Influence of Brand Experience, Satisfaction, and Uncertainty on Brand Loyalty: A Focus on the Golf Club Industry as an Experience Good

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Sport products are experience goods, which are products or services whose characteristics, such as quality and performance, are difficult to determine prior to consumption, thus leading to uncertainties (Nelson, 1970). In order to avoid uncertainties, consumers have a tendency to rely on information from previous customers’ reviews or experts’ opinions (Frost, Chance, Norton, & Ariely, 2008; Gale & Rosenthal, 1994; Liebeskind & Rumelt, 1989; Ye, Law, & Gu, 2009). Customers’ uncertainty is diminished through brand experience. Brand experience is a strong predictor of brand loyalty, and previous research has demonstrated that experience affects satisfaction and brand loyalty directly and indirectly (Brakus, Schmitt, & Zarantonello, 2009). Understanding the advantages of brand experience is important for brand managers to better build stable, loyal customers, especially for experiential products. To date, little research has been carried out regarding sport products as experience goods. This study selected the golf club industry since golf products are considered experience goods, as their performance and quality cannot be predicted prior to usage. Hence, the purpose of this study is to examine the relationship between brand experience, satisfaction, uncertainty, and brand loyalty in the golf club industry.

Conceptual Framework and Literature Review

Brand experience is represented as sensations, feelings, cognitions, and behavioral responses induced by brand-related stimuli that are part of a brand’s design, packaging, communications, and environment (Brakus, Schmitt, & Zarantonello, 2009). According to Sahin, Zehir, and Kitapci (2011) brand experiences further brand loyalty by building emotional connections through physical and relational settings. Brand loyalty is defined as a deeply held commitment to rebuy or repatronize a preferred product or service consistently in the future, thereby causing repetitive same brand purchasing (Oliver, 1997). Several studies have shown that brand experience leads to brand loyalty directly and indirectly (Brakus et al., 2009; Walter, Cleff, & Chu, 2013) and increased profitability for the brand (Morrison & Crane, 2007). For example, brand experience had a positive effect on brand satisfaction, and indirectly on brand loyalty (Brakus et al., 2009). Ha and Perks (2005) found a positive relationship between prior experience and satisfaction. Also, numerous studies have found that higher satisfaction leads to greater loyalty (Lee, Moon, Kim, & Yi, 2015; Anderson & Srinivasan, 2003). Another antecedent of brand loyalty is uncertainty. To reduce uncertainty, consumers seek and process information about the product and attempt to make impressions of it. A consumer uncertain about a product perceives higher risk in purchasing a brand (Ghosh, Chakraborty, & Gosh, 1995). Under uncertainty, past experience with brands affects consumers’ choice (Erdem & Keane, 1996; Ghosh et al., 1995). Therefore, experience with a chosen brand helps consumers learn the brand’s benefits and attributes and consequently reduces risks. Matzler, Grabner-Krauter, and Bidmon (2008) found a negative relationship between uncertainty and customer loyalty, meaning that in order to increase loyal customers it is essential to decrease uncertainty. This finding is also supported by Aydin and Ozer (2005), who found that uncertainty has a strong correlation with customer loyalty. Based on the above literature, this study advanced the following hypotheses:

H1: Brand experience has a positive effect on satisfaction;
H2: Satisfaction has a positive effect on brand loyalty;
H3: Brand experience has a positive effect on uncertainty;
H4: Uncertainty has a positive effect on brand loyalty; and
H5: Brand experience has a positive effect on brand loyalty.
Method

Respondents were recruited from a random sample of golf consumers in Korea. Four hundred respondents completed an online survey, of which 386 were considered usable. Brand experience was measured with 12 items developed by Brakus et al. (2009); satisfaction was measured with three questions drawn from Oliver (1980); uncertainty was measured with three questions developed by Barroso and Picon (2011); and brand loyalty was measured by three questions adapted from Yoo and Donthu (2001) and Chaudhuri and Holbrook (2001). The survey utilized a 7-point Lickert scale. To determine reliability, Cronbach’s alpha was conducted. Also, to establish validity this study employed three procedures. First, for content validity, peer review was utilized; second, square correlation coefficient was compared with AVE (average variance extracted) to examine discriminant validity; and last for convergent validity, AVE, CFA (confirmatory factor analysis), and construct reliability were inspected. This study applied structural equation modeling (SEM) to analyze the relationship among the factors, and path analysis to draw forth the results. In order to examine fit of the SEM, CFI, TLI, RMSEA, and SRMR values were considered.

Results

Cronbach’s alpha was higher than 0.7 demonstrating good reliability. Content validity was carried out for a clearer understanding of the items. An AVE higher than the square correlation coefficient showed good discriminant validity. For convergent validity AVE and construct reliability were higher than 0.5. CFA, CFI, TLI, RMSEA, and SRMR showed a good model fit with significant factor loadings. After testing model fit, path analysis revealed that brand experience had no effect on satisfaction ($\beta = .09, p = .11$), not supporting H1. However, satisfaction had a significant positive influence on brand loyalty ($\beta = .89, p < .01$), supporting H2. There was a positive influence of brand experience on uncertainty ($\beta = .51, p < .01$), supporting H3; but uncertainty had no significant effect on brand loyalty ($\beta = -.4, p = .27$), not supporting H4. Moreover, the relationship between brand experience and brand loyalty was not significant ($\beta = -.01, p = .87$); however, brand experience had a positive indirect influence on brand loyalty ($\beta = .06, p < .01$), partially supporting H5.

Discussion

The results of this study demonstrate that brand experience reduces uncertainty of experience products, and indirectly affects brand loyalty. However, brand experience does not affect satisfaction as seen in previous studies (Brakus et al., 2009; Sahin et al., 2011; Ha & Perks, 2005). One possible explanation could be that customers feel satisfied not through the strength of the experience but rather through the intrinsic attractiveness or aversiveness (i.e., valence) of the experience. Nysveen, Pedersen, & Skard (2012) found a negative influence of brand experience on satisfaction, commenting that Brakus et al.’s (2009) brand experience items reflected experience strength not valence. Therefore, marketers should not only focus on the have or have not of experience (i.e., strength), but also on the type – positive or negative – of brand experience. Another interesting result is that customers’ uncertainty did not affect brand loyalty as former studies have shown. Although it is true that consumers are motivated to reduce their uncertainties about a product, this motivation does not make a customer loyal. However, Matzler, Grabner-Krauter, and Bidmon (2008) found a positive mediating role of brand trust and affect between uncertainty and brand loyalty. Therefore, marketers should not only focus on lowering customers’ uncertainties but also on developing brand trust and affect which positively influence brand loyalty. Theoretically, the current study extends the sport marketing literature by examining the influence of brand experience, satisfaction, and uncertainty on brand loyalty of an experience product, as little research has been conducted within the sporting good context testing brand experience of sport products. The results demonstrate that sport products could operate differently compared to non-sport products. Future research should examine the influence of brand experience within the sport product framework.