothesis H3. Details are presented in Table 2.

Table 2: Structural Parameter Estimates (n = 414)

Hypothesized paths	Path estimate
Sensory brand experience⟶Emotional attachment	0.41*
Affective brand experience⟶Emotional attachment	0.11*
Behavioral brand experience⟶Emotional attachment	0.36*
Intellectual brand experience⟶Emotional attachment	0.05*
Sensory brand experience⟶Brand loyalty	0.29*
Affective brand experience⟶Brand loyalty	0.16*
Behavioral brand experience⟶Brand loyalty	0.21*
Intellectual brand experience⟶Brand loyalty	0.07 (ns)
Emotional attachment⟶Brand loyalty	0.28*
R^2 (Emotional attachment)	0.59*
R^2 (Brand loyalty)	0.47*

Notes: *$p < 0.05$

5. Implications

As hypothesized, the findings suggest that by providing unique and memorable brand experience the possibility of developing consumer emotional attachment and loyalty towards a brand is good. Specifically, sensory, behavioral, and affective brand experiences are more crucial in strengthening the emotional attachment bond between a consumer and a brand, and in improving brand loyalty. Findings suggest that marketers of luxury fashion brands need to continuously provide superior brand experiences, especially sensory, behavior and affective experiences to build stronger emotional attachments and cultivate brand loyalty. The success of luxury brands is depends on luxury brand-related experiences (Atwal and Williams, 2009). The present study assist marketers in understanding the mechanism that drive brand loyalty through experiences evoked by a luxury brand from the consumers' perspective. As such, the model examined in this study explains the potential contribution of the brand experience dimensions in developing customer emotional attachment that assist in cultivating brand loyalty.

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Appendix I Resource of Measurement and Sample Items

Construct	Items	Relevant literature for scale items
Sensory brand experience	This luxury fashion brand makes a strong impression on my visual sense or other senses. I find this luxury fashion brand interesting in a sensory way. This luxury fashion brand appeal to my senses	Brakus *et al.* (2009)
Affective brand experience	This luxury fashion brand induces feelings and sentiments I have strong emotions for this luxury fashion brand This luxury fashion brand is an emotional brand	Brakus *et al.* (2009)
Behavioral brand experience	I engage in physical actions and behaviors when I use this luxury fashion brand This luxury fashion brand results in bodily experiences This luxury fashion brand is action oriented	Brakus *et al.* (2009)
Intellectual brand experience	I engage in a lot of thinking when I encounter this luxury fashion brand. This luxury fashion brand makes me think This luxury fashion brand stimulates my curiosity and problem solving.	Brakus *et al.* (2009)
Emotional attachment	Love Affectionate Passionate Delighted Connected Bonded Attached	Thomson *et al.* (2005)
Brand loyalty	Buy only this brand in this product category "Do without" rather than buy other brands If this brand is not available, I will buy it another time	Carroll and Ahuvia (2006)