

Modelling the Predictors and Outcomes of Supply Chained of Brand Experience: Evidence from the Chained Fast Food Brand

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Abstract— Brand Experience can be the most privileged tool for differentiation in today's highly competitive marketplace. Customer's feeling, emotion and interactions will contribute to the overall perception of the brand experience. Undoubtedly, it is critical to gain insights into the key drivers of brand experience and subsequently ascertain its outcomes in order to design effective marketing strategies for market growth and perhaps business sustainability. The principal aim was to develop an integrative novelty model of brand experience and examine the predictors and outcomes of brand experiences of fast food brand. The study applies SOR Model and other related branding models to a sample of 450 adult respondents who reside in chosen urban areas in Malaysia. The study has used a survey approach with self-administered questionnaires distributed in restaurants, offices and homes. Structural equation modelling was utilized to test the hypothesized relationships among the constructs, as postulated in the model. The measures employed in this study were rigorously assessed and purified initially via item analysis and exploratory factor analysis and subsequently refined by confirmatory factor analysis. It is reasonable to claim that they have adequately met the unidimensionality, validity and reliability criteria applied. Nine of the hypothesized links were supported and three rejected. Result of hypothesis model acceptable fit was $CMIN/DF=3.45$, $RMSEA=0.074$, $GFI=0.931$, $CFI=0.958$ and $IFI=0.959$. Ultimately, the study's primary goal of developing an integrative model that has statistical and explanatory power, which could permit interpretation of results confidently, was achieved. Hence, the current investigation unequivocally illuminates several key contributions to the marketing theory, chained fast food industry practitioners and government bodies.

Keywords— *Supply Chained of Brand Experience, Trust, Commitment, Resonance, Fast Food Chain Restaurants, Structural Equation Modelling*

1. Introduction

In today's overcrowded and highly competitive marketplace, supply chained of 'brand experience' (BE) can be the most privileged tool for differentiation. Every touch points of brand contacts and interactions will contribute to the overall perception of the brand. Undoubtedly, it is critical to gain insights into the key drivers of 'brand experience' and subsequently ascertain its outcomes in order to design effective marketing strategies for market growth and perhaps business sustainability. Understanding on how strong brand survive and why brand experience develops that will leads to brand engagement remains one of the key challenging and critical management issues today [1].

The concept of brand experience captures the very essence of branding much more than analytically and cognitively oriented brand concepts. Failure to develop long term psychological engagement among existing and potential customers of this industry may require the business to bear the increased costs associated with managing the brand as an asset that drive every strategic and investments decision [2]. In view of the high investment in brand and in promoting local and the international organization to invest their franchise businesses in Malaysia and its ubiquity, the success of such investments and its effectiveness and efficiency is important for both research and in practices in supply chained management. Malaysians' food and beverages service provider expenditure represents roughly 50% of total consumer spending and is expected to see 151% growth by 2020 as disposable incomes rise [3]. The increasing popularity of Malaysian consumer tastes and trends develop in much the same way as the rest of the developing world, fast-paced lifestyles, with the number of single person households and young people on the rise, the demand for foods outside the home has intensified and has been accommodated by a growing foodservice industry especially fast food industry.

On average, Malaysian households spend roughly 54% of household income on food consumptions; there is indeed

a justifiable need to research the phenomena of consumer's motivational factors influencing their consumption experience decisions to engage in food service provider and supply chained management activities. All of these issues have added to the significance for such a study to be carried out.

2. Literature Review and Hypotheses Development

There are several theories of Branding success measures. For the development of the conceptual framework, the authors have incorporated the most commonly referred theories, SOR-Stimulus-Organism-Response, from Mehrabian Russel Theory [4]. Consumption Experience Theory, Consumer Behaviour Theory [5]. The consumption experience may be defined as a phenomenon that involves the consumer's subjective evaluation of the cognitive, affective and relational interaction with the items consumed [1]. Consumer and marketing research have shown that experiences occur when consumers search for products, shop for them, received service and consume them [6].

A review of the extant literature has revealed that a substantial amount of consumer's consumption experience research has been conducted since it emerged as a legitimate field of study in the 1970's. Several theories which try to identify the factors contributing to consumer consumption experience behaviour have been developed and tested. So far, although many competing theories and approaches to understanding brand experience have been proposed, the most promising approach appears to be the Mehrabian Russel Paradigm. Generally, this approach views consumer's consumption experience response behaviour as the degree to which a product or service provides a pleasurable level of consumption-related fulfilment [4] is one of the pioneering studies that looked into the cognitive processes underlying consumer response. The model portrays three interacting constructs that play a central role, SOR namely: Stimuli (Marketing Strategies), Organism (Brand Experience, Trust and Commitment) and Response (Brand Resonance). Following this work, a substantial body of research effort has been devoted to testing and extending this model.

2.1 Predictors and Outcomes of Brand Experience

"Experience" is the reality check that sets the limit between what the Brand is saying or promising (predictors), who the brand is, what is the brand is really delivering (brand experience) and what is the brand achievement and resonance (outcomes). Therefore, identifying the predictors that influence brand experience (i.e. product quality, store image, promotional activities credibility, corporate social responsibility and prior experience) and underlying dimensions of brand experience and develop a dimension that can measure the strength with which a brand evokes each experience dimension are the exact answers to it. One important function of brand names is to give consumers information

about product quality. Consequently, the absence of brand names often results in the absence of information about quality [7] define product as anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want and need. Product that consists of goods and services, PQ can be conceptualized as the meeting or exceeding consumer's expectations whereby if just assumes that conforming to specifications is not adequate. However, it is also concerned with what the product means to the consumer. Therefore, based on previous studies [8], it is expected that product quality has a positive effect on consumers' brand experience toward their fast food brand.

Service quality is one of the most investigated constructs in the history of marketing scholarship and it is clearly the most investigated constructs in the field of services marketing. According to Zeithaml, 2000, [9], recognized attitude proposition as the most comprehensive evaluators of service quality. Even though, the service quality as attitude proposition has not been subjected to much empirical and conceptual debate, the conventional wisdom is that the overall evaluative nature of service quality makes it an attitude or attitude-like constructs[8]. The importance of fast food service quality is, in part, driven by research that associates service quality with brand experience.

Therefore, it is hypothesizing that:

H1: Product Quality has significant positive effect on brand experience towards fast food brand.

H2: Service quality has significant positive effect on brand experience towards fast food brand.

In creating such places, store image firms typically establish information cues about the brand. These cues are often semiotic in nature, that is to say, their meanings are embedded in various signs and symbols. Consumer interprets these cues both cognitively and emotionally and from them derive some feeling for the value of the brand experience. The cues act as 'behaviour triggering devices' and are integrated into the design, layout, ambience, décor of the brand environment. Research into retailing environments suggest that the following features can affect consumers' purchasing behaviour: store image, store layout and music lighting. In this research context, store image refers to the atmosphere of the restaurant, layout and physical facilities as the main attributes. Store image is subjective feelings that all the aspect of the environment creates in the consumer. Therefore, we propose the following hypothesis:

H3: store image has significant positive effect on brand experience towards fast food brand.

Promotional activities credibility, as a part of marketing comm., can be defined by which firms attempt to inform, persuade, incite and remind consumers directly or indirectly about the brands they sell [9]. Promotions represent the voice of a brand and the means by which companies can establish a dialogue with consumers concerning their product offerings, detailed product information or even ignore the product all together to address other issues. Hence, associate a brand with a specific person, place, experience or thing. In these and

other ways, promotional activities allow marketers to transcend the physical nature of their products or their technical specifications of their services to imbue products and services with additional meaning and value. In doing so, it can contribute to greater brand experience and sustained consumer loyalty. In this context, CSR, sales promotion and event may influence what consumers think about products, what emotions their prior experience in purchasing and using them, and what behaviours they perform, including purchasing in particular stores and specific brands. In this study, it is also expected that promotional activities credibility, CSR and prior experience are significant positive effect with brand experience.

H5: Promotional activities credibility has significant positive effect on brand experience towards fast food brand.

H4: Corporate Social responsibility has significant positive effect on brand experience towards fast food brand.

Brand Experience

Brand experience is conceptualized as an actual sensation, feelings, cognition and behavioural responses towards the brand [6]. The development of brand experience in accordance with the mission of food sector policy is to develop Malaysia as a leader in food service industry in this region. This objective, however, would be thwarted if there is no coherent monitoring and performance assessment of government and private agencies in the fast food industry. This concern is vital and should not be taken lightly. Moreover, branding in fast food is growing rapidly and there are possible changes to the factors that influence trust and commitment on product consumption experience. Consumption experiences are multidimensional and include hedonic dimensions, such as feelings, fantasies and fun [5]. Ref [1] refer to that [Schmitt,2009]), experiential marketing concept also adds to the traditional view of the branding concepts. He explicitly states how the brand as an identifier has evolved to become a provider of experience. The experiential marketing approach views brands as an integrated holistic experience, which is possible to create through nurturing sensory, affective and creative relations, as well as associating a lifestyle with the brand. In summary, experiences arise in a variety of settings where experiences occur directly and indirectly during and after the consumption for example when consumers trusted the brand, they will do shopping and buying that will create commitment to consume the products. Therefore, building upon the above suggestions and arguments, it is possible to suggest that brand experience have positive relationship with trust and commitment that lead to resonance (active loyalty). The hypothesizes to capture these associations are formally stated as follows:

H6: In the fast food brand experience, brand experience has positive relationship with trust.

H7 In the fast food brand experience, brand experience has positive relationship with commitment.

Brand Resonance

Brand Resonance is characterized by strong connections between consumer and the brand. Brand Resonance refers to the nature of the ultimate relationship and the extent to which customers feel they are 'in relation' with the brand [10]. Brands with strong engagement benefit from increase customer active loyalty and decreased vulnerability to competitive marketing actions. In the CBBE model, engagement, occurs when it completely reflects a harmonious relationship between customers and the brand. With true brand engagement, customers have a high degree of loyalty marked by a close relationship with the brand such that customers actively seek means to interact with the brand and share their experiences with others. The challenge is to ensure the customer has the right experiences to create the right brand engagement [10]. Consistent with [6] and [1], this research proposes to conceptualize the effect of multi-sensory stimuli and emotive brand experience related to trust and engagement. Considering brand equity as a relational market-based asset implies that building and maintaining trust is at the core of brand equity because it is a key characteristic of any successful long-term relationship [11]:[12]:[9]. Taking into account the conceptual connections of relationship aspects and the notion of loyalty [13], the prevailing idea in these research [14]:[15]:[16] is that trust is the cardinal driver of loyalty because it creates exchange relationship that are highly valued. In this context, active loyalty does exclusively focus on repeated purchases and the focus on attachment behaviour would otherwise not provide an adequate basis for a complete understanding of the brand-consumer relationship. Consequently, active loyalty underlies the ongoing process of continuing and maintain a valued an important relationship that have been created by trust and commitment [14] :[15]. Finally, two of the characteristics of brands with highest levels of equity (resonance) are that consumers are very loyal (active loyalty) and attach to the brand. In fact, active loyalty is the main dimension to engagement because it is considered to be the path that leads to certain marketing advantages and outcomes, which have been closely associated with brand equity[17]: [11]. Hence, brand engagement is especially capable of building deep attachments and evoking strong emotion [10]: [18]. Emotions are known to influence consumer attitudes [19]. Accordingly, it is hypothesized that the effects that brand experience and brand engagement may have on attitude and emotions will be mediated by the trust and commitment that consumers experience. Therefore, researcher proposes other hypotheses describing the relationship between trust, commitment and brand engagement:

H8: In the fast food trust is positively related to brand resonance.

H9: In the fast food commitment is positively related to brand resonance.

H10: In the fast food brand experience is positively related to brand resonance.

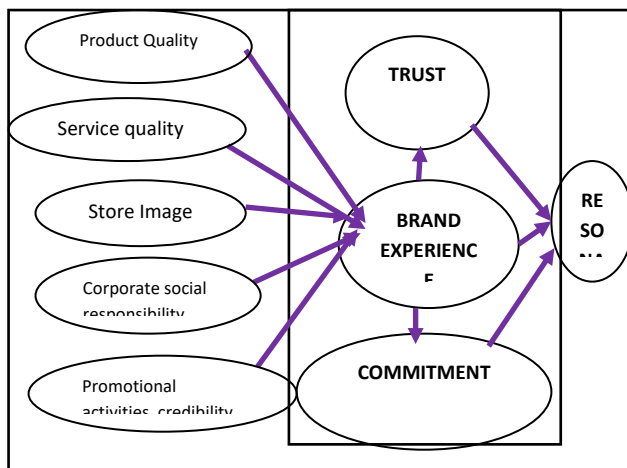


Figure 1: Conceptual Framework

3. Research Methodology and Data Analysis

The data for this research were collected in urban Malaysia where prior to that, the serial series of in-depth interviews of open ended questions and focus group interviews with the operators and adult's customer's with respect to one particular fast food brand (that they purchased within the one month prior to data collection). As no sampling frame is available, probability sampling was ruled out. The sample is restricted to adults' customers from the age of 16 and above due to the consumers' psychological attachments to brand names. 450 self-administered questionnaires were distributed by researcher based on quota sampling using drop off and collect techniques (mall/restaurants intercept, in-offices and in-home). Selected customers who were visiting during breakfast, lunch and dinner also have been notifying.

The study applies SOR Model [4], and other related branding models to a sample of 450 adult respondents who reside in chosen urban areas in Malaysia. The study has used a survey approach with self-administered questionnaire distributed in restaurants, offices and homes. Structural equation modelling was utilized to test the hypothesized relationships among the constructs, as postulated in the model [20]. The measure employed in this study were rigorously assessed and purified initially via item analysis and exploratory factor analysis and subsequently refined by confirmatory factor analysis. It is reasonable to claim that they have adequately met the unidimensionality, validity and reliability criteria applied [21]:[22].

4. Results and Discussion

Two demographic variables have been identified as the control variables of quota sampling for the composition of the sample (i.e. gender and age). Table 1 presents the profile of respondents, with majority of them being female (68 percent) and high percentage of the respondents fall in the age category of 25 to 34 years are dominant (34 percent). Interestingly, high proportion of the sample comprises of Malay (56 percent) and

Graduates (55 percent) and nearly 46 percent work in private sector. With respect to monthly income, almost 26 percent of the respondents earn a monthly income of RM 3001-RM 5000.

The Structure equation modelling (SEM) was conducted after CFA to examine the relationships among the predictors that influence brand experience, brand experience, trust, commitment and resonance. Finally, all pertinent results on the measurement models were reported at Table 2 and the measurement summary was reported at Table 3.

Result of hypothesis model acceptable fit was $CMIN/DF=3.45$, $RMSEA=0.074$, $GFI=0.931$, $CFI=0.958$ and $IFI=0.959$ in table 2. Ultimately, the study's primary goal of developing an integrative model that has statistical and explanatory power, which could permit interpretation of results confidently, was achieved. Hence, the current investigation unequivocally illuminates several key contributions to the marketing theory, chained fast food industry practitioners and government bodies.

Table 1: Demographic Profile of Respondents

Profile	Description	Frequency	Percentage
Gender	Male	144	32%
	Female	308	68%
Age	16-24	129	28%
	25 - 34	152	34%
	35 - 44	79	18%
	45 - 54	51	11%
	55 - 64	41	9%
Ethnic Background	Malay	255	56%
	Chinese	149	33%
	Indian/Others	48	11%
Education	High School	144	31%
	Graduate	247	55%
	Postgraduate	47	11%
	Others	14	3%
	Work Sector	Public Sector	77
Private Sector	207	46%	
Self Employed	66	15%	
Student	102	22%	
Monthly Income	RM0 - RM3,000	259	57%
	RM3,001 - M5,000	119	26%
	RM5,001 and above	74	17%

Table 2 : Confirmatory factor analysis with factor loadings, variance extracted and construct reliability, R2 and Cronbach's alpha

Constructs	Std. Regression (Loading)	Critical Ratio (t-values)	Component Reliability	R ²	AVE	Cronbach's Alpha
Product QL			0.85		0.62	0.87
1. The restaurant offers healthy options.	0.46	---		0.21		
2. The restaurant serves tasty food/beverages.	0.80	8.86		0.64		
3. The restaurant offers fresh food/beverages.	0.73	8.66		0.53		
Service QL						
1. The staff is always willing to help me.	0.85	18.58		0.71		
2. The behaviour of staff instils confidence in me.	0.88	19.35		0.78		
3. The efficient service of this fast food restaurant has my best interests at heart.	0.77	---		0.59		
Store Image			0.84		0.57	0.87
1. The restaurant's ambience is soothing.	0.81	18.51		0.66		
2. The merchandise is available when needed.	0.80	18.32		0.65		
3. The facility layout allows me to move around easily.	0.79	---		0.62		
4. The restaurant is clean and tidy.	0.77	17.28		0.59		
Promotional Activities Credibility			0.90		0.74	0.92
The promotion activities of this fast food brand are ...	0.91	24.73		0.82		
1. believable	0.93	25.68		0.86		
2. trustworthy	0.83	---		0.70		
3. credible						
Brand Experience			0.95		0.55	0.93
1. Disappointed/Contented	0.87	21.90		0.75		
2. Unpleasant/Pleasant	0.88	22.47		0.78		
3. Bad/Good	0.83	---		0.70		
4. Relaxed/Stimulated	0.80	11.75		0.53		
5. Calm/Excited	0.81	12.46		0.65		
6. Unaroused/Aroused	0.75	11.96		0.56		
7. Influenced/Influential	0.60	---		0.36		
8. Not Established/Established	0.73	16.81		0.53		
9. Impassionate/Passionate	0.77	17.90		0.59		
	0.84	---		0.70		
	0.69	15.96		0.47		
	0.80	19.57		0.63		
	0.84	21.11		0.70		
	0.84	---		0.71		

10. Unlovable/Lovable						
11. Worthless/Valuable						
12. Curiosity Unstimulating/Curiosity stimulating						
13. Uninformative/Informative						
14. Unmemorable/Memorable						
Trust			0.84		0.56	0.87
1. Trust 1	0.75	17.94		0.56		
2. Trust 2	0.81	19.99		0.65		
3. Trust 3	0.90	23.27		0.81		
4. Trust 4	0.81	---		0.66		
Commitment			0.78		0.54	0.88
1. Commitment 1	0.79	21.22		0.66		
2. Commitment 2	0.90	---		0.81		
3. Commitment 3	0.87	24.75		0.63		
RESONANCE			0.92		0.61	0.93
1. Active Engagement 1	0.87	26.09		0.76		
2. Active Engagement 2	0.88	26.44		0.77		
3. Active Engagement 3	0.90	---		0.81		

Table 3. Summary of Measurements of the Hypothesized Model/Final Model

Hypothesis number and hypothesised path	Standardised Coefficient	Critical Ratio (t-p value)	Results
H1. <i>Product Quality</i> □ <i>Brand Experience</i>	0.29 (+)	4.26	Supported ****
H2. <i>Service Quality</i> □ <i>Brand Experience</i>	-0.06 (-)	-0.74	Not Supported
H3. <i>Store Image</i> □ <i>Brand Experience</i>	0.20 (-)	-1.80	Not Supported
H4. <i>Corporate Social Responsibility</i> □ <i>Brand Experience</i>	0.23 (+)	2.53	Supported ***
H5. <i>Promotional Activities Credibility</i> □ <i>Brand Experience</i>	0.27 (+)	2.78	Supported ***
H6. <i>Brand Experience</i> □ <i>Trust</i>	0.70 (+)	14.43	Supported ****
H7. <i>Brand Experience</i> □ <i>Commitment</i>	0.01 (-)	-0.22	Not Supported
H8. <i>Brand Experience</i> □ <i>Resonance</i>	0.13 (+)	2.52	Supported ***
H9. <i>Trust</i> □ <i>Resonance</i>	0.27 (+)	4.59	Supported ****
H10. <i>Commitment</i> □ <i>Resonance</i>	0.56 (+)	13.08	Supported ****

5. Conclusions

As an experimental model, this is appropriate and useful for decision making at the management level to predict brand experience and which could guide policymaker's/decision makers/vendors/producers/ local home grown or foreign fast food operators in the industry. There is limitation experienced by this research, certainly, longitudinal research is required to capture fully the dynamic nature of customer behaviour specifically in tracking their eating habit personality, attitude and loyalty, which will be developed over a long period of time [23]. Future studies should incorporate other factors of marketing strategies that influence related to the source such as the corporate social responsibility of the brand. Future studies can examine the relevance of the other brand experience mediator in the context of Malaysia retail industry.

Further, component of brand experience can be analysed individually influence on consumer behavioural Brand Resonance or for its influence on consumer intentions to shop [24:[25]. Therefore, continuous and more thorough investigations with incorporations of other measures of the constructs may be needed in order to enhance our understanding of the concept of brand experience either in the same setting or different retail environment.

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