The Role of Emotional Brand Attachment and Customer Trust in Enhancing Customer Experience’s Effect on Customer Loyalty Towards Beauty Clinics in Surabaya

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Abstract

The growth of beauty and personal care products users in Indonesia has been increasing significantly in the past five years, higher than the industry's growth globally. This fact shows that cosmetics and skin care business in the country has a positive outlook in the years ahead. The increasing number of beauty clinics brands in the market has led to more intense competition. Consumers are offered with more options to treat themselves better through personal care and beauty services. In order to survive in today’s competitive industry, customer loyalty becomes paramount. Literature has shown that customer loyalty is formed by many factors such as experience, trust and emotional attachment between the customers and the services providers. This study aimed to investigate the influence of customer experience on customer loyalty towards beauty clinics in Surabaya by examining the aspects of customers’ emotional brand attachment and trust. The results showed that there was a positive and significant effect of customer experience on emotional brand attachment and customer trust, which in turn, leading to a significant and positive effect on customer loyalty.

Keywords: Customer experience; emotional brand attachment; customer trust; customer loyalty; beauty clinics.

1. Introduction

The need for beauty and personal care products in Indonesia is inevitable and has become part of an urban lifestyle. The growth of beauty and personal care products users in Indonesia has been increasing significantly in the past five years for 15 per cent in average, higher than the industry's growth globally (Tashandra, 2018). The size of the market becomes larger consisting of not only adults but also the millennials age-group. Besides, the users are not merely dominated by upper social class groups only, but also middle and even lower social class groups (Wulandari, 2016). Personal appearance is important to support performance since it could enhance someone’s self-confidence both in social and professional contexts. For professionals, the need for personal care and aesthetic services is even higher since they do not have enough time to DIY (Do-It-Yourself) personal care at home. Following the market demand’s growth of personal and beauty care products, the proliferation of beauty or esthetical clinics can also be found mainly in big cities like Jakarta, Bandung, and Surabaya. A large number of aesthetic clinics entering the industry, leading to increased competition among the players (Winarto, 2013).

Considering the phenomenon described earlier, customer loyalty thereafter becomes crucial for the business to survive and win the competition (Hu, 2009). Rajumesh (2014) argues that one of the leading indicators of a company’s sustainability is its ability to maintain its existing customers. Levy and Hino (2016) define loyalty as a customer’s commitment to repurchase the products or services of the same company or brand in the future. Literature has shown that building customer loyalty may take a long process and require a firm commitment from the management to its customers. Levy and Hino (2016) state that memorable experience, customer attachment with the company, and customer trust are three essential aspects that need to be developed to retain the customers. In the case of beauty and personal care services, those three aspects are paramount. As stated by Malar, Krohmer, Hoyer, and Nyffenegger (2011), an experience that is created after consuming a product or service would bring a certain level of customer’s trust towards the purchased brand.

As a consequence, customer trust has a positive and significant impact on customer loyalty (Flavian and Guinalíu, 2006). Meanwhile, a customer’s emotional brand attachment level aroused from the experiences would depend on the type of experiences that were offered. Emotional brand attachment is
defined as a bond that links consumers with a specific brand, and it involves emotional feelings towards the brand (Barreda, Nusair, Wang, Bigihan, & Okurmus, 2013). When the experience of consuming a product or service is positive, it will increase the customer’s level of trust and their emotional attachment with the brand (Ardeny, Kumianingsih, Rahmawan, Wibisono, & Winata, 2016).

Given the fact that the size of beauty and personal care market in Indonesia is getting larger, empirical research to understand the behaviour of consumers of this market is needed. Review of literature has indicated that previous empirical studies mostly focused on one single beauty and personal care brand in Indonesia, for instances: Wardah, Oriflame, and The Body Shop (Fauziyah & Karmelli, 2016; Semuel & Chandra, 2016; Sidabutar, 2015; Susanti & Wardhana, 2015). Besides, in relation to the concepts being examined, customer satisfaction and customer loyalty have apparently become two most-widely concepts to analyse. To gain a more comprehensive understanding of consumer behaviour, attempt to conduct a research in a broader scope with more interrelated concepts to be examined, is quite relevant. Therefore, this study aimed to examine the relationships between customer experience, emotional brand attachment, customer trust and customer loyalty in the beauty clinics industry in Surabaya. It is anticipated that the findings of this study could provide a broader view in understanding the behaviour of the consumer.

2. Literature Review

2.1 Customer Experience

Today’s consumers are not only interested in buying a product seeking for the functional benefits, but also considering the choices that they could make based on different product experience offered by the marketers (Zarantonello and Schmitt, 2010). According to Pullman and Gross (2004), delivering an excellent experience would drive customer loyalty not only through the functional designs but also would create an emotional attachment with the brand or product. Customer experience is obtained when consumers consume a product or service. As such, every customer has different experiences even when consuming the same product or service. There are four dimensions of an identified experience, namely: 1) sensory; 2) affective; 3) intellectual; and 4) behavioural dimension (Rajumesh 2014). First, the sensory dimension that refers to customers’ senses including visual, auditory, and tactile. This sensory dimension is exposed directly when the customer has the first moment-of-truth encounter with product consumed or service delivered. Second, the affective dimension that includes consumers’ feelings that are associated with the brand; thus, the emotional attachment is developed. Third, the intellectual dimension that reflects consumer’s perception towards their understanding or knowledge that are linked with the brand. The last experiential dimension is the behavioural dimension, which exposes the customer’s lifestyles and interactions with the brand.

2.2 Emotional Brand Attachment

Malar et al., 2011 define emotional brand attachment as an emotional bond that connects consumers with a specific brand and involves certain feelings toward the brand. According to Barreda et al., (2013) emotional brand attachment is a form of brand association with consumers which poses a longer bond leading to a continuous and robust commitment between the consumer and the brand itself. This then makes the company use the brand as a vehicle to build a strong emotional connection with its customers in the hope of encouraging loyalty and as a return, leading to profitability for the company itself (Hung, 2014). Similarly, Malar et al. (2011) and Thomson (2015) state that emotional brand attachment has three inter-related dimensions namely: affection, passion and connection. First, affection includes feelings such as cherished, loved, friendly, peaceful, and everything else that reflects warm feelings consumers had about a brand. Second, passion includes feelings like excited, thrilled, captivated and everything else that reflects a strong feeling that directs consumers toward a brand. Third, the connection dimension which includes the feeling of being connected and bonded with the brand. Meanwhile, Levy and Hino (2016) explain that emotional brand attachment can be measured using the following indicators: 1) consumer has a unique relationship with the brand; 2) consumer feel a sense of belonging in the products they purchase, and 3) the product is suitable with the consumer’s personality.

2.3 Customer Trust

Gul (2014) defines customer trust as the belief that a consumer has toward a company or service provider would meet his or her needs. When a consumer trust a company, he has a strong belief in the quality of the company’s products and services. In the context of the service industry, Levy and Hino (2016) state that trust is associated with customers’
expectation and a belief that service providers would act as promised. Such a belief implies dedication for reducing the cost of negotiating agreements (Sahin, Zehir, & Kitapci, 2012). Gul (2014) in his study measured customer trust using these following indicators: 1) the product makes consumers feel safe, 2) the products and services of the company are quality guaranteed. Similarly, Levy and Hino (2016) explain that these indicators can measure customer trust: 1) the product is trustworthy, and 2) the product has fulfilled its obligations to consumers. Levy and Hino (2016) contend that trust is significantly influenced by customer satisfaction and also have an effect on consumer loyalty.

2.4 Customer Loyalty

A simple definition of loyalty as stated by Rajumesh (2014) is an act demonstrated by consumers to frequently purchase the same brand over time, while brand loyalty is viewed as a preference, commitment or purchase intention-behaviour that customers perform to buy the same product or service’s brand (Rajumesh, 2014). More comprehensively, Levy and Hino (2016) describe customer loyalty as the promise of a buyer to buy a product, service, and particular brand of one organization over some time consistently regardless of the products and innovations from the competitors introduced to the market. In this case, customers are voluntarily remaining loyal to stay with the company’s brand and not willing to switch to other brand or companies. Gul (2014) in his research measured customer loyalty using these indicators: 1) if necessary, consumers will make some small sacrifices so that they can continue to use these products and services; 2) consumers tend to praise and are willing to defend the product, and 3) consumers will tend to praise and defended the product.

2.5 The Relationship Among Customer Experience, Emotional Brand Attachment, Customer Trust and Customer Loyalty – Hypotheses Development

Experience occurs when consumers consume or use products and services (Brakus, Schmitt, & Zaramtonello, 2009). Experience is a complicated aspect, which includes four dimensions: sensory, affective, intellectual and behavioural. Nowadays, experience has been widely accepted by brand managers as a brand strategy tool in addition to the conventional brand building techniques. Consumers who have a positive experience with certain products or services will behave as loyal consumers for these products or services (Rajumesh, 2014). This happens because consumers accumulate their positive experiences in the past so that affective loyalty is created, which in turn, encourages customer loyalty. Previous studies have confirmed that consumer experience of the product or service has a significant effect on customer loyalty. Consumers who have positive experiences with particular brands behave as loyal customers for the brand. Research conducted by Rajumesh (2014) revealed that customer experience had a positive and significant influence on customer loyalty. Similarly, Brakus et al. (2009) in their study also found that customer experience significantly influenced consumer loyalty. Based on this discussion, the first hypothesis was formulated as follows:

\( H_1: \) Customer experience has a positive and significant effect on customer loyalty

Customer’s experience when consuming product and service is likely to touch the emotional side rather than the cognitive side. An emotional aspect relates to feeling, fantastic and fun. The experience that can touch the emotional side of consumers will lead to consumer attachment to specific brands or products (Ardyan et al. 2016). Sahin et al. (2012) state that a customer's experience with a product or service will determine his or her satisfaction towards the product or service purchased. Satisfaction is a state wherein a customer evaluate their expectations shaped before the purchase or consumption of the product with the actual performance of the product. A study by Ardyan et al. (2016) and Baser et al. (2015) showed that past purchasing experience increased consumer confidence. In other words, customer experience has a positive and significant influence on customer trust. Past purchase experience will increase someone’s confidence in buying the same product or choosing the same brand in the future. In addition, past purchasing experience will increase consumer confidence. Based on this discussion, the second and third hypothesis were formulated as below:

\( H_2: \) Customer experience has a positive and significant effect on emotional brand attachment

\( H_3: \) Customer experience has a positive and significant effect on customer trust

Either utilitarian or hedonic values derive consumer motivation to purchase a brand or a product. Utilitarian tends to show a more rational whereas hedonic values will drive a more emotional buying decision. This includes comfort, being pampered, practical, relaxed, feel respected, safe, sophisticated, and being accepted. Such emotions tend to play a substantial role in the decision-making process regarding loyalty behaviour in various segments.
memories. Satisfactory experiences would create a long-term, pleasant experience. This trust is derived from the high quality of products or services the company offers. Customers would trust the company in its ability to deliver satisfactions even before actual consumption and experience stage, when the promise made by the company. During the external factors, external factors could be derived from the promise made by the company. Before buying the product or service, customers evaluate the company’s ability to create deep emotional bonds between service providers and customers. This bonding can aid in how service providers can meet customers' unique emotional needs. As such, the emotions felt by customers can foster customer loyalty to a product. On this basis, the fourth hypothesis was formulated as follows: 

H₄: Emotional brand attachment has a positive and significant effect on customer loyalty

Trust is considered a particular psychological state such as in the case of loyalty and that can only occur in some issues. When a customer trusts a product, he has strong confidence in the quality of the products and services provided. Customers with a high trust level to a company or a brand will show a willingness to make a repeat purchasing (Idrees, Xinping, Shafi, Hua, & Nazeer, 2015). Flavián and Guinalíu (2006) and Idrees et al. (2015) claim that a higher level of trust will lead to a stronger customer loyalty level. Furthermore, in their respective studies, Ardyan et al. (2016) and Sidabutar (2015) revealed the same findings that trust has revealed as a significant mediating variable between customer behaviour before and after purchasing specific products. That is, before buying the product or service, customer expectation is formed both by internal and external factors. External factors could be derived from the promise made by the company. During the actual consumption and experience stage, when the brand can fulfill its promise to customers, not only satisfaction occur, but also trust is generated. Customers would trust the company in its ability to deliver high-quality products or services as well as a continually pleasant experience. This trust derived from the satisfactory experiences would create long-term memories. A consumer who trusts a company is expected to trust its brand, which in turn, increase the level of consumer loyalty toward the product. As such, the fifth hypothesis was formulated as follows: 

H₅: Customer trust has a positive and significant effect on customer loyalty

Those above hypotheses put a basis for proposing the conceptual model as portrayed Figure 1.

3. Methods

This study applied a quantitative approach in which the hypothesis testings were accomplished to test relationships among the examined variables. The population were all customers (females or males) of the aesthetic clinics and the aesthetic clinics in Surabaya. The sampling sites chosen were six leading medium-upscale beauty clinics in Surabaya namely: 1) Erha Clinic; 2) Profira Clinic; 3) Natasha Clinic; 4) Miracle Clinic; 5) Emde Clinic; and 6) Jayanata Clinic. Samples were selected purposively meaning that they had to meet criteria that are aligned with the purpose of the study, as follows: 1) samples aged above 17 years old; 2) at least had a service at one of the six beauty clinics at least within six months when the data collection was conducted in November 2018.

A survey was completed to obtain the primary data. The sample size was determined based on minimum sample size as suggested by Hair, Anderson, Thatham, and Balcak (1998) that for multivariate analysis, the samples can be as many as 5-10 times of total observable variables. On this basis, a total of 230 samples were approached since total observable variables developed in the questionnaire were 23 items. The questionnaire was designed consisting of three parts: 1) screening questions (2 items); 2) demographic profiles and behavioural questions related to beauty clinic service (8 items); and 3) main concepts of customer experience, customer trust, emotional brand attachment, and customer loyalty. The items or empirical indicators for each concept were developed based on the literature review conducted previously. There were 7 questions to measure customer experience (Sahin et al.); 4 questions to measure emotional brand attachment (Levy & Hin, 2006); 6 items to measure customer trust (Gul, 2014; Levy & Hin, 2006); and 6 questions to measure customer loyalty (Gul, 2014). Altogether there were 23 close-ended questions. A five-Likert scale from 1 (strongly disagree) to 5 (strongly agree) was used to measure part 3 of the questionnaire. A pilot study of 30 respondents was completed before the survey, and all items were found valid and reliable. The Partial Least Squares (PLS) path modelling method was selected using SmartPLS 3.0 software for the estimation of the structural model.
4. Findings

Total survey participants were 230 respondents. Male respondents were only 20 per cent (n=48) out of total participants; in other words, 79.1 per cent of respondents were females (n=182). The majority of respondents were aged 24-29 years old (44.3%) and 30-35 years old (21.7%), working as employees and self-employed or entrepreneurs. Sixty per cent of the total respondents obtained an undergraduate degree (n=138). In terms of the income, most respondents had an average monthly income between IDR 3.5-6.9 million (41.3%) and those who earned IDR 7-999 million/month were about 25% of total participants.

The PLS path model analysis illustrates that all measures met the commonly accepted threshold for assessing the reliability and validity of the constructs. Table 1 shows the details of the construct reliability and validity. First, all the constructs’ average variance extracted values were above the minimum criteria of 0.50, suggesting satisfactory convergent validity. Second, the indicators’ cross-loadings inform that no indicator loaded higher on an opposing construct. Third, all indicators displayed significant standardized loadings above 0.700 (p <.001), demonstrating indicator reliability. Correspondingly, all constructs obtained high Cronbach’s alpha (α) and composite reliability values greater than 0.800, entailing adequate internal consistency. Finally, all values of Stone-Geisser’s Q2 were significantly above zero, providing satisfactory evidence of the model’s predictive relevance.

Figure 2 demonstrates the outcome of the structural model test. The non-parametric bootstrap analysis revealed that most of the proposed relationships were significant. Concerning hypothesis testing, all hypotheses were supported. Specific hypothesis test results are displayed in Table 2.

Table 2 shows that customer experience has a significant effect on customer loyalty as indicated by the t-statistic value of 2.634 that is higher than the t-table value of 1.96, meaning that H1 is accepted. This implies that the better the quality of experience that is perceived by the customers, their likelihood to become a loyal customer is also higher. Next, customer experience is founded as a significant predictor for emotional brand attachment, as can be seen from Table 2 that the t-statistic value of 12.595 is higher than the t-table of 1.96, meaning that H2 is accepted. This finding indicates that the better the quality of experiences that is perceived by the customers, the higher customers’ emotional attachment toward the brand or company. Moreover, the influence of customer experience on customer trust can be viewed in Table 3 from the t-statistic value of 13.297 that is higher than the t-table value of 1.96 (H3 is accepted). This result indicates that the better the quality of experiences that is perceived by the customers, the level of customer trust would also be higher. Concerning the effect of emotional brand
attachment on customer loyalty, the finding shows that the t-statistic value of 4.842 is larger than t-table value of 1.96 (H₄ is accepted). This finding is appealing since this indicates that the higher customers’ emotional attachment toward the brand or company would lead to the higher chance to make the customers loyal with us. In terms of the effect of customer trust on customer loyalty, the t-statistic value of 5.115
Table 2. Results of Hypothesis Testing

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Influence</th>
<th>Path Coefficients</th>
<th>t-statistic</th>
<th>Result</th>
<th>Supported?</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>CE → CL</td>
<td>0.192</td>
<td>2.634</td>
<td>significant</td>
<td>Yes</td>
</tr>
<tr>
<td>H2</td>
<td>CE → EBA</td>
<td>0.604</td>
<td>12.595</td>
<td>significant</td>
<td>Yes</td>
</tr>
<tr>
<td>H3</td>
<td>CE → CT</td>
<td>0.654</td>
<td>13.297</td>
<td>significant</td>
<td>Yes</td>
</tr>
<tr>
<td>H4</td>
<td>EBA → CL</td>
<td>0.338</td>
<td>4.842</td>
<td>significant</td>
<td>Yes</td>
</tr>
<tr>
<td>H5</td>
<td>CT → CL</td>
<td>0.382</td>
<td>5.115</td>
<td>significant</td>
<td>Yes</td>
</tr>
</tbody>
</table>

illustrates a higher value than the t-table of 1.96 (H$_5$ is accepted). This result implies that the higher customers’ level of trust toward a brand or company; thus, the likelihood of getting customers to be loyal is also higher. To summarise, all five hypotheses that were proposed can be all accepted.

5. Discussions

As can be viewed in Table 2, the proposed H$_1$ that there is a positive effect on customer experience on customer loyalty is accepted. This means the better the quality of experiences provided and felt by the customers, the higher the level of the likelihood the customers remain loyal with the company. This result is consistent with previous studies conducted by Rajumesh (2014) and Brakus et al. (2009) that also revealed that customer experience had a positive and significant impact on customer loyalty. In other words, when consumers have a positive experience with a product or service they purchase, the customers will become loyal. In the case of beauty clinics, providing a good experience for the customers is very critical. Visiting a beauty clinic means the customer would expect to get personalised care and treatment both from the doctors and the therapists. Out of seven indicators of customer experience portrayed in Table 1, relaxing treatment is found as the most significant indicator reflecting the quality of experience that is valued by the respondents (outer loading value = 0.803). In other words, the customers highly expect such a relaxing treatment since it can be considered as the primary motivating factor for customers to go to beauty clinics.

In Table 2, the proposed H$_2$ that there is a positive effect on customer experience on emotional brand attachment is also accepted. This result indicates that the better the quality of experiences provided and felt by the customers, the higher the level of the likelihood the customers would have a stronger emotional attachment with the company or the brand. The finding confirms previous studies that were completed by Ardyan et al. (2016) that showed a significant effect on customer experience on emotional brand attachment. When engaging with a product or service, customers are likely to be stimulated emotionally than rationally. Ardyan et al. (2016) explain that emotional aspect relates to feeling, fantastic and fun. It is, therefore, service providers who can offer any experience touching the emotional side of consumers will have a bigger chance to create a stronger emotional attachment from their customers (Sukoco and Hartawan, 2011). In relation to beauty clinics, building a strong emotional brand attachment becomes the key of success in retaining the customers. As stated earlier, such an attachment will only be achieved when the company can create a positive experience for the customers. As seen in Table 1, proud to be a customer of the clinic is revealed as the most significant indicator reflecting customer's emotional brand attachment (outer loading value = 0.805). As such, beauty clinics should consistently offer an excellent quality service so that customers would have a positive impression of the quality of experience they have received.

Table 2 also shows that the proposed H$_3$ that there is a positive effect on customer experience on customer trust is accepted. This result implies an essential fact that the better the quality of experiences provided and felt by the customers, the higher the level of customers will trust the company. This result accords with previous research conducted by Ardyan et al. (2016) that showed a significant impact of customer experience on customer trust. Both past and current experiences received by the customers will encourage them to be more confident buying the product or service from the same company or the same brand in the future. The relationship between customer experience and customer trust offers an important highlight by beauty clinics to pay attention to the quality of experience they provide to their customers since it would shape the trust of the customers. Once the customers trust the quality of the clinics, it would be easier to retain them to be loyal with the companies. As can be seen in Table 1, the treatment procedure are and product sold are in good quality are found as two indicators of customer trust with the highest loading factor (outer loading value = 0.810 & 0.808, respectively). This implies for the management, these two aspects need to be taken into account carefully so that customer trust could be developed.
With regards to \( H_5 \), the finding seen in Table 2 confirms that there is a positive effect of emotional brand attachment on customer loyalty; thus \( H_5 \) is accepted. This result indicates that the stronger the emotional attachment of customers with a particular company or a brand, the higher the likelihood for customers to become loyal with the company or brand. This finding aligns with previous research by Levy and Hino (2016) that also proved the emotional brand attachment’s significant effect on customer loyalty. The strong emotional attachment that the customers have towards the brand is a result of a continuous relationship between the service provider and its consumers. For beauty clinic management, creating positive emotions of their consumers will encourage them to give proper assessment about the aesthetic and personal care services that are experienced by the customers. Moreover, as revealed in the result in Table 1, the indicator of proud to be a customer of the clinic is an obvious expanded emotional attachment that the customers have with the clinics they go to for the treatment. As a result, all of these positive attachments will lead to customers' intentions to stay loyal to the clinics for an extended period.

In relation to \( H_6 \), the finding seen in Table 2 confirms that there is a positive effect of customer trust on customer loyalty; thus \( H_6 \) is accepted. This implies that the higher the level of customer trust with a particular company or a brand, the higher the likelihood for customers to become loyal with the company or brand. This result confirms previous studies of Flavian and Guinalíu (2006) and Gul (2014) which found that customer trust had a positive and significant impact on customer loyalty. The literature has shown that customer trust towards a product or service would directly influence them to stay loyal to the company since they do not need to think twice to make a repeat purchase (Ardyan et al. 2016; Sidabutar, 2015). If a brand fulfils its promise, trust is developed and it goes stronger in correlation with the long-term relationships built between the company and its customers. In this situation, purchase decision will be made straight away without bothering to search for the information for the products they are going to buy. As demonstrated in Table 1, telling positive experiences to others is found as the indicator whose loading factor is the highest (outer loading value = 0.861). This implies that behavioural loyalty of customers would be reflected by the willingness of customers of beauty clinics to spread a positive word of mouth or a good testimony about their pleasant experiences to other people.

6. Conclusion and Recommendations

This study aims to determine the effect of customer experience on customer loyalty through the mediating roles of customer trust and emotional brand attachment. The results of this research have confirmed previous studies that had been conducted in various industry settings. This study was taken in the context of beauty clinics in Surabaya that offers aesthetic and personal care service and treatment. The concepts that selected to be investigated in this study appeared to be very relevant with the nature of the industry, that is, the beauty clinics, that lean on primarily on the personalised experience delivered to the customers. It is, therefore, two recommendations are offered to the beauty clinics management. First, it is crucial to ensure that both doctors and therapists in the clinics to provide a consistent treatment that would create a positive experience for the customers, mainly to make them feel relaxed during and after the treatment. Last, the management should develop clear and consistent treatment procedures for all customers, since this aspect is found to be the highest reflector that could make customers feel proud as a member of the clinics, which in turn, create a higher level of customer trust toward the clinics.

References


