

IMPACT OF BRAND EXPERIENCE ON CUSTOMER VALUE; ROLE OF CUSTOMER SATISFACTION

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Abstract:

This study investigated the effects of Brand Experience on Customer Value and Customer Satisfaction and brand relationship quality and loyalty in the market. Validated measurements were identified from a literature review. The measurement model and the conceptual model depicting hypothesized relationships were evaluated using confirmatory factor analysis and a structural equation modeling, accordingly. Brand Experience traits had direct effects on both customer value and customer satisfaction which in turn influenced brand quality and loyalty. Moreover, how customers perceive product value depends on experience that may be at variance with current needs. Research on Customer satisfaction has sustained both interest and productivity, but Customer value has decreased overtime. Another notable finding is that most studies are not grounded in strong theories, although customer satisfaction studies tended to be more theory inserted. This study provides a comprehensive review of theories

methods, discussion points, limitations and conclusions of studies of brand experience, customer value and customer satisfaction published over the past years.

Keywords: *Customer satisfaction, Brand experience, Market, Customer value.*

INTRODUCTION

During the last couple of years there has been an obstinate discussion that how value is created and created by whom in business (Amjad Shamim Zulkipli Ghazali Pia A. Albinsson., 2016). Customer value is considered as a pillar in marketing. A position of high customer perceived value leads to customer completion and is viewed as serious for firms to achieve competitive advantage on their market position, in turn leading to long term firm success (CarolinPlewa, Jillian C. Sweeney & David Michayluk., 2015). While a number of research studies examined this important phenomenon, our study presents complete customer value behavior on the basis of recent research literature. Service delivery procedure is the most important factor to improve the process of customer value. (Dong et al & Arturo Z. Vasquez-Parraga., 2015).

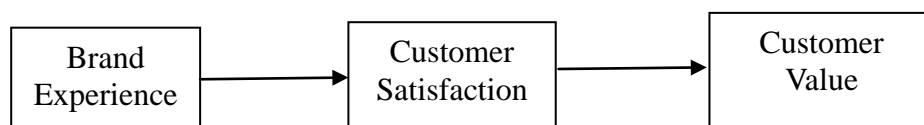
The present study provides an important contribution to the literature in order to identify the dimensions of the customer value. But on the same time organizations facing different aspects in order to make customer satisfy likewise, high customer perceived value leads to higher customer fulfillment and this situation is critical for firms, in order to attain competitive

advantage and to attain the market position (Amjad Shamim Zulkipli Ghazali Pia A. Albinsson., 2016). So, in order to overcome these issues high level of investigation is needed to investigate the customer value in the light of both experimental and credibility service. Moreover, design long-term product / services experience considering both cost and benefits. These steps are must take in order to fill-up the gap between customer value and customer perceived value. Many researchers put keen interest to fill-up this gap.

1. Does a brand experience effect on customer value?
2. Does customer satisfaction mediate the relationship between brand experience and customer value?

The goal of the current research is to fill this gap by examining the role of brand experience related to customer value; it will help them to understand the role of customer value related to customer satisfaction. It will also help the managers to understand the role of brand and customer satisfaction and its impact on customer value. Hence the customer satisfaction and advanced brand experience will increase the customer value.

Proposed Framework:



LITRETURE REVIEW

BRAND EXPERIENCE

Brand experience has attracted extensive attention from marketing experts because it is measured critical in developing marketing strategies (Chang & Chieng., 2006; Ha & Perks, 2005). Brand experience is basically an internal feeling of consumer i.e. feelings, cognitions, sensation and behavioral response evoked by brand-related stimuli that are part of a brand's design and identity, packaging, communications, and environments and brand experience measured through four dimensions i.e. sensory, behavioral, affective, and intellectual (Brakus et al., 2009). Brand experience includes both pre-consumption and in-consumption experience (Brakus et al., 2009). Therefore, brand experience is considered as hedonic in nature (Palmer, 2010).

During the process of product or service research, purchase and consumption that are associated with opinions, feelings and behaviors consumer's brand experience takes place (Brakus et al., 2009; Chang & Chieng., 2006). Brand experience is used by consumers in order to appraise brand personality (Brakus et al., 2009; Chang and Chieng, 2006). Brand experience positively impactson brand associations (Chang and Chieng, 2006). Moreover, consumer's affective responses may result from cognitive appraisal processes. Brakus et al.

(2009) illustrate their dimensions with well-known brands that typify a dominant dimension, including Victoria's Secret as Sensory; Disney as Emotional; LEGO as intellectual; and Puma as Action. However, satisfaction and brand attitude development takes place in the result of affective responses in spite of the hedonic emotions under the brand experience perspective.

Both authors Brakus et al. (2009) and Chang and Chieng (2006) are different in their perspectives. Brakus et al. (2009) found that the influence of brand experience on satisfaction through the appraisal of brand personality is greater than the direct effect but Chang and Chieng (2006) indicated that the direct effect of brand experience on brand attitude is stronger than the indirect effect through brand associations or brand personality. These unpredictable conclusions need for further examination of the relationships among brand experience, cognitive dimensions and affective dimensions under the brand experience context.

CUSTOMER VALUE

Customer value is recognized and regarded as a critical strategic tool for attracting and retaining customers (Ying-Pin Yeh., 2016). Customer value is created when the observations of benefits received from an operation exceed the costs of ownership.

Customer value as perception of advantages generated from a customer's association with an organization's offering. Value is perceived and determined by the customer, based on the

value in use that what is received and what is given (Ying-Pin Yeh., 2016). Customers are not homogeneous, so therefore, several customer segments give different values within the same service.

The future marketing will primarily focus on the trend of satisfying experience for the customer. Here, we realize the importance of brand experience, but the question arises how does it create benefit for a brand? In concept of term brand experience, it's mainly focus on consumer's sense, feeling, behavior, attitude and thinking. Customer value, is also one of the up-to-date marketing streams focusing on consumer viewpoint bound by the academic research and marketing practice (Rust, Zeithaml, and Lemon 2000). Customer value figure out that how to build highest value for a brand from customer lifetime value. So, it illustrates that brand experience and customer value is on the same track of management philosophy. Higher involvement of customer leads to long term achievement for a brand. Therefore, the question arises will brand experience affect the customer value?

Brand experience connection points include communication contact, physical environment contact, personnel contact, and product usage contact. Apparently, these experiences in different contact points play different roles in marketing. There are four dimensions in brand experience including sensory, affective, intellectual, and behavioural experience (Brakus,

Schmitt & Zarantonello.,2009). The four brand experience dimensions primarily come from the reactions to different brand related stimulation.

H1.Brand experience positively impacts on customer value.

CUSTOMER SATISFACTION

Customer satisfaction indications to satisfying a consumer's needs and wishes and thought outa important factor in marketing (Spreng et al., 1996).

Saleem & Rashid (2011) found that organizational factor has very important role in nourishing the customers. If the organization has elasticity and has the ability to change their rules with changing situation the organization can get satisfaction from its customer.likewise, in organizations the employee's insolence, ability and elasticity in decision making has vital impact on customer to get the satisfaction.

Gan at al. (2011) claimed that in organizations customer satisfaction is influenced by brand experience.Now a day in competitive market customer satisfaction play a vital role.

Increase in satisfaction results in increase in brand experience (Bennett et al., 2005; Jones & Suh, 2000). Both brand experience and customer satisfaction are positively related as proved in several studies (Bloemer & Kasper, 1995). Thus, the hypothesis proposed as:

H2. Brand experience has positive impact on customer satisfaction.

Customer satisfaction is one's feeling that results from comparing the actual and expected performance of a product. If the customer is satisfied, he is loyal to his product and also pays less attention to competing brands. Customer value is the combination of desired value that what the customer desired from the product and perceived value that the customer believes that he received from the product. (Blanchard and Galloway,1994). thus, both customer value and customer satisfaction have positive relation

H3. Customer satisfaction positively impacts customer value.

Role of Mediator

In the previous section we described the relationship between brand experience and customer value, the relationship between brand experience and customer satisfaction and the relationship between customer satisfaction and customer value.

Customer satisfaction motivates the organizations to improve brand experience and is helpful in creating customer value. (Javed, 2005). Thus, we can say that CS mediates the relationship between customer value and brand experience.

H4. customer satisfaction mediates the relationship between brand experience and customer value.

RESEARCH METHODOLOGY

Our study is based on new ideas which is explore through questionnaires that we can descriptive in nature. The questionnaire based on different assumptions and observations.

We have applied this study on general public/ customers of different brand users and are focus is to find out the impact of brand experience on customer value and customer satisfaction.

We have selected people with different age groups, educational background and also people having different experiences. In this study we have checked correlation of variables and also cause and effect of these variables.

Our target population is general public/ general customers and we have selected sample through convince sampling. In this study unit of analysis is general public/ customers/ users of available brands. We have drafted questionnaire which contain 25 questions and our complete data is of ordinal type data.

DATA ANALYSIS:

We collected data from male as well as female customer from almost all age group but above 20years old customers. The male percentage is about 50.7 and female percentage is 49.3 who involve in this study.

Gender

Details		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	76	50.7	50.7	50.7
	female	74	49.3	49.3	100.0
	Total	150	100.0	100.0	

In our study the percentage is high about 58.7% in case age group 20-30 which shows that most customers in our study in this age group,18% involved in 41-above age group and 23.3%involve in age group 31-40

Age

Details		Frequency	Percent	Valid Percent	Cumulative Percent

Valid	20-30	88	58.7	58.7	58.7
	31-40	35	23.3	23.3	82.0
	41 and above	27	18.0	18.0	100.0
	Total	150	100.0	100.0	

Most of our customers' education level post-graduation its about 42.7% ,38% have graduation level and 19.3 has intermediate level.

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Education

Details	Frequenc y	Percent	Valid Percent	Cumulative Percent
Valid Intermediate	29	19.3	19.3	19.3
Graduation	57	38.0	38.0	57.3
post- graduation	64	42.7	42.7	100.0
Total	150	100.0	100.0	

Correlations:

The correlation in our study is ideal as it lies below 0.7. In all the cases in the table below the correlation

Correlations

		Mean	Std. Deviation	B_EXP	CV	CS
B_EXP	Pearson Correlation	3.2444	.56186	.606	.547**	.554**
CV	Pearson Correlation	3.2483	.55845	.547**	.577	.588**
CS	Pearson Correlation	3.2275	.58363	.554**	.588**	.588

Here we follow the **Barron and Kenny** four assumptions: The first one as given below in the table shows the relationship between brand experience and customer value which shows significance results as the P-value is less than 0.05. R^2 shows the model fitness which shows that brand experience .299 percent explain the customer value. The beta tells the effects means to say that if it brings 1% change in brand experience than there would .547 change in customer value in positive direction

Relationship between Brand Experience and Customer Value

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	R Square	
	B	Std. Error	Beta				
1	(Constant)	1.485	.225		6.594	.000	
	B_EXP	.543	.068	.547	7.944	.000	.299

a. Dependent Variable: CV

The second one as given below in the table shows the relationship between brand experience and customer satisfaction which shows significance results as the P-value is less

than 0.05. R^2 shows the model fitness which shows that brand experience .306 percent explain the customer satisfaction. The beta tells the effects means to say that if it brings 1% change in brand experience than there would .554 change in customer value in positive direction.

Relationship between Brand Experience and Customer Satisfaction

Model		Unstandardized Coefficients		Standardized Coefficients		R Square	
		B	Std. Error	Beta	t		Sig.
1	(Constant)	1.362	.234		5.817	.000	.306
	B_EXP	.575	.071	.554	8.087	.000	

a. Dependent Variable:

CS

The 3rd one as given below in the table shows the relationship between customer value and customer satisfaction which shows significance results as the P-value is less than 0.05. R^2 shows the model fitness which shows that customer satisfaction .346 percent explain the customer value. The beta tells the effects means to say that if it brings 1% change in

customer satisfaction than there would .588 change in customer satisfaction in positive direction.

Relationship between Customer Value and Customer Satisfaction

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	R Square
		B	Std. Error	Beta			
1	(Constant)	1.432	.209		6.865	.000	
	CS	.563	.064	.588	8.845	.000	.346

a. Dependent Variable: CV

The 4th assumption as given below in the table shows that the customer satisfaction mediates the relationship between brand experience and customer satisfaction which shows significance results as the P-value is less than 0.05 in both cases its means there would be partial mediation. R² shows the model fitness which shows that brand experience .299 percent explain the customer value and the customer satisfaction explain .117% the brand experience and customer value relationship.

The beta tells the effects means to say that if it brings 1% change in brand experience than there would .547 change in customer value in positive direction. And if it bring 1% change in

brand experience along with customer satisfaction there would be .319 change and .411 percent change in customer value respectively.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. Change
1	.547 ^a	.299	.294	.46917	.299	63.104	1	148	.000
2	.645 ^b	.416	.408	.42953	.117	29.574	1	147	.000

a. Predictors: (Constant), B_EXP

a. Predictors: (Constant), B_EXP,

CS

Customer Satisfaction mediate the relationship between Brand Experience and Customer Value

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.	R Square	Adjusted R Square
	B	Std. Error	Beta					

1	(Constant)	1.485	.225		6.594	.000		
	B_EXP	.543	.068	.547	7.944	.000	.299	.294
2	(Constant)	.949	.229		4.152	.000		
	B_EXP	.317	.075	.319	4.216	.000		
	CS	.394	.072	.411	5.438	.000	.117	.408

a. Dependent Variable: CV

DISCUSSION

The present study has been conducted to explore a holistic view of customer's value behaviour from a brand experience perspective. The foundation of the model is based on congruity theory (Osgood and Tannenbaum, 1955) and theory of reasoned action (Fishbein and Ajzen, 1975). Congruity theory states that a person is more likely to have positive attitude towards an event, object, or a phenomenon if his beliefs are congruent with that specific event, object, or phenomenon (Lee and Jeong, 2014, Osgood and Tannenbaum, 1955). Literature using this theory in brand research suggests that customer's attitude and loyalty towards a specific brand is stronger if his beliefs are congruent with that brand (France et al., 2015, Kressmann et al., 2006). Here, in our research indicates that brand experience has positive impact toward customer value and customer satisfaction. In marketing, it has been

claimed that providing affective, behavioral, and intellectual experiences can position a brand luxuriously, thereby enhancing the level of brand experience (Hwang & Hyun, 2012). Previous studies have suggested that providing customers with attractive sensory experiences is an important factor in fostering customer satisfaction (Jack Kivela, 1997; Law et al., 2008). That is, better-looking stores attract more customers. Brand experience can be built up with customer's actions and interactive exchanges between customers and employees. Brands will be well experienced when brands suggest actions and when customers are encouraged to be part of brands. Such experiences will help the brand position impressive. The use of action verbs associated with logos, symbols, and the brand itself will allow customers to be absorbed in the consumption environment. For example, by using innovative marketing strategies such as musical numbers and stop-motion animation in advertising, marketers have tried to attract more modern and youthful customers. With the rapid growth of the industry, marketers can develop their own concepts (e.g., classical music, travel, art, and movies) for their brand. So the customer can feel upgraded by visiting the brand.

The research results indicated that customer participation directly and positively influenced customer value. The value concept appears to be linked primarily to product attributes (Ward, 2007; Reinertsen, 1997), the majority of marketing material and customer feedback suggested that perceived value relies on the overall customer experience. This experience

was always expressed through a set of qualitative characteristics. Qualitative characteristics cannot be measured directly, as they are dependent on subjective impressions. Products are objects which can make people happy or angry, proud or ashamed, secure or anxious (Jordan, 1999). Necessarily, designers need to develop an understanding of the experiences evoked by or associated with products (Kahmann and Henze, 2002).

Finally, for academics and practitioners alike, this paper presents the possibility for increasing the value created for customers and customer satisfaction through brand experience perspective, which is a key factor for the growing number of firms seeking new ways to achieve and maintain competitive advantage.

Managerial Implication

Practically, the findings should be of interest to hypermarkets management to recognize the importance of corporate branding. Based on the findings, it is suggested that management should further pursue customer relationship management and establish closer relationships with customers to get feedback of their experiences with the hypermarket and resulting beliefs. Following the brand experiences and customers' beliefs regarding hypermarket, they should formulate branding strategies enabling the customers' to take more interest in seeking information, sharing knowledge, interacting with the service employees, giving feedback, and promoting the hypermarket as a citizenship agent. Hypermarkets should focus on building

positive brand experiences for customers which will not only create customer loyalty and satisfaction (Brakus et al., 2009) but also create a value cocreation environment.

LIMITATIONS & FUTURE DIRECTIONS

As with any study, this study has some limitations. First the sample was small from customer panel of brand users. The questionnaire used in this study considers a specific period and doesn't include customer development phase. However consider customer value at various times, when they make purchase decisions or when they experience the service outcome during or after use.

We try to accomplish our resources with best efforts. But demographically our target population from Sargodha, So population and sample size is small so very few brands available in our market and most of the people not found brand conscious. Time constraint is also problem in our research because we have very short time to complete our study.

Future studies could incorporate the effects of variables, such as quality exception and price perceptions, on customer loyalty and examine additional influences. Future research should consider a wide range of extent (e.g. hotels) for better grasp of antecedents and consequences of brand prestige.

However in future it is suggests that the research of this type may be change demographically and conducted at any other city. In Pakistani circumstances target

population and sample must be from bigger cities like Islamabad / Lahore for getting better results, because world famous / leading brands and their users can easily approach in these cities.

Conclusion:

This study explores the impact of brand experience on customer value through the mediation of customer satisfaction. We collect data through questionnaire from customer of different age groups but all the customers are above the age the 20 years and we also consider their education level. First, the study finds that brand experience has significant impact on customer value. Second, the brand experience has significant impact on customer satisfaction. Third, there is a significant relationship between customer satisfaction and customer value. Finally, the customer satisfaction partially mediates the relationship between brand experience and customer value. This approves that the customer satisfaction work well for mediating the relationship of brand experience and customer value.

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