Involvement with Experience: A Path to Brand Loyalty

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Abstract

Research on experiential marketing establishes the influence of brand experiences on consumer's attitude towards the brand. However, there exists a need to study how different consumers vary in their level of involvement with experiential elements and how it influences brand loyalty. We present the construct of *Involvement with Experience* which has the potential to influence brand loyalty. Through a study designed to test several hypotheses, we found that involvement with experience significantly impacts relationship satisfaction and perceived functional value, which in turn builds brand trust and loyalty intention. Marketers can craft a consumer-centric experience mix to optimize their marketing budgets based on different levels of involvement with experience.

Keywords: Experience, Involvement, Relationship, Perceived Value, Brand Trust, Loyalty

1. Introduction

The traveller was active; he went strenuously in search of people, of adventure, of experience. The tourist is passive; he expects interesting things to happen to him. He goes 'sight-seeing.'

- Daniel J. Boorstin, American historian

Boorstin paints a contrast between an active traveller who is seeking experiences and a passive tourist who is content with sight-seeing. Similar to travellers and tourists who visit destinations across the world, there are shoppers who visit stores across the retail world. Marketers are investing vast resources in crafting experiences for customers in order to build customer-brand relationships and loyalty. In this era of retail revolution, one witnesses a wide range of shopper types at the store. Each shopper, like a traveller, would walk in to a store with one's own expectations and characteristic behaviour. One may be an active shopper in search of experiential engagement or a passive shopper who is content with basic transactions. A shopper may be highly sensitive to the experiential elements at the store and consider the service scape as a core element of customer value. Another shopper may be indifferent to the peripheral elements of the service scape and perceive shopping as a mere economic transaction. Marketers segment their consumers on the basis of product-related needs and offer products to suit each segment. Similarly, there is a need to segment shoppers who walk in to the store on the basis of the importance they give to experiential elements. A retailer needs to understand differences among shopper expectations and craft the service scape to cater to each shopper segment.

The 21st century is being viewed as an experience economy where brands are seeking to bond with customers through holistic brand experiences. A plethora of research has substantiated the importance of brand experiences in developing consumer's attitude and loyalty towards the brand. Schmitt (1999) has emphasized on the growing importance of

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experiential marketing and that consumers are increasingly wishing for more compelling brand experiences. Franzen (1999) also said that experiences are an important driver towards building customer-brand relationship. Chang & Chieng (2006) have established that both individual as well as shared experiences directly influence brand meanings within consumers' minds, which impacts consumers' attitude towards the brand. Furthermore, research has been done to explore how different store elements impact brand experiences, which further impact brand perceptions and attitude. Swinyard (1993) proved that in-store mood and quality of shopping experience has a positive impact on shopping intentions. Yoo, Park, & MacInnis (1998) have found that store characteristics trigger in-store emotional experiences which serve as influential drivers of consumer attitude towards the store. Store ambience and social elements also have an influence on consumer's perception of brand quality (Baker, Grewal, & Parasuraman 1994). Although extant research has covered the consequences of brand experiences, there exists a need to question whether different kinds of consumers respond to experiential elements differently. Studies have explained how experiences influence consumer attitude, but we firstly need to explore how consumers' level of involvement with experiences influences their consumption of experiences. A recent study by Sung-Joon Yoon (2013) has found that product type and store type influences the kind of experiences preferred by shoppers. However, there is a need to explore whether consumers' level of involvement with experiences can have a role in deciding whether they would allow brand experiences to influence their mind.

Consumers can either hold an opinion about a brand being good or bad, or they can be indifferent. As discussed, brand experiences can play a significant role in shaping consumer attitudes towards the brand. But this attitude-shaping process will occur only in the presence of active "thinking" or mental processing of the stimulus. This activation of thinking occurs when a consumer is involved in the situation. There has been considerable research done on the construct of involvement. Literature elucidates that a consumer can either be involved with advertisements (Krugman

1966), leading to active processing of the ads (Wright 1973); with specific product categories, leading to higher order scrutiny of product attributes (Howard & Sheth 1969); and with purchase decisions, leading to higher time and effort investment in information search and selection (Clarke & Belk 1979). Celsi & Olson (1988) elucidate that personal and situational factors impact a consumers' level of involvement with the informational stimuli they receive from brands. Hence, different consumer groups in different situational contexts would tend to exhibit varying degrees of involvement with experiential elements of the brand. In this study, we propose to measure the consumers' involvement with experience and test the influence of this construct on loyalty intention through influencing brand attitude and perceptions. In the following section, we elucidate the construct and derive hypotheses that are related to the influence of involvement with experience on relationship satisfaction, perceived value, brand trust, program loyalty and loyalty intention. Thereafter we discuss research methodology, findings, implications and limitations of research.

2. Theoretical Background and Hypotheses

2.1 Brand experiences and their impact on consumer beliefs

An experience is an internal response that consumers feel in a certain situation. Consumers are having an experience when they are sensing through the five senses; feeling emotions; having thoughts provoked in their mind; exhibiting physical behaviour or relating themselves to a reference group (Schmitt 1999). A brand experience is an experience within a brand context which may include situations where the consumer is searching, evaluating, purchasing or consuming the brand (Brakus, Schmitt, & Zarantonello 2009). These contexts can either be physical encounters with the brand elements such as products, people, store environment, processes and policies (Hui & Bateson 1991) or virtual encounters through advertisements (Hoch & Ha 1986; Kempf & Smith 1998).

"Experience is the teacher of all things." - *Julius Caesar*

Consumers undergo multiple brand experiences throughout their lives. Experiences act as stimuli that initiate a learning process in the minds of consumers. These experiences have the potential to "teach" consumers about brands and update their beliefs about the brand (Hoch & Deighton 1989). These updated beliefs can impact perceptions related to brand associations (Aaker & Joachimsthaler 2000) , brand personality (Brakus et al. 2009; Chang & Chieng 2006) and attitude towards the brand (Yoo et al. 1998). Although experiences are influential, does every experience create an equal level of impact on the consumer's beliefs? Or is there any mediating variable that regulates the level of impact an experience can have on a consumer? In order to answer this question, we propose a construct of 'Involvement with Experience'.

2.2 Involvement with experience

"Tell me and I forget, teach me and I may remember, involve me and I learn." − Benjamin Franklin

Based on Greenwald and Leavitt's (1984) claim that high involvement means personal relevance, Zaichkowsky (1985, p. 342) defined the involvement construct as, "A person's perceived relevance of an object based on inherent needs, values, and interests". Early research on the construct of involvement has shown that this "object" or target of involvement can either be a brand, product category, purchase decision, advertising or media content (Bloch et al. 1986; Howard &Sheth 1969; Hupfer& Gardner 1971; Krugman 1965; 1966; Lord and Burnkrant, 1993; Mittal, 1989). Consumers can also exhibit varying degrees of involvement with general activities or issues like fashion, politics, education, etc. which are not brand-specific (Day, Stafford & Camacho 1995). A consumer may be exposed to many other experiential stimuli beyond products or advertisements. We propose an additional type of involvement directed towards experiences that can include store ambience, shopping experience, sales staff interactions, etc. Consumers are exposed to a plethora of brand experiences. However, only some experiences significantly impact consumer beliefs. Consumers tend to pay active attention only to those experiences

that are personally relevant to them (Hoch & Deighton 1989; Petty, Cacioppo, & Schumann 1983). Although consumers tend to be actively involved during direct consumption of products, they may be passive during non-product experiences. We propose that general elements of physical shopping experiences, which are not specific to a brand or a product category can also be an object of involvement.

Prior research has segmented consumers based on their shopping orientation (Lumpkin 1985), and identified segments based on their level of involvement with the shopping process (Westbrook and Black, 1985), highlighting the experiential aspects of shopping (Arnold and Reynolds, 2003). Brand experiences can evoke hedonic value of fun, fantasy fulfillment, escapism, and excitement among consumers (Arnold and Reynolds, 2003; Babin et al., 1994; Wakefield and Baker, 1998). However, not all consumers would value these hedonic experiential benefits equally and hence their level of involvement with experiences would vary. Arnold and Reynolds (2003) discuss that shopping motivations would be similar to involvement where strong vs. weak involvement with the shopping experience can have an impact on the affective responses during shopping. Hence, the construct of 'involvement with experience' is based on Zaichkowsky's (1985) definition of involvement applied to the object of hedonic shopping experiential benefits as described by Arnold and Reynolds (2003).

Consumers' involvement with experience measures the level of importance they associate to an experience based on their valued goals. If consumers do not give importance to an experience, they will not allow that experience to have an impact on their belief system because they will not actively process the experience in their mind. Hence, a higher level involvement with the experience would lead to higher attention given to the experience, followed by an amplified impact on the learning process. Swinyard (1993) found that involved shoppers have the tendency to magnify their evaluations of a shopping experience. For an involved consumer, a good experience would feel even better and a bad experience would feel worse. Although

Swinyard (1993) described involvement in terms of situation-dependent perceived risks of the shopper, we need to extend the idea of 'involvement with experience' to cover an overall importance that a consumer gives to brand experiences.

2.3 Relationship satisfaction

Relationship satisfaction is consumers' affective state resulting from an overall appraisal of their relationship with a retailer (J. C. Anderson & Narus 1990). Accumulation of consumption experience helps in development of customer-brand relationship (Evrard & Aurier 1996). Relationship satisfaction is cumulative in nature (De Wulf, Odekerken-Schröder, & Iacobucci 2001) that is generated slowly as the relationship develops (Sánchez-Garcia, Moliner-Tena, Callarisa-Fiol, & Rodríguez-Artola 2007). Research has shown that when consumers have brand experiences, especially with sales personnel and the service scape, they face emotional experiences which help in building customer-brand relationship and satisfaction (Grace & O'Cass 2004; Chang & Chieng 2006; Ahearne, Jelinek, & Jones 2007;Yoo et al. 1998; Fournier 1998). These experiences develop a trait judgement about the brand's sincerity, competence and sophistication (Brakus et al. 2009). Hence, these experiences add human attributes to the brand and build relationships akin to inter-personal relationships. These relationships could be of varying quality and would have varying degrees of satisfaction. If consumers do not give importance to experience, they will not associate human traits to the brand and hence, not build interpersonal relationships with the brand. They may just remain at a transactional, functional relationship, with no emotional resonance. We need to deduce whether a consumer's involvement with experience will help in creating a satisfying relationship with the brand. This leads to our first hypothesis:

H1: Involvement with experience significantly influences satisfaction with relationship

2.4 Perceived functional value

Zeithaml (1988, p.14) defines value as "the overall assessment of the utility of a product based on the perceptions of what is received and what is given." While transacting with any brand, a consumer will derive benefits in return of costs. Perceived value is the benefit-cost equation in the consumer's mind. Although the benefits and costs can be functional, emotional or imagery related, one articulation presented by Zeithaml (1988) is "Value is the quality I get for the price I pay" where quality is the "get" component and price is the "give" component of the value equation. Monroe (1990) also highlighted that consumers' perceived value is a trade-off equation between the perceived quality of the product relative to the perceived sacrifice of paying the price. Sweeney & Soutar (2001) categorize quality and price as functional elements of perceived value. Research in the field of services marketing has found that positive emotions evoked in service experiences positively relate to perceived value (Babin & Babin 2001; Chen & Chen 2010). Since the impact of emotions felt during an experience would depend on the involvement with the experience, we test our second hypothesis on whether the involvement with experience has an impact on perceived functional value:

H2: Involvement with experience significantly influences perceived functional value

2.5 Brand trust

Doney & Cannon (1997, p.37) define trust as the 'benevolence of the firm to act in the best interests of the customer'. Hence, personification of human traits of benevolence, care, reliability, safety, and honesty invokes trust in the brand. Doney & Cannon (1997) say that trust develops through the route of a prediction process where the consumer forecasts the brands' credibility and benevolence through evaluation of past experiences and relationship they have with the brand. Research in the industrial buying context shows that a salesperson develops trust among customers through repeatedly delivering on promises (Doyle & Roth 1992; Swan & Nolan 1985). Research has shown that courtship behaviour between two parties, through relationship development, leads to growth in trust (Shapiro, Sheppard, & Cheraskin 1992). A plethora of studies have shown that satisfaction with relationship is an antecedent of trust (R. E. Anderson & Srinivasan

2003; Bloemer & Odekerken-Schroder 2002; Delgado Ballester & Luis Munuera Alemán 2001; Garbarino & Johnson 1999; Singh & Sirdeshmukh 2000). Hence, we present our next hypothesis:

H3: Relationship satisfaction significantly influences Brand trust

Trust contains aspects of benevolence where the brand is seen as acting in the best interests of the customer and showing genuine interest in consumer welfare (Ganesan & Hess 1997). The best interests of the customer lie in maximizing customer value. Since perceived value is a benefit-cost equation in the consumer's mind, these perceptions of benefits and costs can have an influence on trust. Morgan & Hunt (1994) say that the benefits of a relationship are antecedents of trust. Singh & Sirdeshmukh (2000) propose that elements of perceived value influences trust. They consider that service quality influences perceptions of brand honesty, while price influences perception of benevolence. Research in the context of healthcare services has also shown that the perceived value of a hospital positively influences the patient's trust in the hospital (Moliner, 2009). Hence, this leads to our fourth hypotheses:

H4: Perceived functional value significantly influences Brand trust

2.6 Program loyalty

Brands offer loyalty programs in order to maintain loyalty of high profit customers. Although many customers enrol themselves in loyalty programs, not all of them develop a strong loyalty towards the program. There are two types of loyalties exhibited by a customer, namely, program loyalty and company loyalty. Yi & Jeon (2003) define program loyalty as having a positive attitude towards the loyalty program based on the perceived benefits of the program. They found that high involvement with product category leads to higher perceived value of the program. Evanschitzky et al. (2012) found that program special treatment, program social benefits and program value have a significant impact on program loyalty. We would like to extend this idea further and test the influence of involvement with experience on program loyalty. Hence, our next hypothesis is:

H5: Involvement with experience significantly influences Program Loyalty

2.7 Loyalty intention

Oliver (1999, p.34) defines brand loyalty as:

A deeply held commitment to rebuy or re-patronize a preferred product/ service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behaviour.

A plethora of studies have shown that trust influences a consumer's propensity of commitment (Dwyer, Schurr, & Oh 1987; Watson & Papamarcos 2002; Morgan & Hunt 1994; Aryee, Budhwar, & Zhen Xiong Chen 2002), and the tendency to stay in a relationship (E. Anderson & Weitz 1992). Furthermore, high levels of trust lead to higher price tolerance among customers, where the customer is willing to pay higher prices for the brand (Delgado Ballester & Luis Munuera Alemán 2001). It is also found that the impact of trust on building loyalty is strengthened in the presence of high involvement (Delgado Ballester & Luis Munuera Alemán 2001). Hence, we propose our next hypothesis:

H6: Brand Trust significantly influences Loyalty Intention

Herscovitch & Meyer (2002) say that affective commitment develops when an individual becomes actively involved and recognizes the value-relevance of a relationship. This commitment is fostered through positive experiences and perceptions of 'support'. The interpersonal treatment received by a customer during service complaints has a significant impact on brand commitment (Tax, Brown, & Chandrashekaran 1998). Research shows that a healthy customer-brand relationship invokes a sense of personal reciprocity among consumers, which enhances consumer's future purchase intentions (Wei-ping Wu, Chan, & Heng Hwa Lau 2008). Hence, this leads to our next hypothesis:

H7: Relationship satisfaction significantly influences Loyalty Intention

Shukla (2010) showed that service quality, service value, and satisfaction collectively influence behavioural intentions. A plethora of studies suggest that perceived value is a good predictor of repurchase intentions (Cronin Jr., Brady, & Hult 2000; Haemoon 2000; Dodds, Monroe, & Grewal 1991; McDougall & Levesque 2000). Hence, we have the following hypothesis:

H8: Perceived functional value significantly influences Loyalty Intention

Loyalty program rewards enhance the value derived from the brand in terms of economic benefits and social benefits derived from special treatment (Evanschitzky et al. 2012). Research has shown a strong influence of loyalty programs on developing brand loyalty by creating switching barriers (Evanschitzky & Wunderlich 2006; Patterson & Smith 2003). Hence, we present our final hypothesis:

H9: Program Loyalty significantly influences Loyalty Intention

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FIGURE 1 ABOUT HERE

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3. Method

3.1 Data Collection

A survey was conducted by a global consulting firm specialising in marketing analytics in collaboration with a major retail apparel brand in India to understand the perceptions and attitudes of their loyalty program members. The data was collected through online questionnaires sent to the loyalty program members. The questionnaire was designed by the consulting firm in collaboration with the lead author and validated with a pilot test before sharing with the participants.

A total of 950 survey responses were received. Nineteen (19) of these surveys could not be included due to incomplete questionnaires, resulting in 931 usable responses. Most of the participants were males (77 percent). The sample had a good representation of professionals (32 percent), business executives (33 percent) and students (23 percent). The rest were homemakers. Most of the participants were post-graduates (66 percent) and graduates (27 percent).

Convenience sampling was adopted by sending survey invites to the list of loyalty program members of the retail store chain. However, the focal brand for which consumers responded in the survey was not confined to this retail brand. Respondents were asked to choose a brand from among 7 product/service categories including - telecom, hotel, restaurant, apparel, airlines, watches/jewellery and credit cards – in which they were loyalty program members. Hence, the diversity in product category, demographics and large sample size of 931 respondents helps overcome sampling bias, thereby making the model more generalizable.

3.2 Survey Instrument and Measure Development

Existing scales were adapted to measure the variables and constructs defined in the theoretical model. All questionnaire items were taken from previous studies, and the wordings were adapted to fit the context of this study.

Involvement with Experience: Since this is a new construct that is not already present in the literature, we adopted Zaichkowsky's (1985) item of importance as a measure of involvement. We measured the importance given by customers towards experiences when using/ shopping at their favourite brand through a set of statements administered on a seven-point Likert scale with 1=Strongly disagree and 7= Strongly agree. A similar adaptation of Zaichkowsky's involvement scale has been done in a recent study on shopping experience involvement in the online context by Kim, Fiore and Lee (2007).

The items related to brand perceptions and behavioural intentions were also administered on a seven-point Likert scale with 1=Strongly disagree and 7= Strongly agree. The construct of perceived value focused on functional value of quality and price (Sweeney & Soutar 2001). Furthermore, we captured satisfaction with relationship by administering a set of statements on a seven-point Likert scale with 1=Completely dissatisfied and 7=Completely satisfied. The measure of Brand Trust included dimensions of perceived honesty (Kumar, Scheer, & Steenkamp 1995;Sánchez-Garcia et al. 2007) and credibility in terms of feeling safe (Gurviez & Korchia 2003).

The list of question items (indicators) is summarized in Table 1.

TABLE 1 ABOUT HERE

4. Results

In order to test the models and the hypotheses, we undertook structural equation modelling (SEM) using Maximum Likelihood Estimation in AMOS. We followed the two-step process of structural equation modelling (SEM). Firstly, we evaluated the fit of the measurement model using confirmatory factor analysis (CFA), followed by the evaluation the fit of the structural model (Lomax & Schumacker 2012).

4.1 Measurement model

After minor modification for cross loading and non-loading items, all constructs achieved acceptable levels of convergent and discriminant validity. To verify the convergent validity of the constructs, we performed a confirmatory factor analysis (CFA). The loadings of each item for the respective constructs in the model are statistically significant (see Table 1), and exceed the recommended benchmark of 0.7, indicating item reliability (Hulland 1999). Based on the recommendations of Hu & Bentler (1998), we meet the criteria of acceptable model fit with SRMR<0.08 and TLI>0.9. Also, in accordance with the recommendations of Byrne (1994), the value of NFI

exceeds 0.9 and CFI exceeds 0.93. RMSEA is within the acceptable limit of 0.08 (Kline 2011). ($\chi^2(141)$= 345.05 CMIN/df= 2.45, NFI=0.97, IFI=0.98, TLI=0.98, CFI= 0.98, RMSEA=0.045, SRMR =0.037).

The testing of convergent validity (the degree of association between measures of a construct) and composite reliability (the internal consistency of the indicators) showcased satisfactory results (J. C. Anderson & Gerbing 1988). Since the average variance extracted (AVE) for each construct is above 0.5 (Table 2), the measurement model exhibits convergent validity (Fornell & Larcker 1981). Composite reliability (CR) exceeds the threshold level of 0.70 (Hair, Sarstedt, Ringle, & Mena 2012), for each construct (Table 2). Hence, the CR and AVE tests indicate that the validity of both the construct and the individual variables is high (Bagozzi, Yi, & Phillips 1991; Dillon & Goldstein 1984). We empirically tested the discriminant validity (i.e., the degree to which items of constructs are distinct) by checking whether the square root of the AVE exceeds the correlation between every pair of latent variables (Table 2). Empirical results indicate that discriminant validity is achieved for all constructs in this model.

There is a potential concern of a common method bias when the dependent and the independent variables are collected from the same source. Hence, based on a test suggested by Podsakoff, MacKenzie, Lee, & Podsakoff (2003), we loaded all the items on to a common factor and conducted CFA. The Chi-square difference was then compared with the results of the CFA with the measurement model. Chi-square difference test was significant with $\chi 2(15)$ difference = 6603 (p<.001), showing the measurement model to be superior to common-factor model. Hence, we infer that common method bias is not a concern.

TABLE 2 ABOUT HERE

4.2 Structural model

After confirming the validity and reliability of the constructs, we test the conceptual model and

hypotheses (Figure 1) using Structural Equation Modelling (SEM) using AMOS. The fit indices reveal a good fit of the conceptual model. It meets the criteria of acceptable model fit with SRMR<0.08, TLI>0.9 (Hu & Bentler 1998) and RMSEA < 0.08 (Kline 2011). Also, in accordance with the recommendations of Byrne (1994), the value of NFI exceeds 0.9 and CFI exceeds 0.93. ($\chi 2$(221)= 926.13, NFI=0.94, IFI=0.96, TLI=0.95, CFI= 0.96, RMSEA=0.07, Standardized RMR = 0.08).

Results of Hypothesis Testing: The regression coefficients for every path are presented in Table 3. Our findings strongly support all hypotheses except H9.

The first and second hypotheses state that a customer's level of involvement with experience has a significant impact on consumer's response towards the brand in terms of relationship satisfaction (H1) and perceived functional value (H2). As shown in Table 3, the findings indicate that Involvement with Experience significantly influences Relationship Satisfaction (β=0.843, p<0.001) and Perceived Functional Value (β=0.853, p<0.001). These two constructs in turn induce customer's trust in the brand. Findings support the hypotheses (H3 and H4) that Brand Trust is significantly influenced by Relationship Satisfaction (β=0.662, p<0.001) and Perceived Functional Value (β=0.338, p<0.001).

As hypothesized (H6, H7 and H8), Loyalty Intention is significantly influenced by Brand Trust (β=0.702, p<0.001) and also by Relationship Satisfaction (β=0.215, p<0.001) and Perceived Functional Value (β=0.115, p<0.001). We also find that Involvement with Experience has a significant impact on Program Loyalty (H5: β=0.438, p<0.001). However, we do not see a significant impact of Program Loyalty on Loyalty Intention towards the brand (H9: β=0.017, not significant).

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TABLE 3 ABOUT HERE

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5. Discussion

5.1 Summary of Results

Consumers are exposed to multiple brand experiences that have the potential to influence brand perception and attitude. This study seeks to answer the question on whether there is any mechanism within the consumer's mind that determines the propensity of influence that brand experiences can have on them. This paper introduces the construct of 'Involvement with Experience' as a measure of the level of importance that a consumer gives to experiences while shopping and using the brand. These experiences include non-product related elements like behaviour of store personnel, store ambience, response time, etc. This construct can be used to profile consumers as 'low involvement' and 'high involvement' in terms of their sensitivity towards experiential elements. We propose that low involvement consumers do not give substantial importance to peripheral elements of shopping or consumption experiences. Their focus is largely confined to pure functional or price related aspects of the product. On the other hand, a high involvement consumer would be highly sensitive to experiential elements, leading to active mental processing of positive or negative shopping experiences. For high involvement consumers, a good experience is felt to be even better and a bad experience feels worse, thereby amplifying the impact on brand attitude. Hence, we propose that 'Involvement with Experience' would act like a filter that would regulate the impact of brand experiences on consumer's attitude towards the brand.

In this study, we explored how a consumer's involvement with experience leads to brand loyalty by influencing brand perceptions and attitude. The results indicate that involvement with experience has a significant impact on consumer's satisfaction with the relationship they have with the brand. A relationship is a two-way process where two people or entities are connected with each other. Research has shown that brand experiences lead to association of human traits with the brand, thereby leading to

development of customer-brand relationship (Chang & Chieng 2006). When a consumer is involved with brand experiences, he would tend to look at his interaction with the brand akin to an inter-personal relationship instead of a mere economic transaction. This study emphasizes that such relationship-building through experiences would occur only when the consumer is highly involved with the experience. A low involvement consumer, who tends to ignore the experiential elements, would not perceive the brand as 'human' and would remain at an economic transactional stage.

This study also shows that involvement with experience has a strong influence on perceived functional value of the brand. Perceived functional value is a quality-price equation within the consumer's mind. We propose that a consumer, who is highly involved with experiences, would tend to include experiential elements in his value equation. For him, positive experiences would translate to higher quality perceptions. He would account for experiential elements to justify the price he is paying for the brand. On the other hand, a low involvement consumer would not include experiential elements in his value equation. He would confine quality perceptions to functional product features.

Involvement with experience has a positive influence on relationship satisfaction and perceived functional value, which in turn builds brand trust. Trust is developed when the consumer believes that the brand has his best interests in mind. Trust is also akin to inter-personal relationships like friendship or parenthood which have elements of benevolence, affinity, safety and honesty. Since involvement with experience tends to create associations of human traits with the brand and perceptions of higher quality, consumers would tend to believe that the brand has their best interests in mind, thereby leading to brand trust. We also found that, in the presence of involvement with experience, brand trust; relationship satisfaction and perceived functional value have a positive impact on loyalty intention. Hence, a high involvement consumer can

develop brand loyalty through experiences whereas; a low involvement consumer may not develop brand trust and brand loyalty through experiences.

Another dimension in this study is Loyalty Program. Results indicate that involvement with experience has a significant impact on a consumer's loyalty towards the loyalty program. A high involvement consumer would tend to give higher levels of importance to the experiential benefits associated with his loyalty program membership. On the other hand, a low involvement consumer may not display significant interest in the loyalty program. He may perceive his membership to be nominal, without any tangible benefits.

5.2 Managerial implications

In the retail context, all shoppers are not the same. As marketers, we segment consumers based on their demographic, psychographics or product needs and customize offerings to suit each segment. Similarly, we need to conduct shopper segmentation based on their involvement and expectations from experiential elements in the retail environment. There may be two consumers who share the same demographic and product need profile. However, both of them may be different types of 'shoppers'. One person may be highly sensitive to the demeanour of the sales staff whereas another person may be indifferent. Retail brands need to optimize their marketing mix and service scape to positively influence different types of shoppers. A high involvement consumer has the potential to impact the mood of his co-shoppers, especially during negative experiences. Hence, it becomes important for retailers to identify high involvement consumers to ensure offering of optimal levels of experience. For example, in the retail outlet, the service personnel can prioritize services to high involvement shoppers and provide them bundled offerings including experiential elements at a premium. On the other hand, for a low involvement consumer, investing in high levels of experiential elements may lead to overspending of resources. A one-size-fits-all strategy may not work among

shoppers. Shoppers who are low on involvement with experiences may give higher importance to offers, communications and other product elements and the retail brand manager needs to plan accordingly.

In practice, it would be challenging to directly decipher whether a customer walking into a store has a high or a low involvement with experience. Service firms can conduct periodic market research studies among regular customers to gauge patterns of involvement with experience and determine correlates with identifiable demographic and usage patterns across customers, price tiers and product categories. This would help firms in creating more nuanced profiling of consumers. Although challenging for discrete services, the involvement levels can be easily tracked for customers and loyalty program members of continuous services like telecom through periodic surveys and in-store or mobile app-based field experiments.

5.3 Limitations and Future Research

This research has several limitations which also translate to potential avenues for future research. Firstly, our sample was confined to loyalty program members of a premium apparel retail brand which is demographically skewed towards premium consumers. Future research can be conducted on a more diversified sample across different socio-economic groups and among different product categories to attain generalizability. It would be worthwhile replicating this study among high involvement product categories like consumer durables and automobiles. Also, it would be interesting to explore dimensions of involvement with experience in the context of online retail.

The second limitation is that loyalty was captured at an attitudinal level and not at a behavioural level. Future research can include actual purchase and repurchase behaviour data to study the impact of involvement with experience on behavioural loyalty. The third limitation in this study is that the path model initiates with the construct of 'involvement with experience' and the actual experience of sense, feel, think, act,

relate (Schmitt 1999) has not been measured. Future research can use direct measures of experience as antecedents for the involvement with experience construct to empirically establish the mediation role of the involvement construct. Additionally, further antecedents and drivers of involvement with experience can be explored to find out the possible ways of identifying, increasing or decreasing a consumer's level of involvement with experience. Some interesting dimensions that can potentially be explored are the psychological, social and contextual factors that determine a person's tendency of involvement with experience. For instance, a person whose locus of control is external; or a person with narcissist tendency; or a person who is shopping with a significant person in his reference group would tend to give high importance to how other people behave with him in a public place and hence be highly sensitive to behaviour of sales staff at a store. Furthermore, research can explore differences in involvement patterns with different elements of brand experiences in different contexts. A longitudinal study can be conducted to study how involvement levels can change with time and their impact on loyalty. Since this study explores the path to loyalty through high involvement with experience, further research can be conducted to explore the alternate path to loyalty among low involvement consumers. Since a new construct of 'involvement with experience' has been introduced in this study, we encourage future research to further develop the scale for measuring this construct and to explore dynamic facets surrounding this construct.

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Table 1: The Measurement Items

Constructs	Items	Loadings
Involvement with Experience (Zaichkowsky, 1985; Day, Stafford & Camacho 1995; Arnold and Reynolds, 2003; Kim, et al. 2007)	My experience while using/ shopping is very important to me Service & Experience is more important to me than communication Service & Experience is more important to me than offers My good experiences make me want to continue using the brand I would like to be recognized and treated as a special customer	0.801 0.668 0.721 0.815 0.771
Relationship Satisfaction (De Wulf et al., 2001; Cronin Jr. et al., 2000)	I am satisfied with the relationship I have with the brand I am happy with the efforts the brand is making towards me My decision to purchase the brand was a wise one	0.797 0.698 0.935
Perceived Functional Value (Zeithaml, 1988;Bolton & Drew, 1991) – Based on the functional dimension of quality & price (Sweeney & Soutar, 2001).	The product quality is worth the money I am paying for this brand The quality of the service is worth the money that I am paying for this brand	0.919 0.879
Brand Trust (De Wulf et al., 2001; Kumar, Scheer, & Steenkamp, 1995; Gurviez & Korchia, 2003)	I trust the brand This is an honest brand I feel safe using this brand	0.923 0.939 0.937
Program Loyalty (Evanschitzky et al., 2012)	I tend to choose this brand more than others because I am a loyalty program member I buy more of/ at the brand because of my membership I recommend the brand more to others because of my membership My complaints are handled quicker and better by the brand because of my membership I like the brand's loyalty program more than others I feel good about the brand because of my membership I get better service because of my membership	0.746 0.781 0.812 0.856 0.849 0.857 0.901
Loyalty Intention (Zeithaml, Berry, & Parasuraman, 1996)	I will buy the same brand next time I will recommend this brand to others I intend to keep buying/ using this brand I am willing to pay higher price for this brand	

Notes: All items for all constructs except Satisfaction with Relationship were measured on a 7-point Likert scale, where 1=Strongly Disagree and 7=Strongly Agree.
All items in the Satisfaction with Relationship construct were measured on a 7-point Likert scale, where 1=Completely Dissatisfied and 7=Completely Satisfied.

### Table 2: Convergent and Discriminant Validity Statistics

Convergent Validity Statistics			Discriminant Validity Statistics				
Constructs	CR	AVE	Perceived Functional Value	Involvement with experience	Relationship Satisfaction	Brand Trust	Program Loyalty
Perceived Functional Value	0.894	0.809	0.899				
Involvement with experience	0.870	0.573	0.489	0.757			
Relationship Satisfaction	0.855	0.666	0.783	0.562	0.816		
Brand Trust	0.953	0.871	0.772	0.628	0.779	0.933	
Program Loyalty	0.939	0.689	0.315	0.225	0.297	0.209	0.830

Notes: The measurement items/questions refer to Table 1.
CR – Composite Reliability
AVE – Average Variance Explained

Table 3: Coefficients Reported for the Model

Effects	Causes	Model Regression Weights	Hypotheses
Relationship Satisfaction	Involvement with Experience	0.843***	H1 (Y)
Perceived Functional Value	Involvement with Experience	0.853***	H2 (Y)
Brand Trust	Relationship Satisfaction	0.662***	H3 (Y)
	Perceived Value	0.338***	H4 (Y)
Program Loyalty	Involvement with Experience	0.438***	H5 (Y)
Loyalty Intention	Brand Trust	0.702***	H6 (Y)
	Relationship Satisfaction	0.215***	H7 (Y)
	Perceived Value	0.115***	H8 (Y)
	Program Loyalty	$0.017^{n.s}$	H9 (N)

*** $p<0.001$; n.s. = Not Significant
Y – Support obtained for hypothesis
N – Support not obtained for hypothesis
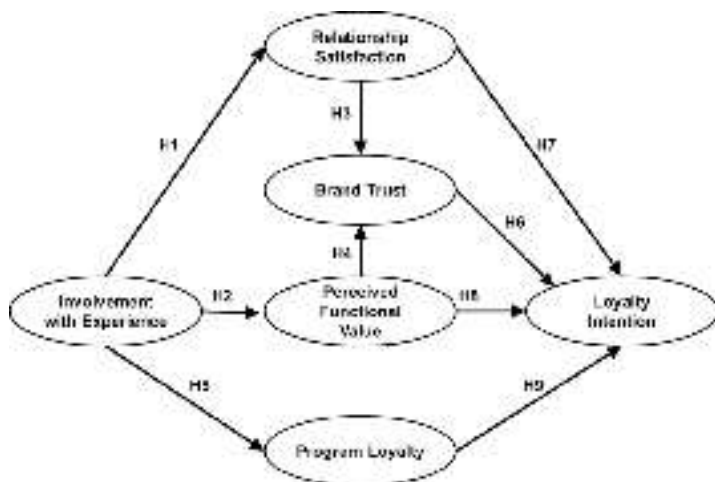
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