

The Effect of Experiential Activities on Consumption Emotion, Brand Attitude and Store Loyalty in Premium Study Centres

Hosuk Choi^a, Min-Gyo Seo^b, Yen-Yoo You^{c*}, ^aPh. D. student, Dept. Of Knowledge Service & Consulting, Hansung University, Seoul, 02876, Korea, ^bDept. Of Knowledge Service & Consulting, Hansung University, Seoul, 02876, Korea, ^cProfessor, Dept. Of Knowledge Service & Consulting, Hansung University, Seoul, 02876, Korea, Email: ^ahosuk17choi@gmail.com, ^bgaeup@hanmail.net, ^{c*}threey0818@hansung.ac.kr

This study aimed to identify the relationship among experiential activities (sense, feel, think, act, relate), consumption emotion, brand attitude and store loyalty in people who use premium study centres. Based on rationales from precedent researches, questionnaires were developed to assess experiential activities, consumption emotion, brand attitude and store loyalty. The survey was conducted with customers of premium study centres in October 2017, then 188 responses were collected and analysed to verify the hypotheses. After adjustment for content validity, the confirmatory factor analysis and structural equation model analysis were made using SPSS. Among five sub-items of experiential activities (sense, feel, think, act and relate) in premium study centres, four items were found to be related to consumption emotion positively, with the exception of thinking experience, which was found to have no effect on consumption emotion. Consumption emotion had beneficial impact on brand attitude and store loyalty. It was found to have a complete mediation effect by positively affecting both brand attitude and store loyalty. Furthermore, brand attitude was found to influence store loyalty positively. With regard to the moderating effect of place attachment, only the path between act experience and consumption emotion showed statistically meaningful results ($\Delta\chi^2=5.70$). On the basis of the results of this study, managers in premium study centres should focus their marketing strategy on optimising differentiated experiential activities – including reconsideration of thinking experiential activities – to enhance positive consumption emotion. The sample of this study could not represent the overall population and was restricted to those already using the study centres. Further research regarding pre-and post-visit experiences with a more balanced population is needed.

Key words: *Premium study centre; management consulting; experiential marketing; consumption emotion; brand attitude; store loyalty.*

Introduction

The concept of experiential marketing was generated from Schmitt (1999), who applied experiential economics to advertisement marketing. He defined experience as private events that occur in response to some stimulation (e.g. as provided by marketing efforts before and after purchase), and segmented it into five strategic experiential modules (SEMs) – sense, feel, think, act and relate. Sense marketing stimulates the five senses – sight, sound, scent, taste and touch – to create sense experience with the objective of gathering customers, giving value to the products, or differentiating the product from that of competitors. A feeling marketing campaign appeals to inner feelings and emotion of customers to create feeling experiences such as pleasure, self-esteem, or positive sentiment regarding the brand. Thinking experience has the purpose of providing creative cognitive skills via intelligent aspect, amazement or interest, and providing experience of process through solving problems. Acting experience includes physical and behavioural activities that impact lifestyle or interactions with customers. Finally, relating marketing contains sensing/feeling/thinking activities and enhances private experiences beyond the individual level. It also satisfies customers' desire for self-advancement through connecting ideal ego/others or cultures.

Consumption emotion is a series of emotional responses that occur during the use of product/service or consumption experiences. It can be explained by different categories of emotional experience and expression, or structural levels that form the basis of emotional dimensions (Russell, 1980). Brand attitude is an emotional attitude towards a specific brand, which affects favourable/unfavourable or positive/negative estimations (Fishbein & Ajzen, 1975). It is also an acquired tendency to consistently react positively or negatively to a specific object. Furthermore, brand attitude is considered one of the most abstract and significant concepts in the brand association area (Keller, 1998). The definition of store loyalty is somewhat controversial, but it has meaning as an essential parameter to measure the quality of the relationship between the customer and the company. Place attachment, which is selected as a moderating variable in this study, is defined as a relationship built on the basis of emotion (feelings), cognition (thought, knowledge, faith) and practice (action, behaviour) between person and place (Williams et al., 1992). This study assumes that place attachment is an affective sense of fellowship by interaction between person and place based on emotion, cognition and practice.

Private libraries are a popular and still growing aspect of life in Korea, since there are insufficient public libraries for the high demand of the Korean population. This is largely due to the fact that Korean educational authorities and their policies are focused mainly on

college entrance. Students who want to get high scores in examinations, and adults who seek comparatively stable occupation (e.g. the public service), consistently need space that is geographically close, undisturbed and comfortable. In response to these needs, the use of premium study centres – where people can make a choice of open study space (i.e. open to others’ desks) or single study rooms and also use a café and enjoy a variety of premium services – is increasing rapidly. These premium study centres are operated on a commercial basis, so are quite different from public or school libraries, which have been set up for public welfare, education and academic research. Due to this, studies of private libraries are scarce, and there is little available research about experiential activities in private libraries. This study intended to verify the hypothesis that the consumption emotion generated by experiential activities would positively impact brand attitude and store loyalty for those who use premium study centres in the metropolitan areas of Korea.

Materials and Methods

Research Model Design

Based on theoretical background and evidences, the research model of this study was developed to verify the influence of experiential activities in premium study centres on consumption emotion, brand attitude and store loyalty, with the moderating effect of place attachment also included, as shown in Figure 1.

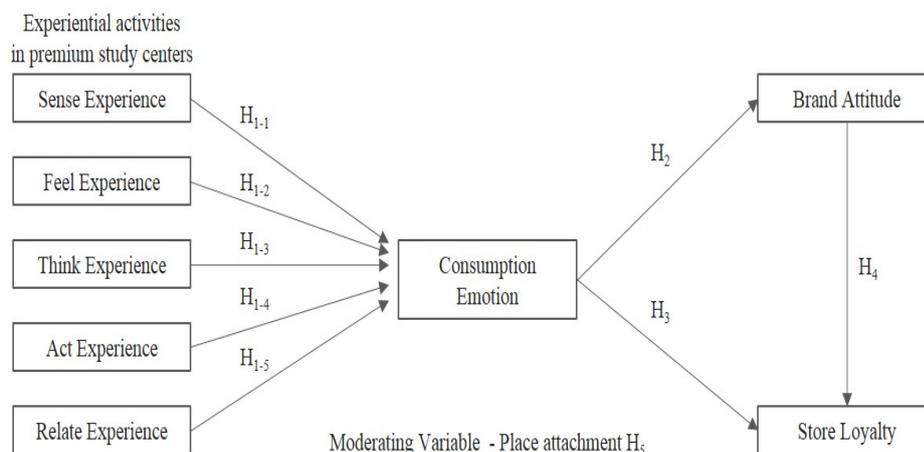


Figure 1. Research Model

Research Hypotheses

Relationship Between Experience and Consumption Emotion

It has been shown that more satisfaction from sense activities in store significantly increases the positive consumption emotion of customers (Huh & Park, 2010). Since people naturally

want to feel positive emotion and avoid negative emotion, feelings are emphasised in order to maintain strong and sustainable brand loyalty (Park, 2011). Schmitt found that cognitive experiences lead consumers to think creatively in order to increase the positive awareness of companies and brands, which is supposed to increase the cognitive effect (Schmitt, 1999). Since the favourable attitude formed by those deep cognitive effects does not change easily, the importance of providing cognitive experiences as well as inducing active cognitive activity was stressed. Active experiences impact not only customers' actual behaviour in the process of interaction with other people, but also affect bodily reactions and lifestyle (Park & Hwang, 2005). Relating experience was emphasised because it can create a relationship with a friendly customer, thus giving satisfaction to the customer and increasing brand attachment (Cho, 2003). Such a relationship makes the customer a voluntary spreader, who can communicate positively with potential future customers.

Based on the results of the research, this study judged that there is a significant causal relationship between experiential activities and consumption emotion, leading to Hypothesis 1:

- H₁. Experience activities in the premium study centres will have a positive (+) impact relationship with consumption emotion.

From this, the following sub-hypotheses were developed:

- H₁₋₁ Sense experience will have a positive (+) impact on consumption emotion.
H₁₋₂ Feel experience will have a positive (+) impact on consumption emotion.
H₁₋₃ Think experience will have a positive (+) impact on consumption emotion.
H₁₋₄ Act experience will have a positive (+) impact on consumption emotion.
H₁₋₅ Relate experience will have a positive (+) impact on consumption emotion.

Relationship Between Consumption Emotion and Brand Attitude

According to a precedent research, when people make a purchase, the purchaser decides the attitude of the brand of the product they want to purchase first, then they purchase the actual product (Kim, 2009). This purchasing decision is made based on various criteria, such as personal preferences, expectations and interests; therefore, individual attitude toward a brand will play a decisive role in purchasing decisions.

In this study, based on the results of advanced evidences, a significant causal relationship between consumption emotion and brand attitude was assumed, leading to research hypothesis 2:

- H₂. Consumption emotion will have a positive (+) impact on brand attitude.

Relationship Between Consumption Emotion and Store Loyalty

Previous research found that feelings of trust in brands affect brand immersion and loyalty, and the close relationship between brands and consumers reflects the level of positive feelings that arise from the brand (Chaudhuri & Holboork, 2001). In addition, a strong positive response is thought to have a relationship with high brand loyalty.

In the present study, based on the results of this previous study, a significant causal relationship was judged to exist between consumption emotion and store loyalty, leading to research hypothesis 3:

H₃ Consumption emotion will have a positive (+) impact on store loyalty.

Relationship Between Brand Attitude and Store Loyalty

A previous study found that brand loyalty becomes larger under more positive emotional conditions, and the higher the brand emotion of specific brand, the higher the percentage of recurring purchases will be (Dick & Basu, 1994). Therefore, brand sentiment can be seen to have an immediate influence on brand loyalty.

In this study, based on the results of previous studies including the one just discussed, it was judged that a significant causal relationship exists between brand attitude and store loyalty, leading to hypothesis 4:

H₄. Brand attitude will have a positive (+) impact on store loyalty.

Moderating Effect of Place Attachment in Relationships Among Experiential Activities, Consumption Emotion, Brand Attitude and Store Loyalty

It has been demonstrated that consumers become connected with various places in their daily lives and show a positive emotional connection with the degree of recognition shown by others who use the same place (Chaudhuri & Holboork, 2001). Another study revealed that the emotional reaction induced via the relationship between the condition-stimulating place and the brand, and the place attachment formed by such a process, interacts repetitively with a certain brand that the customer is using (Rhee & Choi, 2007). As a result, place attachment builds emotional connection and strong bond with the brand, similar to that felt with a familiar person.

Based on the above research, it can be assumed that place attachment has a moderating effect on consumption emotion, brand attitude and store loyalty, leading to hypothesis 5:

- H₅. Place attachment will have a significant moderating effect among experiential activities, consumption emotion, brand attitude and store loyalty in premium study centres.

Research Methods and Analysis

Composition of Measurement Tool

The measurement tools used in this study are divided into four areas: experiential activities, consumption emotion, brand attitude and store loyalty. For the measurement tools in each area, the researcher selected existing tools that had proven validity and reliability, modified and supplemented each variable according to the purpose of the study, then used a structured questionnaire. The survey in this study was based on the results of questionnaires answered by users of the premium study centres. Responders were encouraged to answer frankly about their feelings and thoughts regarding the premium study centre they used.

Sample Population and Survey Implementation

According to the purpose of the study, the sample population was selected as customers who use the premium study centres in urban areas of South Korea. The survey period was 30 days from 1–30 October 2017, and a questionnaire was administered to a total of 300 people.

Data Analysis

The following data analysis was performed to identify the characteristics of the sample and verify the hypothesis for the purpose of the study.

First, content validity was obtained through a content adjustment process with a preliminary survey, with technical statistics obtained through frequency analysis to identify the general characteristics of the collected samples. The items used in the data survey of this study were analysed for reliability to ensure internal consistency and differentiated for items that would decrease reliability.

A confirmatory factor analysis was performed to verify the validity of the measuring instruments used in this study, then the load values of the factors loaded on each factor, AVE (average variance extracted), and CCR (composite construct reliability) were checked to verify the structural equation modelling based on the study hypothesis and the model.

All analyses were made using SPSS Win Ver. 20.0 and AMOS 20.0.

Results and Discussion

Of 300 questionnaires distributed, 200 responses were collected and 188 valid responses were used for the actual analysis. The demographics of sample population – who answered all the demographic items are shown in Table 1.

Table 1: Responder demographics

Items		No. of responders (n)	% of responders
Gender	Male	78	50.6
	Female	76	49.4
Age	14–16 years old	6	3.9
	17–19 years old	105	68.2
	20s	36	23.4
	≥ 30s	7	4.5
Occupation	Middle school student	6	3.9
	High school student	105	68.2
	College student	15	9.7
	Office worker	3	1.9
	Job applicant	6	3.9
	Person preparing the national exams	19	12.3
Visit frequency	≤ 1 time a week	2	1.3
	2~4 times a week	22	14.3
	≥ 5 times a week	129	83.8
Total		154	100.0

Confirmatory factor analysis showed the validity and reliability of this measurement model.

The results from structural equation modelling to verify the research model and hypotheses are shown in Figure 2 and Table 2.

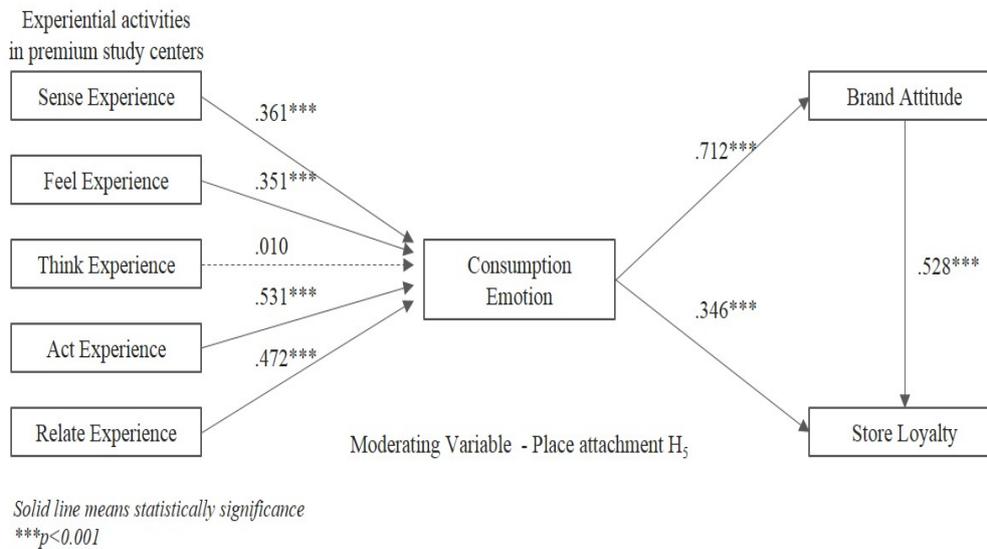


Figure 2. Verification of research model

Table 2: Standardised path coefficient of theoretical model

Measurement variables			Path Coefficient	S.E.	C.R.	p	Outcome
H1	1	Sense → Consumption emotion	0.361	0.09	3.560	***	Accept
	2	Feel → Consumption emotion	0.351	0.049	5.098	***	Accept
	3	Think → Consumption emotion	0.010	0.037	0.004	0.797	Reject
	4	Act → Consumption emotion	0.531	0.06	6.99	***	Accept
	5	Relate → Consumption emotion	0.472	0.04	6.719	***	Accept
H2		Consumption emotion → Brand attitude	0.712	0.089	8.631	***	Accept
H3		Consumption emotion → Store loyalty	0.346	0.091	3.48	***	Accept
H4		Brand attitude → Store loyalty	0.528	0.085	5.279	***	Accept

***p<0.001

Among five sub-items of experiential activities in premium study centres (sense, feel, think, act and relate), four items were related with consumption emotion positively, except for thinking experience, which was found to have no effect on consumption emotion. Next, consumption emotion had a beneficial impact on brand attitude and store loyalty. Consumption emotion was found to have a complete mediation effect by positively affecting both brand attitude and store loyalty. Brand attitude was also found to positively influence store loyalty.

In order to verify the moderating effect of place attachment on influence relationships in the research model, responders were divided into highly attached and poorly attached groups based on the mean score of place attachment factors. Using the value calculated from the constrained model (the two groups were equally constrained) and the unconstrained model (each path of the two groups was set free), the χ^2 difference was verified. As a result of verifying the moderating effect by place attachment in relation to the influence of experiential activities, consumption emotion, brand attitude and store loyalty in premium study centres, $\Delta\chi^2$ (1) of unconstrained model and constrained model in the path from act experience to consumption emotion was greater than 3.84, so it proved to have a significant moderating effect based on place attachment, as shown in Table 3.

Table 3: Moderating effect of place attachment

Hypotheses			Highly attached		Poorly attached		Unconstrained model χ^2 (df=912)	Constrained model χ^2 (df=913)	$\Delta\chi^2$ (df=1)
			β	P	β	P			
H1	1	Sense → Consumption emotion	-0.06	0.471	0.191	0.029	2287.220	2289.454	2.23
	2	Feel → Consumption emotion	0.48	***	0.099	0.217	2287.220	2289.425	2.21
	3	Think → Consumption emotion	0.049	0.558	0.03	0.705	2287.220	2287.233	0.01
	4	Act → Consumption emotion	0.183	0.035	0.744	***	2287.220	2292.920	5.70
	5	Relate → Consumption emotion	0.604	***	0.343	***	2287.220	2289.252	2.03
H2		Consumption emotion → Brand attitude	0.657	***	0.79	***	2287.220	2288.581	1.36
H3		Consumption emotion → Store loyalty	0.386	0.002	0.345	0.025	2287.220	2287.220	0.00
H4		Brand attitude → Store loyalty	0.505	***	0.553	***	2287.220	2287.433	0.21

***p<0.001

Conclusion

This research found that a number of experiential activities in premium study centre (sense, feel, act and relate) positively influenced the consumption emotion of the customers.



Furthermore, consumption emotion, brand attitude and store loyalty were related to one another. Given these study outcomes, we need to devise specific methods to increase store loyalty and make brand attitude positive by stimulating the positive consumption emotion of customers through active experiential marketing. In addition, current thinking experiences in premium study centres could not have stimulated consumption emotion positively. Managers in premium study centres should reconsider their thinking experiential marketing and strengthen/revise it.

This study has the following limitations and suggests directions for future research. First, we utilised convenience sampling, which cannot properly represent the overall population. Age distribution of the study sample leaned towards a relatively young population. Further, participants were limited to people who had already experienced premium study centres. Further research that uses comparisons between pre-visit and post-visit experiences with a larger and more balanced population is required.

Acknowledgment

This research was financially supported by Hansung University.



REFERENCES

- Chaudhuri, A. & Holboock, MB. (2001). The chain of effects from brand trust and brand affect to brand performance: The role of brand loyalty. *J Marketing*, 65(2): 81-93. DOI: 10.1509/jmkg.65.2.81.18255.
- Cho, IJ. (2003). A study for the influence factors on the hotel guests' word-of-mouth and revisiting intention [dissertation]. [Jeju]: Jeju National University; 71 p.
- Dick, AS. & Basu, K. (1994). Customer loyalty: Toward an integrates conceptual framework. *J Acad Market Sci.*, 22(2): 99-113. DOI: 10.1177/0092070394222001.
- Fishbein, M.A. & Ajzen, I. (1975). *Belief, attitude, intention and behaviour: An introduction to theory and research*. Boston: Addison-Wesley.
- Huh, JY. & Park, KD. (2010). The impacts of in-store sensory experience on the emotional reaction, store attitude, brand attitude and purchase intention of customers. *Ewha Management Review*, 28(1): 71-95.
- Keller, KL. (1998). *Strategic brand management: building, measuring, and managing brand equity*. New Jersey: Prentice Hall.
- Kim, EY. (2009). A study on the influence of brand-attitude and brand-image on customer-brand relationship and brand-loyalty – Focused on digital camera product [dissertation]. [Seoul]: Kyung Hee University; 55p.
- Park, JH. (2011). The case study of experience marketing for brand strategy. *The Treatise on The Plastic Media*, 14(3): 69-76.
- Park, SY. & Hwang, JE. (2005). Theses: Effect of in-store experience on brand attitude and purchase intention. *Ewha Management Review*, 23(2): 69-93.
- Rhee, KR. & Choi, ID. (2007). A Study on Brand Equity Formation Process of On-line Community : Structure Relation of Utilization Motive and Impression and Brand Equity. *The Korean Journal of Advertising*, 18(5): 23-38.
- Russell, JA. (1980). A description of the affective quality attributed to environments. *J Pers Soc Psychol*, 38(2): 311-322. DOI: 10.1037/0022-3514.38.2.311.
- Schmitt, BH. (1999). *Experiential marketing: how to get customers to sense feel think act relate to your company & brands*. New York: The Free Press; 1999.
- Williams, DR., Patterson, ME., Roggenbuck, JW. & Watson, AE. (1992). *Beyond the*



International Journal of Innovation, Creativity and Change. www.ijicc.net
Volume 9, Issue 3, 2019

commodity metaphor: Examining emotional and symbolic attachment to place. *Leisure Sci*, 14(1): 29-46. DOI: 10.1080/01490409209513155.