

**EFFECT OF EXPERIENTIAL MARKETING ON PURCHASE INTENTION: A  
MODERATED MEDIATION OF STORE IMAGE AND PERCEIVED VALUE  
AMONG SELECTED SUPERMARKETS IN NAIROBI; KENYA.**

**BY**

**CLEMENT GICHUNGE NKAABU**

**A THESIS SUBMITTED TO THE SCHOOL OF BUSINESS AND ECONOMICS  
IN PARTIAL FULLFILMENT OF THE REQUIREMENT FOR THE AWARD OF  
THE DEGREE OF DOCTOR OF PHILOSOPHY IN BUSINESS MANAGEMENT  
MARKETING OPTION, MOI UNIVERSITY**

**2018**

## DECLARATION

### Declaration by the Student

This thesis is my original work and has not been presented to any other examination body. No part of this work should be reproduced without prior written permission of the author and/or of Moi University.

Signature.....

Date.....

Clement Gichunge Nkaabu

**SBE/PHD/007/15**

### Declaration of the Supervisors

This thesis has been submitted with our approval as the supervisors of Moi University.

Signature .....

Date.....

Dr. Ronald Bonuke

Department of Marketing and Logistics

School of Business & Economics

Moi University

Signature.....

Date.....

Dr. Ernest Saina

Department of Agricultural Economics and Resource Management.

School of Business & Economics

Moi University

## **DEDICATION**

This work is dedicated to everyone who believes that Kenya is a great country and which offers immense opportunities to all those who believe in honest and hard work.

## ABSTRACT

The experience economy is right here; characterised by high levels of competition and assertive customers who make purchase decisions guided by their rational and emotional influences. Moreover, customers are value driven and get attracted by outlets that project positive images. There has however been no known empirical research that has modelled this complex relationship. The purpose of this study was therefore to determine the relationship between experiential marketing and purchase intention, moderated and mediated by store image and perceived value. The study was grounded on the Theory of Planned Behavior, Pine & Gilmore model of experience economy, and the Stimulus Organism Response model. Quantitative and explanatory research designs guided the study. Data for the study was collected from a sample of 420 customers from the Nairobi city based branches of three tier one retail Chains in Kenya namely Nakumatt, Tuskys and Naivas. Store intercept method was used to purposefully identify the study respondents and a questionnaire used to collect data. Data was tested to ensure that it conforms to the regression assumptions and later analyzed using descriptive and inferential statistics. Confirmatory factor analysis and structural equation modeling (SEM) was used for data analysis, using the software's; SPSS, SPPSS with process macro model 7. Relationships were tested based on the dimensions and not the first order constructs. Multiple hierarchical regression analysis was used in determining the regression model with the overall efficiency of the model determined by use of coefficient of determination ( $R^2$ ). The results of the study showed that all the direct and indirect (mediated) relationships were statistically significant. Moreover, bootstrapping results indicate that only three out of six conditional indirect effects were statistically significant; those involving social-sensory experience and social value ( $\beta=0.0245$ :  $Bt_{ll}$  0.0045,  $Bt_{ul}$  0.0516), emotional experience and utilitarian value ( $\beta=0.0506$ :  $Bt_{ll}$  0.0045,  $Bt_{ul}$  0.1075), and, emotional experience and social value ( $\beta=0.0628$ :  $Bt_{ll}$  0.0282,  $Bt_{ul}$  0.1099). These results confirm perceived value dimensions (social, utilitarian and hedonic) as mediators in relationships directed at purchase intention while store image also emerged as a moderator in these relationships. The study has contributed to theory by successfully developing and testing an integrated model on consumer decision making. In addition, a new variable social-sensory experience has emerged from this study. The study recommends that supermarket package their strategies to incorporate the shoppers' emotional and social-sensory experiences as well as value propositions that emphasises rational, social and hedonic aspects. Moreover, store personnel should be well trained on service and product knowledge. Future studies may test the model in an online or a non-service sector.

## TABLE OF CONTENTS

DECLARATION .....	ii
DEDICATION.....	iii
TABLE OF CONTENTS .....	v
LIST OF TABLES .....	x
LIST OF FIGURES .....	xi
ACKNOWLEDGEMENT .....	xii
OPERATIONAL DEFINITION OF TERMS .....	xv
LIST OF ABBREVIATIONS AND ACRONYMS .....	xvii
CHAPTER ONE.....	1
INTRODUCTION.....	1
1.0 Overview .....	1
1.1 Background of the Study.....	1
1.1.2. Retail Sector in Kenya .....	6
1.2 Problem Statement.....	7
1.3. Objectives of the Study .....	10
1.3.1 General Objective .....	11
1.3.2 Specific Objectives.....	11
1.4 Research Hypothesis .....	12
1.5. Significance of the Study.....	12
1.6. Scope of the Study .....	13
1.7 Limitations and Delimitations of the Study. ....	14
CHAPTER TWO.....	15

LITERATURE REVIEW.....	15
2.0 Overview .....	15
2.1 Conceptualization of study Variables .....	15
2.1.2 Concept of Purchase Intention .....	15
2.1. Concept of Experiential Marketing .....	18
2.1.3 Concept of Perceived Value.....	24
2.1. Concept of Store Image .....	31
2.2 Theoretical Perspectives .....	35
2.2.1. Theory of Planned Behaviour (TPB).....	36
2.2.2 Pine-Gilmore Model of the Experience Economy.....	40
2.2.3 Stimulus Organism Response (S-O-R) Model .....	44
2.3 Conceptual Framework.....	49
2.4 The Relationship between Experiential Marketing and Purchase Intention.....	49
2.5 The Relationship between Experiential Marketing and Perceived Value.....	52
2.6 The Mediating Effect of Perceived Value.....	55
2.7 The Moderating Effect of Store Image .....	57
CHAPTER THREE .....	60
RESEARCH METHODOLOGY .....	60
3.0 Introduction .....	60
3.1 Study area .....	60
3.2 Research Design .....	60
3.3 Target Population .....	61
3.4 Sample Design and Sampling Technique.....	62

3.4 Sample Size .....	62
3.4.2 Sampling Procedure .....	63
3.5 Data Collection, Instruments and Management .....	63
3.6 Measurements of Variables.....	66
3.6.1 Measurement of Purchase Intention.....	66
3.6.2 Measurement of Experiential Marketing.....	67
3.6.3 Measurement of Perceived Value.....	68
3.6.4 Measurement of Store Image .....	69
3.7 Reliability and Validity of Research Instrument Validity.....	69
3.7.1 Validity Testing .....	69
3.7.2 Reliability Testing .....	72
3.8 Data Analysis and Presentation .....	73
3.8: Data Entry and Verification .....	75
3.8.2 Testing Assumptions.....	75
3.8.3 Common Method Variance .....	78
3.8. Hypothesis Testing .....	80
3.9 Ethical Consideration.....	81
CHAPTER FOUR.....	82
DATA ANALYSIS, INTERPRETATION AND PRESENTATION.....	82
4.0 Overview .....	82
4.1 Response Rate .....	82
4.2 Demographic Profile of the Respondents.....	83
4.3 Data transformation.....	85

4.4	Descriptive Statistics of the constructs.....	85
4.4.1	Purchase Intention .....	85
4.4.3	Perceived Value .....	88
4.4.4	Store Image .....	92
4.5	Test of Statistical Assumptions .....	93
4.5.1	Normality Test .....	94
4.5.2	Test of Outliers .....	97
4.5.3	Assumption of Homogeneity .....	98
4.5.4	Test of Linearity .....	100
4.6	Psychometric Testing.....	101
4.6.1	Factor Analysis .....	102
4.6.2	Average Variance Extracted (AVE) .....	115
4.6	Discriminant Validity.....	115
4.6.4	Internal Consistency Reliability .....	117
4.7	Test of Common Method Variance.....	120
4.8	Correlations, Means and Standard Deviations.....	120
4.9	Regression Analysis .....	122
4.9.1	Social-sensory Experience and Purchase Intention via Utilitarian Value.....	124
4.9.2	Social-sensory Experience and Purchase Intention via Social Value.....	130
4.9.3	Social-sensory Experience and Purchase Intention via Hedonic Value.....	137
4.9.5	Emotional Experience and purchase intention via Social Value. ....	150
4.9.6	Emotional Experience and Purchase Intention via Hedonic Value. ....	156
4.10	Hypothesis Testing Summary .....	163



CHAPTER FIVE.....	165
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.....	165
5.0 Introduction .....	165
5.1 Summary of the Study .....	165
5.2 Conclusion.....	166
5.3 Implications of the Study Findings .....	176
5.3.1 To Theory .....	176
5.3 To Practice.....	178
5.3.3 To Policy.....	179
5.4 Recommendations .....	180
5.4.1 Management Practice .....	180
5.4.2 Management Policy.....	182
5.5 Suggestion for Further Research .....	182
REFERENCES .....	185
APPENDIX 1: MOI UNIVERSITY INTRODUCTORY LETTER FOR RESEARCH.....	204
APPENDIX 2: RESEARCH PERMIT FROM NACOSTI .....	205
APPENDIX 3: LETTER TO THE RESPONDENTS .....	206
Cover letter.....	206
APPENDIX 4: RESEARCH QUESTIONNAIRE .....	207
APPENDIX 5: Q-Q PLOTS FOR THE STUDY VARIABLES .....	213
APPENDIX 6: RESULTS FOR COMMON METHOD VARIANCE.....	216
APPENDIX 7: OUTPUTS FOR CORRELATIONS .....	218
APPENDIX 8: OUTPUTS FOR REGRESSIONS .....	219

## LIST OF TABLES

Table 4.1: Response Rate.....	83
Table 4.2: Summary of the Demographic Profile .....	83
Table 4.3 Purchase Intention.....	86
Table 4.4 Experiential Marketing .....	87
Table 4.5 Perceived Value .....	89
Table 4.6: Store Image .....	93
Table 4.7 Skewness and Kurtosis 1 .....	95
Table 4.8 Shapiro-wilk Normality Test .....	96
Table 4.9 Levene’s test of Homogeneity .....	100
Table 4.10 Co linearity Diagnostics.....	100
Table 4.11 Factor Analysis- Purchase In .....	102
Table 4.12 Factor Analysis: Experiential market .....	106
Table 4.13 Factor Analysis –Perceived value.....	110
Table 4.14 Factor Analysis- Store Image .....	113
Table 4.15 Average Variance Extracted (AVE) .....	115
Table 4.16 Cross loadings of the constructs within the model .....	117
Table 4.18 Correlations, Means and Standard deviation .....	121
Table 4.19 Results of Regression analysis.....	125
Table 4.21 Results of Regression Analysis.....	138
Table 4.22 Results of Regression Analysis.....	144
Table 4.22 Results of Regression Analysis.....	151
Table 4.24 Results of Regression Analysis.....	157
Table 4.25 Hypothesis Testing Summary .....	163

## LIST OF FIGURES

Figure 2.1: Theory of Planned Behavior .....	38
Figure 2.2 : The 4Es of Experience Economy .....	42
Figure 2.3 Stimulus- Organism- Response .....	45
Figure 2.4: Conceptual framework .....	49
Figure 4.1 Box plots test for outliers .....	97
Figure 4.2: Standardized scatter plot .....	98
Figure 4.3: The Moderating Effect of Store image .....	129
Figure 4.4: The Moderating Effect of Store image .....	135
Figure 4.5: The Moderating Effect of Store image .....	142
Figure 4.6: The Moderating Effect of Store image.....	148
Figure 4.7 :The Moderating Effect of Store image.....	155
Figure 4.8: The Moderating Effect of Store image.....	161

## ACKNOWLEDGEMENT

The completion of this thesis is not just one single project brought to successful completion, but rather it is the end of a long, bumpy and yet fascinating journey in which many people have played instrumental roles. Above all, Gods favour and grace has been amazingly sufficient. May the name of the almighty God be forever exalted. **Amen!**

I would wish to give special recognition to several categories of people. First; My supervisors: Dr. Bonuke and Dr. Saina for allowing me to bother them with endless queries. Their guidance, patience and immense knowledge enhanced my understanding, skills and abilities to enable me soldier on even when all appeared to be an uphill task. They firmly held my hand and encouraged me to take the next step in improving my document. I was truly blessed to have such talented and committed scholars to be my supervisors and I will be eternally indebted to them. Thank you for having faith in me and making me realize that it can be done despite the odds. May the almighty God bless you beyond measure and that you may live to guide many more students.

Two; Very special blessings goes to all my lecturers who took me through my PhD course work under the leadership of the then Dean-School of Business –Prof. Thomas Cheruiyot. The knowledge I have acquired will not only be put to good use, but will be gladly and graciously shared with all those in need. In addition, I can't fail to give special mention to Prof. Michael Korir , Dr. Charles Lagat, Dr. Ambrose Kemboi and Prof. Loice Maru who have been a great source of inspiration to me. Every moment that I interacted with you was eye-opening and inspirational. God bless you all.

Three: To all my PhD colleagues at Moi University that I have interacted with in my PhD journey, we have become a family that will forever occupy a special place in my heart. Our discussions, laughter's, and struggles will always remain ingrained in my heart and memory. Thank you so much for the support you gave me as your class president as I coordinated the class activities.

Four: Since the path of education always begins at home, I would wish to acknowledge the role my family played in my academic journey. My mum- Pliska Nkuene, you have always treasured education even though circumstances did not allow you to complete your O-levels. This PhD is dedicated to you. My nuclear family, starting with my wife Alice Kendi , son Brave Koome, and daughter Precious Kanana,; you have been a great source of encouragement all through my studies.

Five: To the Management and staff of Nakumat supermarkets, Tuskys supermarket and Naivas supermarket. Accept my utmost gratitude for facilitating my data collection exercise in your branches.

Six: To my two special friends and colleagues at Kenya Methodist University; First; Dr. Nancy Rintari; You have remained a key pillar in my academic journey. As a fellow marketer, you inspired me to zealously pursue my dream of completing my doctorate in marketing. Thank you for having faith in me. Also to Prosy Vunyiwa: my colleague who has been instrumental in editing and polishing my work. Thank you for allowing me to bother you endless times without feeling offended. God bless you.

To many of you who I may not have specifically mentioned your names; whether my lecturers, relatives, friends, my former teachers in primary school and high school, my church members, and all well-wishers, whatever role you have played in my life; thank you and May God richly bless you. This amazing journey has been eventful but most certainly; it is worth it.

**Thank you Lord.**

## OPERATIONAL DEFINITION OF TERMS

**Experiential marketing:** Memorable events or experiences that engage the consumer in a personal way, such that he/she feels as being part of them, while exhilarating the senses and providing him/her with sufficient information to make a decision(Pine& Gilmore 1998)

**Perceived value:** It is a customer's perceived preference for and evaluation of those product attributes, attribute performance, and consequences arising from use that facilitate (or block) achieving the customer's goal and purposes in use situations(Woodruff 1997)

**Purchase intention:** The repeat request indicating the desire of customers to make purchases again and which occurs only if the customer has obtained the expected level of satisfaction (Anggie & Haryanto, 2011).

**Store Image:** It is a total impression represented in the memory as a result of perceived attributes associated with the store which are independent and interdependent in the consumer's memory based on both current and previous exposure to stimuli (Hartman & Spiro ,2005).

**Sensory Experience:** Refers to the aesthetics and sensory perceptions about the shopping environment, atmosphere, products and service (Yang & He, 2011).

**Emotional Experience:** This includes the moods and emotions generating during the shopping trip(Yang & He, 2011).

**Social Experience:** This relates to the relationships that a shopper has with others and society (Yang & He, 2011)

**Utilitarian value:** This refers to the benefits shoppers receive when their task related needs are met and therefore regards shoppers as rational problem solvers who aim at realizing monetary savings and shopping convenience (Rintamäki, Kanto, Kuusela, & Spence 2006)

**Social Value:** Regards shopping as one that represents a social act where symbolic meanings, social codes, relationships, and the consumer's identity and self may be produced and reproduced as the shopper interacts with other shoppers, store personnel and the wider society (Rintamäki, Kanto, Kuusela, & Spence 2006).

**Hedonic value:** This refers to those facets of consumer behavior that relate to the multisensory, fantasy and emotive aspects of one's experience with products (Hirschman & Holbrook, 1982)



### LIST OF ABBREVIATIONS AND ACRONYMS

<b>AVE</b>	Average Variance Extracted
<b>BCI</b>	Bootstrap Confidence Interval
<b>CMV</b>	Common Method Variance
<b>CR</b>	Composite Reliability
<b>DV</b>	Dependent Variable
<b>EM</b>	Experiential Marketing
<b>HV</b>	Hedonic value
<b>IV</b>	Independent Variable
<b>KMO</b>	Kaiser-Meyer-Olkin
<b>PCA</b>	Principal Component Analysis
<b>PI</b>	Purchase intention
<b>Q-Q</b>	Quantile-Quantile plot
<b>SESO</b>	Social-sensory experience
<b>SI</b>	Store image
<b>S-O-R</b>	Stimulus Organism Response
<b>SV</b>	Social value
<b>TPB</b>	Theory of Planned Behaviour
<b>UT</b>	Utilitarian Value
<b>VIF</b>	Variance Inflation Factor

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.0 Overview**

This section covers the background of the study, statement of the problem, the objectives, hypothesis, significance and scope of the study.

#### **1.1 Background of the Study**

Gaining understanding of consumer behavior remains a key pillar of the marketing concept and hence continues to attract increasing interest from both the marketing practitioners and scholars across the world. Of special interest is the need to gain understanding of the dynamics of consumer purchase intentions and which has been the focus of considerable recent attention (De Cannière, De Pelsmacker, & Geuens, 2010: Khan & Rahman, 2014: Awan, Siddiquei, & Haider, 2015). Purchase intention is “a combination of consumers' interest in and possibility of buying a product” (Kim & Ko, 2012 P.1481). It is a set of alternatives under consideration by the consumer with the choice among product alternatives influenced by the context of the purchase decision (Ashton and Scott, 2011). Purchase intention “represents the possibility that consumers will plan or will be willing to purchase a certain product or service in the future”(Wu, Yeh, & Hsiao, 2011 p.3) . Furthermore, it is the exchange behavior created after consumers' general evaluation of a product or attitude towards a brand combined with external stimulating factors and hence may be regarded as a perceptual reaction involving a subjective judgment for what we would like to buy in the future (Lin & Lu,

2010). According to Chang, Hsu, & Chung, (2008), it is a customer plan to buy a specific brand and therefore a useful basis upon which marketers can be able to predict sales of new and existing products (Morrison, 1979; Hanzae & Adibifard, 2012). Purchase intention is regarded as a subjective inclination toward a product and which can be an important predictor of consumer behavior (Wu et al., 2011; Fishbein & Ajzen, 1975) . For the purposes of this study, purchase intention means the stated likelihood to revisit and shop in a given supermarket.

Tirtiroglu and Elbek, (2008) citing Howard & Sheth, (1969) posits that purchase intention; the stage preceding actual purchase, may be used as a predictor of purchases. They further cite various models on buyer behavior that show linkage between purchase intention and actual purchase; ( Fishbein & Ajzen, 1975; Howard & Sheth, 1969). Though there is a lack of consensus on the strength of the relationship between purchase intention and actual purchase, most studies have confirmed the existence of a significant and positive relationship (Hosein, 2012, Alwitt & Pitts, 1996, Banerjee & Pawar, 2013, Li, Daugherty, & Biocca, 2002, Morwitz, Steckel, & Gupta, 2006) .

Lin and Lu (2010), summarize the literature on purchase intention by pointing out several meanings: the possibility that consumers are ‘willing’ to consider buying, represents what a person ‘wants’ to buy in the future and lastly it reveals the decision of a consumer to ‘buy’ a company’s product ‘again’. This may explain why according to Dodds, Monroe, & Grewal (1991) questions for the measurements of purchase intention include “considering to buy,” “willing to recommend to my friends,” and “chance to buy.”

In addition for purchase intention being used as a proxy for purchase behavior, it is also routinely used to make strategic decisions concerning both new and existing products and the marketing programs that support them (Morwitz et al., 2006). For instance, it is used in concept tests to help managers determine whether a concept merits further development, and in product tests to direct attention to whether a new product merits launch and probably which geographic markets and to which customer segments the product should be launched. In addition, it is useful in forecasting future demand and such forecasts are useful inputs to decisions such as whether to increase or reduce production levels, whether to change the size of the sales force, and whether to initiate a price change. Furthermore, purchase intentions are used to pretest advertising and evaluate proposed promotions for both new and existing products (Morwitz et al., 2006).

Researchers have assessed the influences on purchase intention using numerous dimensions. For example, a study by Wong & Mo (2014) investigated the relationship between the gender, age, income, and race of consumers and their intention to purchase an automobile. The study by Son, Jin, & George (2013) on the purchase intention of foreign apparel goods used the dimensions of attitude, face saving, perceived behavioural control, subjective norms and group conformity. Putro & Haryanto, (2015) investigates on the consumer's purchasing intention towards Zalora using three independent variables of perceived ease of use, perceived usefulness, and perceived risk, mediated by consumer's attitudes. A study by Jaafar, Lalp, & Naba (2013) used intrinsic dimensions (perceived risk, perceived quality and perceived value), extrinsic dimensions (Perceived

price , Advertisement, Packaging , Store image) and consumers attitudes (Trust , Familiarity, Perceived economic situation) as the determinants of purchase intentions. In a study on 'Factors Affecting Pakistan's University Students' Purchase Intention Towards Foreign Apparel Brands' (Shah, Shahzad, Ahmed, & Ahmed, 2012), purchase intention is influenced by different variables namely; Normative influence, Consumer confidence, Brand consciousness, Perceived quality and Emotional value. Normative influence and Consumer confidence impact Purchase intention through Brand consciousness, Perceived quality and Emotional value.

A study on factors affecting Halal purchase intention (Awan et al., 2015) confirmed five factors ; Halal Awareness, Personal and Societal Perception, Halal Marketing, Halal Certification and Religious Belief as the predictors of Purchase intention. Moreover, a study on Antecedents of luxury brand purchase intention (Hung et al., 2011) identified three purchase intention antecedents of; luxury brand perception (functional value perception, experiential value perception and symbolic value perception), trait of vanity( physical vanity and achievement vanity), and social influence. On their part Tih & Lee (2013) did a study on 'Perceptions and Predictors of Consumers' Purchase Intentions for Store Brands' and identified Price, perceived quality variation, store brand familiarity, perceived risk and perceived value for the money as being among the predictors of store brand purchase intentions.

The fact that the intention-purchase relationship has continued to attract a number of empirical studies highlights the importance of gaining greater understanding of this

relationship by both marketing practitioners and scholars. This continued interest in this purchase-intention relationship is also indicative of the existence of inherent gaps in literature and hence the need for further study in this area.

This study investigated the influence of experiential marketing on purchase intention mediated and moderated by perceived value and store image. Experiential marketing is referred to as the memorable events or experiences that engage the consumer in a personal way, such that he/she feels as being part of them, while exhilarating the senses and providing him/her with sufficient information to make a decision (Gilmore & Pine, 2002). Perceived value is “the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given” (Zeithaml, 1988 p. 14). Store image is a “composition of attributes (both factual and imagined) that consumers attach to a particular retail entity” (Beneke & Zimmerman, 2014 p.3). The linkage between experiential marketing, purchase intention, store image and perceived value is implied by Andreassen & Lindestad (1998 p.3) who citing Oliver, (1980) argues that “customer loyalty (such as repurchase intentions and willingness to provide positive word-of-mouth) is a function of customer satisfaction, which again is a function of a cognitive comparison of expectations prior to consumption and actual experience”. Due to the increasing competition in the retail sector, and the consumer’s negative perceptions of the traditional communication approaches, the need for organizations to appeal to their target customers at the emotional level becomes imperative. Moreover, consumers are always driven by the need to derive value from their shopping experiences and this should occur in a retail setting that presents a positive and compelling image. It is in view of this, that the study

investigated the interactions of experiential marketing, perceived value, and store image in influencing consumer's purchase intentions within the Kenyan retail sector.

### **1.1.2. Retail Sector in Kenya**

The African retail sector though largely undeveloped compared to the western world, is on a path to sustained growth fueled by factors such as demographic and macroeconomic factors, as well as spending patterns and consumer traits . This potential has ignited massive interest from international retailers to establish a footprint on the continent ("Sector Report: The African Consumer and Retail," 2014). Kenya has a well-developed retail sector in an African context, with the formalisation of the retail market in Kenya gathering pace in recent years, evidenced by the sharp increase in the number of outlets ("Sector Report: The African Consumer and Retail," 2014). According to Kiragu, (2016a p.18), the value of consumer spending within the last five years has risen by as much as 67% making Kenya the continents fastest growing retail market. Kenya's formal retail penetration rate ranges between 30% to 40% making it the second highest in Sub-Saharan Africa after South Africa whose penetration averages 60 % . Furthermore, Kenya is second to South Africa and doubles Nigeria, Africa's largest economy, in the level of development of its formal retail shopping system ("Sector Report: The African Consumer and Retail," 2016). A report by Euromonitor on "Retailing in Kenya," (2016) projects continued growth in retailing and which may be attributed to a rise of the middle class with high disposable incomes, improved infrastructure, and the growth in property boom allowing retailers to take up prime locations near residential areas for customer

convenience, as well as the devolution of services to rural areas, encouraging the footprint expansion of retail outlets nationwide.

The growth may be indicated by the continued expansion of branch networks of the existing local supermarket chains such as Nakumatt, Tuskys and Naivas and the interest being expressed by global supermarket chains such as Carefour and Choppies. The Kenyan retail sector and which contributes 30 % to the Kenyan GDP (Kiragu, 2016) has been monopolised by local supermarket chains with foreign chains struggling to make inroads due to a general resistance to foreign takeovers. (“Sector Report: The African Consumer and Retail,” 2015). As at July 2016, Nakumatt had 60 branches, Tuskys 54 and Naivas 40 translating to 39%, 35% and 26% respectively of their combined branch network. With this increased competition and the projected growth, it therefore demands that retailers enhance their initiatives of attracting shoppers to their stores and thereafter lead them into buying. For this to be realized, retailers must be seen to offer value to the customers in an environment that is emotionally and aesthetically appealing, leading to pleasurable experiences.

## **1.2 Problem Statement**

One of the greatest challenges marketing practitioners and researchers face is the question of determining how consumers make choices and the underlying factors influencing purchase intentions. Overcoming this challenge is essential in determining probable and practical approaches of influencing the consumers in favour of particular products, brands and even retail stores. Furthermore, researchers have continued carrying out studies on



purchase intentions (Huang, 2012, Hung et al., 2011, Awan, Siddiquei, & Haider, 2015) emphasizing its increasing importance in marketing.

Researchers have equally theorized that the traditional canonic marketing principles are fast losing relevance in this era of information, branding and communications revolution (Schmitt, 1999) making audiences develop antipathy to the traditional communication approaches that have reached near saturation levels. The perfect answer to this challenge is experiential marketing that connects with the customers at the individual and emotional level resulting to increased customer satisfaction and enhanced firm competitiveness (Schmitt, 1999; Pine & Gilmore, 2016; Pine & Gilmore, 1998; Vila-Lopez & Rodríguez-Molina, 2013). Furthermore, with the increasing competition in the retail sector and particularly here in Kenya, retailers need to ensure that they offer value to their customers. According to Jackson, Stoel, & Brantley (2011), this value represents the overall benefits realized from a particular shopping experience and captures the consumers response to a set of retail store attributes. Moreover, consumers are looking for distinct shopping experiences through their interactions with products, the store, personnel, and the store environment (Diallo, Coutelle-Brillet, Rivière, & Zielke, 2015). This value ought to be offered in an environment that guarantees pleasurable experiences complemented by a supportive store image consistent with the strong arguments for firms to embrace the experience economy (Pine & Gilmore, 1998). The interaction of memorable experiences and strong perceived shopping value has strong relationship with the likelihood of the customer revisiting and buying from a particular retail store in future.

A number of studies have linked experiential marketing and purchase intention (Srivastava, (2008: Srinivasan & Srivastava, 2010: Yang & He 2011) and also experiential marketing with perceived value (Gentile, Spiller, & Noci, 2007 : Yuan & Wu, 2008: Andrews, Drennan, & Russell-Bennett, 2012 : Mishra, 2014) ). Furthermore, empirical studies have also linked perceived value and purchase intention (Parasuraman & Grewal ,2000: Cronin et al., 2000: Ashton, Scott, Solnet, & Breakey, 2010 : Oosthuizen, Spowart, & De Meyer-Heydenrych ,2015). In addition, the existence of a relationship between store image and perceived value has been confirmed (Ryu, Lee, & Kim, 2012 : Wu, Li, & Li, 2014 ). It has however been established that no known research has sought to model the linkage between experiential marketing and the consumers purchase intention, in an environment influenced by perceived value and store image with the objective of establishing the nature of their interaction. This is despite the existence of a general consensus among practitioners and scholars on the individual importance of the three constructs of experiential marketing, perceived value and store image in influencing consumers purchase intention. It is also good to note that previous studies on perceived value and experiential marketing have based their analysis on the whole constructs despite the fact that the dimensions of the said constructs may be regarded as concrete concepts. Moreover , the need to study integrated models is consistent with Cronin, Brady, & Hult, (2000) assertion that research should not pursue the objective of merely improving understanding of the individual constructs themselves, but also to show how they relate to each other in influencing purchase behaviour.

The belief that anchors this study is “that partial examinations of the simple bi-variate links between any of the constructs and purchase intentions may mask or overstate their true relationship due to omitted variable bias” (Cronin et al., 2000 p.6). An investigation of a robust collective model was therefore needed so as to bring to light a more pragmatic picture of the underlying relationships that exist among these variables. This is also in line with the recommendations of Preacher & Hayes, (2008) to embrace studies involving multiple mediators in the same model. This study therefore contributes to this emerging discourse on the importance of embracing multiple mediation models by modeling the interactions of the constructs that influence purchase intention guided by the hypothesis that there is a significant relationship between experiential marketing dimensions (social, sensory and emotional) and purchase intention, with this relationship being positively mediated and moderated by perceived value dimensions (social, utilitarian and hedonic) and store image. Moreover, the use of the concrete dimensions in the analysis as opposed to basing the analysis on the main constructs is meant to enable deeper understanding of these relationships, consistent with the recommendations by Chiu, Wang, Fang, & Huang, (2014)

### **1.3. Objectives of the Study**

The study was guided by general and specific objectives

### **1.3.1 General Objective**

To evaluate the moderated mediated effect of store image and perceived value dimensions on the indirect relationship between experiential marketing dimensions and purchase intention.

### **1.3.2 Specific Objectives.**

- i. To evaluate the relationship between experiential marketing dimensions (social, sensory, emotional) and purchase intention.
- ii. To determine the relationship between experiential marketing dimensions and perceived value dimensions (social, utilitarian, hedonic).
- iii. To determine the relationship between perceived value dimensions and purchase intention.
- iv. To determine the mediating effect of perceived value dimensions on the relationship between experiential marketing dimensions and purchase intention
- v. To evaluate the moderating effect of store image on the relationship between experiential marketing dimensions and perceived value dimensions.
- vi. To evaluate the moderating effect of store image on the indirect relationship between experiential marketing dimensions and purchase intention via perceived value dimensions.

### **1.3 Research Hypothesis**

**H0<sub>1</sub>:** There is no significant relationship between experiential marketing dimensions (social, sensory, emotional) and purchase intention.

**H0<sub>2</sub>:** There is no significant relationship between experiential marketing dimensions and perceived value dimensions (social, utilitarian, hedonic).

**H0<sub>3</sub>:** There is no significant relationship between perceived value dimensions and purchase intention.

**H0<sub>4</sub>:** There is no significant mediating effect of perceived value dimensions on the relationship between experiential marketing dimensions and purchase intention.

**H0<sub>5</sub>:** There is no significant moderating effect of store image on the relationship between experiential marketing dimensions and perceived value dimensions.

**H0<sub>6</sub>:** Store image does not have significant moderating effect on the indirect relationship between experiential marketing dimensions and purchase intention via perceived value dimensions.

### **1.5. Significance of the Study**

The study makes valuable contribution to both research and practice related to the role of experiential marketing in influencing purchase intentions. Furthermore, no existing studies have previously interacted experiential marketing dimensions with perceived value dimensions and store image to determine consumer's purchase intentions in a retail context. In addition, very few studies have been conducted in the developing world and specifically in Kenya hence this study provides useful understanding of how consumers

in developing world are influenced in making decisions to purchase from a given retail store.

Knowledge and understanding on how store image interacts with experiential marketing and perceived value is useful to marketing practitioners as they craft appropriate store related strategies. Retailers need to know the role of specific experiential initiatives in enhancing perceived value and ultimately purchase intention. In addition, the results should be of interest to retailers in enabling them understand the role played by store image in this regard.

This research is important in Kenya's retail scene since it is currently witnessing exponential growth both in terms of number of retail chains and also branch network. This growth has intensified competition in the sector which is currently witnessing the entry of global retail chains. Given that researchers are generally in agreement regarding steady loss of relevance of the informational processing approach to consumer behavior, this study contributes to the numerous other studies on experiential aspects of consumer behavior. The outcome of the study therefore is a useful contribution to the development of an interactive theory on experiential marketing dimensions, store image, perceived value dimensions and purchase intention.

## **1.6. Scope of the Study**

The study focused on the indirect relationship between experiential marketing dimensions and purchase intention in a moderated mediated relationship of store image and perceived value dimensions. The study was limited to the three leading retail chains in Kenya;

Nakumatt, Tuskys and Naivas supermarkets, and specifically their best performing branches in terms of revenues and which are within Nairobi City. The specific branches are Nakumatt Mega, Tuskys T-Mall, and Naivas Westlands. The respondents who were considered for this study first had to show evidence of purchase of an assortment of items from the targeted stores before being approached. The specific day in which the study was conducted was Thursday, Friday and Saturday.

### **1.7 Limitations and Delimitations of the Study**

During the process of data collection, the management of the targeted outlets was not very receptive to the study fearing that the information may be shared with competitors. However I assured them that the study was purely for academic purposes and hence the information won't be shared with competitors. There were also instances when the respondents were not keen to take part in the study mostly on account of time. This was addressed by informing them that the questionnaire was short and hence one would take a maximum of five minutes to complete it.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Overview**

This chapter is a result of extensive review of both the theoretical and empirical literature. Emphasis is given to the conceptualization of purchase intention and its relationship with other study variables of experiential marketing, perceived value and store image and this formed the basis of formulating the study hypothesis. The Theory of Planned Behaviour by Fishben & Adjzen is given special attention since it's the main theory underpinning the study. Moreover, the Pine and Gilmore model of experience economy and the Stimulus Organism Model of Mehrabeau & Russell have also been used as theoretical foundations of the study. In addition to developing a conceptual framework, research gaps are identified.

#### **2.1 Conceptualization of study Variables**

The study investigated the interaction of three main variables: Experiential marketing, Perceived value together with Store Image and their influence on Purchase intention. The next session therefore focuses on the conceptualization and operationalization of the four variables.

##### **2.1.2 Concept of Purchase Intention**

Intention may be defined as the thing that you plan to do or achieve: an aim or purpose. It refers to the antecedents that stimulate and drive consumers' purchases of products and



services (Hawkins & Mothersbaugh, 2010 cited by Haque et al., 2015). According to Morwitz, Steckel, & Gupta, (2006 p.4) citing Fishben and Ajzen (1975) , "if one wants to know whether or not an individual will perform a given behavior, the simplest and probably most efficient thing one can do is to ask the individual whether he intends to perform that behavior". Intentions constitute a "willful state of choice where one makes a self-implicated statement as to a future course of action. It is at an intermediate state of abstraction between a concrete action (e.g., purchase) and an abstract idea (e.g., perceived cost) or feeling (e.g., liking)" (Richard P. Bagozzi, 1983) . Haque et al., (2015) citing Ghalandari & Norouzi, (2012) regards analyzing of intention as one of the most common approaches undertaken by marketers in gaining an understanding about consumers' actual behavior. Kim and Pysarchik, (2000) have demonstrated the existence of a strong correlation between these two respective constructs. Hence, they assert that purchase intention serves as an alternative for measuring consumers' purchase behavior. When the intentions of performing certain behavior are strong, there are higher likelihoods that the respective behavior will be performed. This therefore explains why numerous marketing studies have used purchase intention instead of actual purchase.

Ashton and Scott (2011) define purchase intention as a set of alternatives under consideration by the consumer with the choice among product alternatives influenced by the context of the purchase decision. It is the exchange behavior created after consumers' general evaluation of a product or attitude towards a brand combined with external stimulating factors and hence may be regarded as a perceptual reaction involving a subjective judgment for what we would like to buy in the future (Lin & Lu, 2010).

Purchase intention is a combination of consumers' interest in and possibility of buying a product and hence may be regarded as an attitudinal variable for measuring customers' future contributions to a brand (Kim & Ko, 2012). This is consistent with the theory of Planned Behaviour (Fishbein & Ajzen, 1975) that purchase intention are used to predict the actual behavior since it develops with respect to the response of an object. The theory posits that purchase intentions are formed by the attitude towards a predictive behavior and subjective norms that lead to the actual behavior given the availability of opportunities and resources. Purchase intention is therefore a result of consumer's attitude and assessment and external factors. Citing Zeithml 1988, Ashton and Scott (2011) argue that purchase intention will cause consumers to follow their experience, preference and external environment to collect information, evaluate alternatives, and make purchase decision. Furthermore, it comes from the consumer's perception on benefits and value acquisition.

Anggie & Haryanto, (2011) in their study on "Analysis of the Effect of Olfactory, Approach Behavior, and Experiential Marketing toward Purchase Intention" defined Purchase intention as the repeat request indicating the desire of customers to make purchases again and which occurs only if the customer has obtained the expected level of satisfaction. Moreover, purchase intention is conceptualized as a product of olfactory, approach behavior and experiential marketing. When customers are satisfied, they are willing to repurchase from a given retailer and also recommend the retailer to their

friends. This present study adopted the measurement of purchase intention as used in Angie & Haryanto, (2011).

### **2.1.2 Concept of Experiential Marketing**

The marketing discipline has over the years generated an impressive body of knowledge that has resulted to the development of numerous principles or law like generalizations (Sheth & Sisodia, 1999). These principles have remained largely unchanged and have been widely used by marketing practitioners when developing new products, planning of product lines and brand extensions, designing communications and in crafting responses to competitor activities. They represent an engineering-driven, rational, analytical view of customers, products and competition (Schmitt, 1999). The new millennium has however witnessed fundamental changes rendering much of the highly valued canonical marketing tool kit and conceptual inventory rather obsolete and of limited usefulness and relevance in this new marketing context. This therefore calls for the need to revisit these generalizations with the stated objective of enhancing or modifying them so as to be in tandem with the fast changing business context (Sheth & Sisodia, 1999).

In addressing this challenge, Pine & Gilmore (1998) in their article- ‘Welcome to the experience economy’ sets the stage for a new paradigm shift – experiential marketing and which he regards as the ‘next competitive battle ground’. Experiential marketing is a means to create a memorable experience that engages the customer in an inherently personal way (Gilmore & Pine, 2002). It entails engaging the targeted audiences with a personalized connection using emotions and direct involvement that bring credible and

memorable experiences (Khan & Rahman, 2015). Schmitt (1999) posits that that marketing has progressed to a new level where unlike the traditional marketing which emphasized on functionality or packaging, the focus of the new paradigm is customer experiences. Heinonen, Strandvik, Mickelsson, and Edvardsson, (2010) holds the view that service providers should expand their perspectives in order to get to..... “know their customers on a deeper level than before”.p.15 since the ultimate outcome of marketing should not be the service but the customer experience. This view is consistent with that of Pine & Gilmore, (1998) who regards creating a valuable and fulfilling experience for consumers as the ultimate goal of a business enterprise . According to Pine & Gilmore, (1998)... pg 5, “An experience occurs when a company intentionally uses services as the stage, and goods as props, to engage individual customers in a way that creates a memorable event”. Holbrook and Hirschman (1982) define experience as a personal occurrence or interaction with a product and which has the potential to evoke emotional reactions. Experiential marketing therefore represents a shift from the traditional marketing concepts and provides evidence that it is time to re-vitalise, re-think, re-align and refocus both the concept and the function of marketing to reflect contemporary thinking and practices (McCole, 2004) .

Several authors have advocated the shift from traditional marketing approach to experiential marketing. An early proponent of this paradigm shift Marthurs (1971), argued that experiential marketing focuses on marketing a product or service through experience and in the process the customer becomes emotionally involved and connected with the object of the experience. Holbrook and Hirschman (1982) regards the traditional

marketing approach as one that ignored key consumption phenomena such as playful leisure activities, sensory pleasures, daydreams, esthetic enjoyment, and emotional responses. Furthermore, he views consumption as involving a steady flow of fantasies, feelings, and fun encompassed by what he called the "experiential view" implying that consumption is primarily a subjective state of consciousness with a variety of symbolic meanings, hedonic responses, and esthetic criteria. He however cautions that it is unwise to abandon the traditional information processing perspective but rather recommends supplementing and enriching it with the experiential approach. Whereas the over-riding view of consumers in the traditional marketing frameworks is that of rational decision makers focused on the functional features and benefits of products, experiential marketing holds a different view of consumers as emotional beings, focused on achieving pleasurable experiences. According to Srinivasan and Srivastava, (2010), experiential marketing creates memorable experiences, with the experience deepening with each successive interaction. Additionally, it involves consumer participation and goes beyond the consumer's stated needs consequently addressing not just the wants and needs, but the self-image, social goals, dormant emotions, values and deeply ingrained desires of the consumer.

The other major proponents of experiential marketing were Pine & Gilmore, (1998), and Schmitt (1999). In their classic article- 'Welcome to the Experience Economy', Pine & Gilmore, (1998), posited that the key to competitiveness is providing special experiences and unforgettable memories. ... "Commodities are fungible, goods tangible, services intangible, and experiences memorable", p.98. In view of this, Gilmore & Pine, (2002)

defined experiential marketing as memorable events or experiences that engage the consumer in a personal way, such that he/she feels as being part of them, while exhilarating the senses and providing him/her with sufficient information to make a decision. Schmitt (1999) describes experiential marketing in relation to the way marketers view customers, noting that...“traditional marketing view’s consumers as rational decision makers who care about functional features and benefits. In contrast, experiential marketers view consumers as rational and emotional human beings who are concerned with achieving pleasurable experiences” (Schmitt, 1999,p.53). He opines that experiences could engage the consumers’ senses, sight, sound, touch and feeling in an unforgettable way. Hence, experiential marketing refers to the marketing initiatives aimed at getting the customers to sense, feel, think, act, and relate with the company and brands. He argues that many firms have shifted from the traditional "features-and-benefits" marketing to the new approach of creating experiences for their customers. He attributes this shift to three key simultaneous developments in the business environment; Revolution in Information Technology, supremacy of the brand, and lastly, the ubiquity of communications and entertainment. According to Gilmore and Pine, (2002) customers have become relatively immune to messages targeted at them and this therefore means that the only effective way to reach them is to create an experience within each one of them. These experiences should be so engaging such that the potential customers can’t help but pay attention and consequently pay up.

Despite the lack of consensus on a single definition of experiential marketing, there is a general agreement among those definitions that it is directly and mainly related to

emotions, feelings, and senses, and not directly to cognitions and intentions (Same, 2014). For purposes of this study, the definition by Pine & Gilmore, (1998) will apply.

A review of extant literature reveals numerous approaches at operationalising the concept of experiential marketing. For instance Schmitt, (1999) identified five dimensions of experiential marketing which he referred to as ‘the experiential modules’. They include “sensory experiences (SENSE), affective experiences (FEEL), creative cognitive experiences (THINK), physical experiences, behaviours and lifestyles (ACT), and social-identity experiences that result from relating to a reference group or culture (RELATE) . Moreover, ‘sense’ according to Schmitt appeals to the senses with the objective of creating sensory experiences, through sight, sound, touch, taste and smell; ‘Feel’ appeals to customers' inner feelings and emotions, with the objective of creating affective experiences that range from mildly positive moods linked to a brand to strong emotions of joy and pride; ‘Think’ marketing appeals to the intellect with the objective of creating cognitive, problem-solving experiences that engage customers creatively; ‘Act’ marketing enriches customers' lives by targeting their physical experiences, showing them alternative ways of doing , alternative lifestyles and interactions; ‘Relate’ marketing contains aspects of sense, feel, think and act marketing. However, it expands beyond the individual's personal, private feelings, thus relating the individual to something outside his/her private state.

Pine and Gilmore, (1998) came up with four realms of consumer-perceived experience: Educational, Escapist, Esthetic, and Entertainment experiences, and which are coined as

the '4Es'. According to Petkus, (2004), the entertainment realm involves a passive participation in the event — the elements of the experience are simply taken in. The second dimension — education — involves an active participation in the arts experience, from which the participant acquires or increases skills and/or knowledge. The third dimension -escapist experiences can teach just as well as educational events can, or amuse just as well as entertainment, but they involve greater customer immersion. The fourth dimension- the aesthetic dimension involves a 'passive immersion' in the experience. According to Pine and Gilmore, (1998), as cited by Petkus, (2004), when compared with the entertainment dimension, the aesthetic dimension involves a more proximal or intense experience of sensory stimuli, with the difference also attributed to variations in the degree of authenticity of the aesthetic experience. The 4Es are not intended to function independent of each other and additionally, the richness of a compelling customer experience is a function of the degree to which all four realms are incorporated, comprising the central foundation of consumer-perceived value within the experience economy (Pine & Gilmore, 1999).

Brakus, Schmitt, & Zarantonello, (2009 p.1) conceptualizes brand experience as the “sensations, feelings, cognitions, and behavioral responses evoked by brand-related stimuli that are part of a brand’s design and identity, packaging, communications, and environments”. Moreover , they assert that experiential aspects of consumption occurs when consumers search for products, when they interact with outlets as they shop, and also when they shop for them and receive service, and when they consume them.



Consequently, they identified four dimensions of experiential marketing: sensory, affective, intellectual, and behavioral.

Verhoef et al., (2009), regards customer experience construct as one that is holistic in nature involving the customer's cognitive, affective, emotional, social and physical responses. Based on this definition and the five experiential modules (Schmitt, 1999), of sense, feel, think, act, and relate, Yang & He, (2011), identified three dimensions of experiential marketing. These are; Sensory Experience, Emotional Experience, and Social Experience. Moreover, "Sensory Experience refers to the aesthetics and sensory perceptions about the shopping environment, atmosphere, products and service. Emotional Experience includes the moods and emotions generating during the shopping trip while Social Experience emphasizes the relationships with others and society" (Yang & He, 2011). The conceptualization of experiential marketing using the sensory, social and emotional dimensions of experiential marketing is what this present study adopted.

### **2.1.3 Concept of Perceived Value**

The concept of value has been revisited and refined by marketing scholars and practitioners largely focused on trying to achieve a consistent theoretical and conceptual development of the concept driven by the increasing recognition of value as an imperative focus (Gallarza & Gil, 2008). Moreover, with the business world becoming increasingly competitive and characterized by highly rational consumers, firms are realizing that for them to remain relevant, there is a need for a paradigm shift from the traditional approaches to new concepts that offer greater value to customers relative to

competition (Bajs, 2015). Furthermore, the fundamental goal of customers is to obtain value (Chiu, Wang, Fang, & Huang, 2014 citing Holbrook, 1984) although the nature of value is highly contextual, implying that its meaning varies with customers and situations (Zeithaml, 1988). The increasing realization of the importance of value in marketing has propelled it to become one of the critical components of strategic thinking (Al-Sabbahy, Ekinici, & Riley, 2004).

Aulia, Sukati, & Sulaiman (2016) identifies three dimensions of value; which are product-related value, social-related value, and personal-related value and whose fulfillment may result to high levels of customer satisfaction. Product related value relates to the customers perception of a product as a source of value or a bundle of benefits rather than attributes. In this regard, the benefits customers seek can be seen from “two fundamental perspectives of customer needs which are the need for product function and the need for the pleasure of using the product” (p.4). Social related benefits are based on the customer’s perception of the society as a source of value hence value will be realized from the interactions with other people. Accordingly, the benefits the customers seek are the need for acceptance and the need for compliment. The third dimension of value; personal related value, refers to the consumption beliefs that are related to the consumer’s personal values and which consequently influences his/her perception of value towards the product. What should however be noted is that “different value dimensions may be important depending on the decision level (e.g., buy/not buy or buy brand A/brand B), as well as on the type of product or service being considered” (Sweeney & Soutar, 2001 p.205). Indeed the concept of branding is anchored

on value since a brand is a promise (Pearson, 2006) and the key promise is the promise of value. However, in recognizing a brand to imply a set of symbolic values, which forms a chain of associations to external ideals in the mind of consumers, marketing researchers and practitioners are shifting their focus from value to perceived value (Anker, Kappel, Eadie, & Sandøe, 2012) .

Perceived value has been extensively discussed in service related and sociology literature owing to its recognition as a fundamental concept in understanding consumer behavior (Sabiote-Ortiz, Frías-Jamilena, & Castañeda-García, 2016). It has become a defining business issue from the 1990's and through to the turn of the century (Gallarza & Gil, 2008). According to Bajs (2015), introducing the concept of perceived value into a business strategy orients the firm toward the customer. Furthermore, as Petrick (2002) asserts, customers are increasingly using perceived value to compare alternatives among market options, rather than relying on product quality or satisfaction. Sweeney and Soutar (2001), cautions that although value and satisfaction can be easily confused with each other, the two are conceptually different. For instance, whereas value perceptions can be generated without the product or service being bought or used, satisfaction depends on experience of having used the product or service. In addition, satisfaction is largely uni-dimensional, while value is multi dimensional. This may explain why measurements of quality and satisfaction have become less important and the focus of research has shifted to perceived value (Gale & Wood, 1994).

According to Chen and Dubinsky (2003) perceived value was traditionally viewed largely as a trade-off between relative quality and price although this view has been criticized for ignoring important value constructs such as shopping experience and risk. One of the pioneer researchers in this area ; (Zeithaml, 1988a p. 14) defined perceived value as “ the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given.” This definition is an acknowledgement that perceived value means different things to different customers and that the value customers perceive is not static but changes over time (Hansen, Beitelspacher, & Deitz, 2013). Furthermore, only the customer rather than a service provider can evaluate whether or not a product or service provides value, explaining why the concept of customer perceived value is taken to be very subjective and personal (Parasuraman, Zeithaml, & Berry, 1985). In view of this , value represents a trade-off of salient “get and give-components,” which are perceived as benefits and sacrifices, respectively (Chen & Dubinsky, 2003) . Woodruff (1997 P.142), views perceived value as “a customer’s perceived preference for and evaluation of those product attributes, attribute performance, and consequences arising from use that facilitate (or block) achieving the customer’s goal and purposes in use situations” . According to Parasuraman (1997), this definition by Woodruff broadens the understanding of perceived value and is conceptually rich. Furthermore, it describes perceived value as a source of competitive advantage. According to Chen & Dubinsky (2003), perceived value is “a consumer’s perception of the net benefits gained in exchange for the costs incurred in obtaining the desired benefits”. This is the definition that was adopted in this study.

The numerous definitions of perceived value may probably explain why this concept has not been clearly operationalised (Lee, Lee, & Choi, 2011). Previous research on the consumer shopping behavior focused largely on the utilitarian aspects of shopping experience, described as functional and task-related values (Chiu et al., (2014). However, citing Hirschman (1984) he asserts that; “shopping experiences involve the stimulation of people’s thoughts and/or senses and that they accordingly may be viewed as processes that provide individuals with cognitive (utilitarian) and affective (hedonic) benefits” (p. 90). This is consistent with MEC theory- (Gutman, 1997), that views utilitarian and hedonic benefits as the sub-goals that lead to higher goals of utilitarian and hedonic values which results in repeat purchase intention. Furthermore, Babin, Darden, & Griffin, (1994) suggests that hedonic and utilitarian values are important outcomes in the consumer decision process and bearing in mind that according to (Hirschman, 1984), most human behaviours are pleasure-seeking in nature.

The lack of consensus as to how perceived value is conceptualized and operationalised may also be attributed to the wide spectrum of other constructs involved in the formation of value judgment such as Perceived benefits, perceived price, monetary price, psychological price, and behavioral price , and second by the usual effects of individual psychological factors such as perceived characteristics of product, interest in product, individual needs, motives, expectations, personality, and social status (Al-Sabbahy et al., 2004). According to Gallarza & Gil, (2008), perceived value may be operationalsed either as a uni-dimensional construct (Caruana, Money, & Berthon, 2000 : Chen & Dubinsky, 2003 : Cronin et al., 2000 : Gallarza & Gil, 2008) that can be measured simply

by asking respondents to rate the value that they received in making their purchases, or a multidimensional construct ( Sweeney & Soutar, 2001 : Mathwick, Malhotra, & Rigdon, 2001 : Babin & Babin, 2001 : Chiu et al., 2014 : Babin et al., 1994) in which a variety of notions (such as perceived price, quality, benefits, and sacrifice) are all embedded. The use of uni-dimensional approach has attracted continued criticisms from numerous researchers. Despite the obvious benefit of simplicity “ they do not reflect the complexity of consumers’ perceptions of value; in particular, they fail to take proper account of the numerous intangible, intrinsic, and emotional factors that form part of the construct” (Sánchez-Fernández & Iniesta-Bonillo, 2007 p.15). This approach treats all items of a multidimensional scale as indicators of a general value construct, ignoring the complex nature of perceived value (Lin, Sher, & Shih, 2005). Moreover, according to Chen & Chen, (2010) the validity of uni-dimensional measure is always criticized due to its assumption that consumers have a shared meaning of value and hence the need to use a multidimensional scale to overcome this validity problem. In view of this, other researchers such as (Sweeney & Soutar, 2001 : Sánchez-Fernández & Iniesta-Bonillo, 2007) have strongly argued that taking a multi dimensional view enables us to gain better understanding of the value construct.

In operationalizing perceived value as a multidimensional construct, Petrick, (2002) proposes a value structure of five dimensions (behavioural price, monetary price, emotional response, quality and reputation) that is meant to work for all services categories. Babin et al., (1994) scale assessed consumers’ evaluations of a shopping experience along the dimensions of utilitarian value ( instrumental, task-related, rational,

functional, cognitive, and a means to an end) and hedonic value reflecting the entertainment and emotional worth of shopping (non-instrumental, experiential, and affective). Sheth, Newman, & Gross (1991) on their part categorized value into functional (whether a product is able to perform its functional, utilitarian, or physical purposes), social (an image that is congruent with the norms of a consumer's friends or associates and/or with the social image the consumer wishes to project), emotional (related to various affective states whether positive or negative) epistemic (desire for knowledge, whether this be motivated by intellectual curiosity or the seeking of novelty), and conditional (reflects the fact that some market choices are contingent on the situation or set of circumstances faced by the consumers). Holbrook's typology (1994, 1999), "captures all of the economic, social, hedonic, and altruistic components of perceived value" (Sánchez-Fernández & Iniesta-Bonillo, 2007 P.15).

A study by , Al-Sabbahy et al., (2004) used two dimensions of perceived acquisition value and transaction value to operationalize the value concept. Acquisition value refers to perceived net gains from the trade-off between benefits and sacrifice whereas transactional value is the difference between the consumers' internal reference price and the price offered within the context of a special deal. This closely relates to the work of Lindgreen & Wynstra (2005) who recommended the use of two dimensions; functional value and relational value. Whereas functional value relates to the rational and economic valuations of individuals, relational value refer to how customers assess benefits and effectiveness of working relationships with one supplier relative to alternative suppliers. Moreover, Rintamäki, Kanto, Kuusela, & Spence (2006) decomposed the total customer

perceived value into utilitarian (monetary savings and convenience), social (status and self esteem), and hedonic value dimensions (entertainment and exploration). These are the dimensions that were adopted in this study.

Despite the raging debate, Sánchez-Fernández & Iniesta-Bonillo (2007 P.15) contends that “both the uni-dimensional perspective and the multi-dimensional perspective have worthwhile contributions to make”, .. “Although different, they are not radically so... “are certainly not polar opposites”, and ..“they represent ‘simple’ and ‘complex’ approaches to the nature of the perceived value construct”. Though popular, the use of multidimensional approach has however been criticized for being conceptually ambiguous, explaining less variance than explained by their dimensions taken collectively, and causing confusion regarding the relationship between their dimensions and other constructs (Sánchez-Fernández & Iniesta-Bonillo, 2007) . The critique notwithstanding, multi-dimensional approaches are useful since they provide holistic representations of complex phenomena, and enable researchers to match broad predictors with broad outcomes. This is a departure from the uni-dimensional approaches that fail to adequately capture the dimensions of perceived value construct and its richness (Gallarza & Gil, 2008: Sánchez-Fernández & Iniesta-Bonillo, 2007). Due to the foregoing therefore, this study adopted a multi-dimensional approach to perceived value.

#### **2.1.4 Concept of Store Image**

Image may be defined as the differentiated stimulus that reinforces the direction of expected responses (Park, Park, & Dubinsky, 2011 citing Robertson, 1978) . Image



power springs from the human need to simplify buying decisions by creating symbolic representations to convey a network of salient meanings (Hite & Bellizzi, 1985) and these representations serve as decision heuristics in situations of uncertainty, characteristic of a dynamic environment driven by rapidly changing technology (Stern, Zinkhan, & Jaju, 2001). Despite the general agreement on the importance of image in marketing, “the term is used so inconsistently that no two researchers are necessarily talking about the same phenomenon” to an extent that one is left wondering whether or not the term means everything to everybody (Stern et al., 2001 p.201). Moreover, it has as many meanings as the number of people who use it (Grunig, 1993) and is a complex construct open to many interpretations (Burt, Johansson, & Thelander, 2007). This debate aside, however, researchers have been able to identify four different yet related types of images that are of great importance to consumer research and these are: product image, brand image, corporate image and store image (He & Mukherjee, 2007). Since this particular study was within the context of retail services, reference to the term image is interpreted to mean store image (Park et al., 2011). This is also affirmed by Saraswat, Mammen, Aagja, & Tewari, (2010 p.4) who states that “When applied to marketing and more specifically to retailing, the notion of image begins to get translated into store image”.

The pioneer work of Martineau (1958) set the stage for research in store image which he referred as the way in which the store is defined in the shoppers mind partly by the functional qualities and partly by an aura of psychological attributes. Store image may be defined as the general image that consumers have developed over time about a particular

store (Park et al., 2011 citing Doyle & Fenwick, 1974). It is the customer's perception and evaluation of the symbolic and functional meaning of a particular store (He & Mukherjee, 2007). Additionally, it may be defined as the "complex of a consumer's perceptions of a store on different (salient) attributes" (Bloemer & de Ruyter, 1998 p.3) or the "symbolic, experiential expression of the manner in which consumers "see" or "visualize" a store" (Saraswat et al., 2010 p.4). These definitions are in agreement with Hsu, Huang, & Swanson (2010 P.3) citing Hartman & Spiro (2005) that it "is a total impression represented in the memory as a result of perceived attributes associated with the store which are independent and interdependent in the consumer's memory based on both current and previous exposure to stimuli". The common thread among the definitions is that "store image is a composition of attributes (both factual and imagined) that consumers attach to a particular retail entity" (Beneke & Zimmerman, 2014 p.3).

The increasing attention being paid to store image research is a testament of its great importance to marketing researchers and practitioners. This explains why great deal of time and resources is being expended by retailers with the objective of creating images that offer them an edge over the competition (Joyce & Lambert, 1996). Image considerations are very important aspects in the development of an integrated marketing strategy for individual stores, store chains and also shopping centres (Sezhiyan, Nambirajan, & Kumaran, 2010).

When consumers are making decisions where to shop, the two key considerations are distance and store image (Nies & Natter, 2012). Noteworthy is that as customers

patronize particular stores to satisfy their needs, their goal is to derive value from every shopping encounter. This shopping value encapsulates the overall benefits derived from the shopping experience (Jackson, Stoel, & Brantley, 2011). Customers visit various stores seeking distinct shopping experiences through their interactions with products, personnel and the store environment, with the overriding goal of satisfying their needs (Diallo et al., 2015). Furthermore, it is on the basis of these customer experiences and interactions with the store that they form perceptions of a particular store or retailer (Burt et al., 2007). These perception can evoke emotional responses in the store's consumers (Machleit & Eroglu, 2000) and in turn, influence purchase intentions and other behavioral outcomes. However, He & Mukherjee, (2007) citing Corstjens and Lal (2000) cautions that in the retail sector, store image and corporate image tends to overlap, more so where the retail organization has a strong brand name. In addition, a customer may hold images of the retail organization that are quite different from the images of individual stores of the same retailer.

Over the years different authors have distinguished different store attributes or characteristics that are part of the overall image towards the store. Bloemer & de Ruyter, (1998) cites Lindquist's (1974), nine different types of store elements: merchandise, service, clientele, physical facilities, comfort, promotion, store atmosphere, institutional and post-transaction satisfaction; Doyle and Fenwick's (1974), five elements of product, price, assortment, styling and location.; and Ghosh's (1990) eight elements: location, merchandise, store atmosphere, customer service, price, advertising, personal selling and sales incentive programs. Additionally, Mazursky & Jacoby, (1986) identified three

factors that contribute to a store's image: merchandise-related aspects, service-related aspects, and pleasantness of shopping at the store. Saraswat, Mammen, Aagja, & Tewari, (2010) opines that store image may be categorized into two main attributes ; utility and impression attributes. Furthermore, "the utility, functional, or tangible aspect refers to the factual or physical store functions such as merchandise assortment, price range, store layout, or any other possible qualities while the impression oriented, psychological or intangible aspect refers to intangible feelings (consumers' experience on being exposed to the store) that a store delivers to its consumers, such as sense of belonging, feeling of excitement or feeling of warmth and friendliness" (p.4). Chang & Wang, (2014) identified four dimensions of the overall store price image. These are; price value image, price rewards image, price fairness image, and price pleasure image. The influence of these dimensions on repurchase intention is moderated by store image. The dimensions of store image are: the pleasantness of the retail store, the attractiveness of the shopping experience, overall quality of service, the helpfulness of the salespeople and their knowledge base (Chang & Wang, 2014). These are the dimensions that applied in this study. Noteworthy is that no store can be all things to all people and hence different groups of consumers might attach varying degrees of importance on the various store image attributes. In view of this, stores should lay emphasis on those attributes which the target market attaches utmost importance (Sezhiyan et al., 2010).

## **2.2 Theoretical Perspectives**

This study was based on the theories of consumer behavior. However the specific theories that underpins the study are; The Theory of Planned Behaviour (TPB) by Ajzen

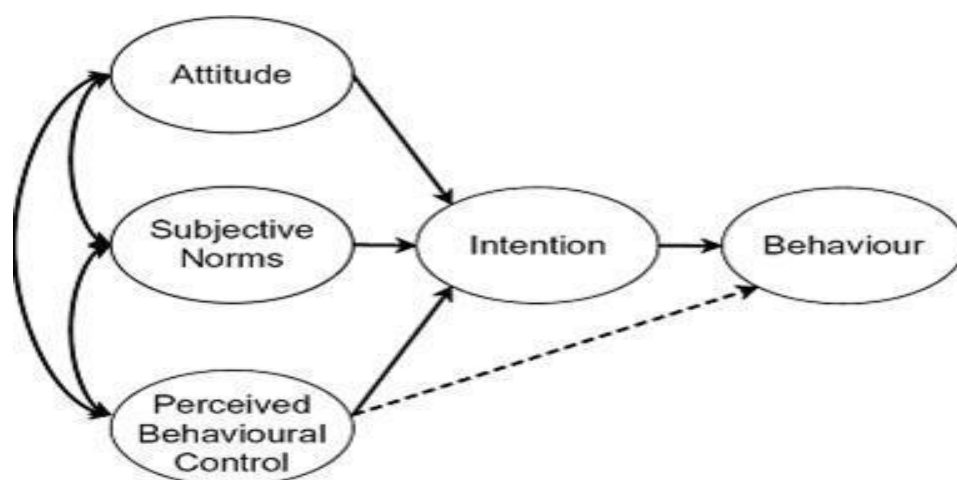
(1991), Pine & Gilmore model of the experience economy (1998), and the Mehrabian & Russell Stimulus- Organism- Response (S-O-R) Model (1974). These theories have been widely used in consumer behavior studies (Luo, Chen, Ching, & Liu, 2011; Silva, Figueiredo, Hogg, & Sottomayor, 2014; Chung, Stoel, Xu, & Ren, 2012, Chang, Eckman, & Yan, 2011, Peng & Kim, 2014, Rezende & Silva, 2014, Petkus, 2004, Vila-López & Rodríguez-Molina, 2013).

### **2.2.1. Theory of Planned Behaviour (TPB)**

The Theory of Planned Behavior (TPB)- Ajzen, (1991) is an extension of the Theory of Reasoned Action (TRA) by (Fishbein & Ajzen, 1975) made necessary by the limitation of the original model in dealing with behaviors over which people have incomplete volitional control. According to Son et al., (2013) TRA proposed that behavioral intention leads to behavior, and that behavioral intention is determined by the consumer's attitudes toward purchasing or using a brand (Act) and by a normative value or subjective norm (Fishbein & Ajzen, 1975). According to Son et al., (2013), TRA model holds that subjective norms and attitudes are key determinants of an individual's intention to engage in a particular behavior. Attitudes relate to the individual's positive or negative evaluation of the behavior. It reflects a person's evaluation of and beliefs about the significant consequences of performing a behavior. Subjective norms concerns with the individual's perception of whether the significant others will approve the performance of the behavior in question. The theory holds that a "person's motivation to engage in a specific behavior will be largely determined by the perceived preferences of her

significant referents” (Ang, Ramayah, & Amin, 2015 p.5) .These significant others include friends, relatives, colleagues, business partners etc.

The theory of Reasoned Action was added another variable; the perceived behavioral control to the already two existing variables; attitude toward the behavior and subjective norm and this led to the birth of the Theory of Planned Behaviour (TPB). The degree of PBC refers to an individual’s perceptions of the presence or absence of the requisite resources or opportunities necessary for performing a behavior (Ajzen, 1991). According to Ang et al., (2015), TPB represents a link between beliefs and behaviors and that it operates on the basis that behavior can be deliberate and planned. Furthermore, the theory holds that the best way to predict behavior is to measure behavioral intention. According to Son et al., (2013) citing Bandura,( 1997) , PBC has two dimensions: an internal factor and an external factor. The internal factor refers to the extent of confidence that a person has in his/her ability to perform a certain behavior, which is grounded in one’s self-efficacy. The external factor refers to resource constraints. These constraints are facilitating conditions available to an individual – such as money, time, or technology – that are required to perform a behavior (Taylor & Todd, 1995). The general rule of TPB is that the more favorable the attitude and subjective norm, and the greater the perceived behavioral control over a certain behavior, the stronger would be a person’s intention to perform the behavior in question (Ang et al., 2015 p.4-5).



**Figure 2.1: Theory of Planned Behavior**

**Source: Adapted from Ajzen (1991)**

The Theory of Planned Behaviour has been widely applied in cross-cultural and cross-disciplinary studies. Jimmieson, Peach, & White, (2008) used TPB to investigate employee intentions to support organizational change, Cerreto & Lee, (2010) studied Teachers' Decisions Regarding Use of Educational Technology. The results of the study revealed that the perceived behavioral control all emerged as significant predictors of teachers' intentions. Alam & Sayuti, (2011) used TBP to study Halal food purchase intentions in Malaysia. The results of the study showed that all the three dimensions of the theory of planned behavior; attitude towards the behavior, subjective norms and perceived behavioral control, had a positive and significant influence on Halal food purchase intention. On their part, Isaid & Faisal, (2015) using TRA to conduct a study on Consumers' Repurchase Intention Towards a Mobile Phone Brand in Qatar with the results equally showing that peoples' attitudes toward action, subjective norms and past behaviour tend to have a significant influence on their repurchase intention.

In addition, Thoradeniya, Lee, Tan, & Ferreira, (2015) studied Sustainability reporting using the Theory of Planned Behaviour. Kim & Chung, (2011) used TPB in a study on the effects of consumer values and past experiences on consumer purchase intention of organic personal care products while Silva et al., (2014) study on young adults intentions to consume wine also used TPB. Moreover, (Chung et al., 2012) used TPB to model Chinese consumers' purchase intentions for imported soy-based dietary supplements. In all the studies though in varying degrees, all the three variables of Subjective norms, attitudes and perceived behavioral control have been found to have significant influence on purchase intention (Shim, Eastlick, Lotz, & Warrington, 2001). These numerous studies that successfully linked the theory of planned behavior to purchase intention confirmed the appropriateness of the theory to this present study.

This theoretical model is thus suited for this study since the overall focus is how purchase intention is influenced by experiential marketing via the mediation of perceived value. The perceived value dimensions of hedonic, social and utilitarian value are articulated by the model's dimensions of subjective norms and perceived behavioral control. The dimension of consumers attitude underpins the experiential dimensions of social, sensory and emotional influences. This is because attitudes just like emotions are subjective and highly personalized. According to TPB, intention precedes behaviour. The dependent variable in this study is purchase intention hence it is articulated by the element of behavioral intention in the theory. The behavior implied in the theory reflects the consumers decision to buy a particular brand or revisit a given retail outlet.



### **2.2.2 Pine-Gilmore Model of the Experience Economy**

In their classic article-‘Welcome to the Experience Economy’, Pine and Gilmore, (1998) articulated the idea of ‘progression of the economic value’. They hypothesized that the value created by markets has progressed from the extraction of natural commodities to the manufacturing of tangible and standardised goods, followed by intangible and customized services, and, most recently, the staging of memorable and personal experiences (Seo, 2013).

According to Pine and Gilmore, (1998), the experience economy, differs significantly from the previous four stages of economic progression- agrarian, industrial, and service economies. Unlike previous scholars who consider services to be a necessary form of provisions for consumer experiences for instance (Vargo & Lusch, 2004, 2008, 2011), Pine and Gilmore, (1998), describe experiences as “phenomenologically distinct economic offerings, as different from services as services are from goods” p.97. The distinctions between service economy and experience economy include; services are delivered while experiences are staged, services are intangible while experiences are memorable, services are customized while experiences are personal and that whereas the factors of demand for services are ‘benefits’, those for experiences are ‘sensations’. The underlying hypothesis behind this distinction is their argument that.... “Services, like goods before them, are increasingly becoming commoditized”... p.97.

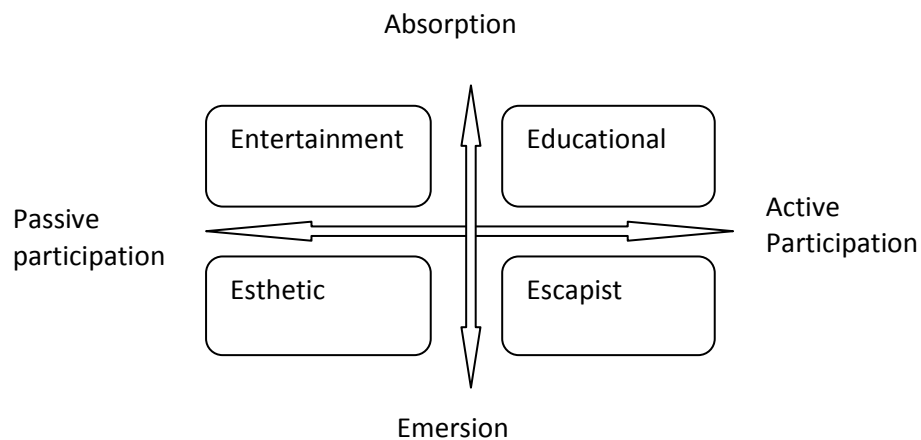
Furthermore according to Pine and Gilmore, (1998) while prior economic offerings – commodities, goods, and services – are external to the buyer, experiences are inherently personal, existing only in the mind of an individual who has been engaged on an emotional, physical, intellectual, or even spiritual level. Thus, no two people can have the same experience, because each experience derives from the interaction between the staged event and the individual's state of mind. They underscore the increasing importance of experiential marketing by hypothesizing that designing, staging, and enhancing memorable experiences for their customers is the next competitive battleground and therefore firms do not have any option but to embrace experiential marketing if they are to survive.

### **Dimensions of Experiences**

Pine and Gilmore, (1998) proposed a spectrum with two key dimensions of thinking about experiences. The first dimension corresponds to customer participation. This dimension has two perspectives - at one end of the spectrum lies passive participation, in which customers don't affect the performance at all while at the other end of the spectrum lies active participation, in which customers play key roles in creating the performance or event that yields the experience. The second dimension of experience describes the connection, or environmental relationship, that unites customers with the event or performance. At one end of the connection spectrum lies absorption, at the other end, immersion.

### The Four Realms of an Experience

Pine and Gilmore, (1998) came up with four realms of consumer-perceived experience: educational, escapist, esthetic, and entertainment experiences, and which are coined as the ‘4Es’. These experiential realms as shown in figure 2.2 form permeable quadrants, which reflect their position along two dimensions of experience (Seo, 2013).



**Figure 2.2 : The 4Es of Experience Economy**

**Source: Pine and Gilmore, (1998)**

Seo, (2013), citing Pine and Gilmore, (1998) notes that the horizontal spectrum corresponds to customer participation, which ranges from passive participation at one end, in which customers don't affect the staging of experience, to active participation at the other end, in which customers play key roles in constructing the experience. The vertical continuum reflects customer absorption of or immersion in the experience. According to Petkus, (2004), the entertainment realm involves a passive participation in the event — the elements of the experience are simply taken in. The second dimension —

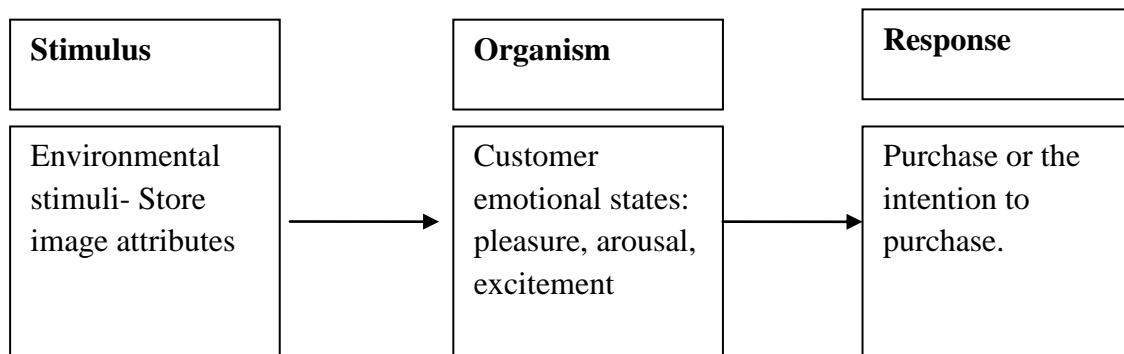
education —involves an active participation in the arts experience, from which the participant acquires or increases skills and/or knowledge. The third dimension -escapist experiences can teach just as well as educational events can, or amuse just as well as entertainment, but they involve greater customer immersion. The fourth dimension- the aesthetic dimension involves a ‘passive immersion’ in the experience. According to Pine and Gilmore, (1998), as cited by Petkus, (2004), when compared with the entertainment dimension, the aesthetic dimension involves a more proximal or intense experience of sensory stimuli, with the difference also attributed to variations in the degree of authenticity of the aesthetic experience. The 4Es are not intended to function independent of each other and additionally, the richness of a compelling customer experience is a function of the degree to which all four realms are incorporated, comprising the central foundation of consumer-perceived value within the experience economy (Pine & Gilmore, 1998).

In addition to the 4Es model, Pine and Gilmore, (1998) offers guidance for firms engaged in staging marketing experiences by outlining the following five experience-design principles. These steps involve: first, companies need to develop a coherent theme around the experience. Secondly; they need to build positive and consistent cues in the customer’s mind. Thirdly, they need to eliminate any negative cues. Fourthly, companies will do well by commemorating the experience with tangible memorabilia; and lastly; they need to engage all five senses in creating a memorable event.

This theoretical model is thus suited for this study since the independent variable of this study is experiential marketing. The shopping experience ought to be designed in such a way that it encourages the best experience for its customers and hence lead to purchase intentions. As pine and Gilmore (1998) noted, the most effective way to create this experience is through experiential marketing. This is because in experiential marketing, consumers not only desire to be entertained and educated, they also desire to feel that they are in a whole new world of their own while at the same time enjoying the moment, ambience and the general shopping environment.

### **2.2.3 Stimulus Organism Response (S-O-R) Model**

The stimulus-response model was authored by Meherabian and Russell in 1974. This model outlines the influence of environment hence its useful in understanding the influence of surroundings such as light, temperature and scent on shoppers behavior (Hyunjoo & Sejin, 2011). The model consists of three key components; stimulus, organism (emotional state) and response (approach or avoidance) as shown in the figure 2.3.



**Figure 2.3 Stimulus- Organism- Response model**

**Source: Adapted from Meherabian and Russell (1974)**

According to the model, the major factors that affect a person's emotional state are; pleasure, arousal and dominance (Hyunjoo & Sejin, 2011). Furthermore, "when one is exposed to a retail environment, he/she feels different levels of pleasure, dominance, and arousal, which further influence how the person feels about a store, salespeople, service, or shopping experience" (Hyunjoo & Sejin, 2011 P.4). States of Stimulus acts as the independent variable, organism as the mediator and response as the dependent variable. According to Mehrabian & Russell, (1974) , an individual's cognitive and affective states are affected by the external stimulus which in turns influences one's behavior either positively or negatively. Moreover, there is a concurrence among environmental psychologist that people are affected by the environmental cues and which consequently triggers emotional reactions to those cues and in turn determining how they behave (Hyunjoo & Sejin, 2011).

Although the S-O-R model was originally developed to interpret how human behavior is affected by one's environment (Hyunjoo & Sejin, 2011), it has been adopted by marketing researchers and widely applied to consumer behavior studies (Cui & Lai, 2013). Citing the works of Bitner, (1992); Dube et al., (1995); Michon et al., (2005); Michon, Yu, Smith, & Chebat, (2008); and Stoel et al., (2004), and in line with the S-O-R paradigm, Hyunjoo & Sejin, (2011) argues that previous studies have indeed established that the evaluation of mall attributes elicits both cognitive (utilitarian) and affective (hedonic) as well as behavioral responses.

Within a retail scene for example, shoppers are exposed to a variety of store atmospheric attributes such as cleanliness, spaciousness, decoration and music; and a wide selection of store/merchandise, leisure/recreation and entertainment options which forms the perceptions of value derived from a shopping encounter (Hyunjoo & Sejin, 2011). Furthermore, according to Goi, Kalidas, & Zeeshan (2014), the contribution of this model in consumer behavior studies has never been doubted.

The S-O-R framework was used in a study examining how consumers' reasons for shopping and website stimuli affect their attitudes toward online shopping, their ability to regulate their emotional purchases, and their repurchase intentions (Peng & Kim, 2014). The results of the study showed "that (1) the hedonic shopping value has a positive effect on consumers' attitudes toward online shopping and emotional purchases, (2) the utilitarian shopping value has a significant effect on consumers' attitudes toward online shopping, (3) environmental stimuli positively influence consumers' attitudes toward

online shopping and emotional purchases, and (4) consumers' attitudes toward online shopping positively affect their repurchase intention" (Peng & Kim, 2014 p.1).

In a study on the role of hedonic motivation in impulse buying behavior in the retail environment,(Chang et al., 2011) used the S-O-R framework. The study results showed that there was significant relationship between the ambient/ design characteristics of the retail environment and the consumers' positive emotional responses to the retail environment and also between the consumers' positive emotional responses to the retail environment on impulse buying behavior. Moreover, hedonic motivation significantly moderated the relationship between social characteristics of the retail environment and consumers' positive emotional responses.

Sherman, Mathur, & Smith, (1997) also did a study on the effect of store environment on consumer emotions and the resulting influence on aspects of consumer behavior with actual shopping behavior using the S-O-R framework. The purpose of the study was to identify and explore how store environment and emotional states may influence various dimensions of purchase behavior. The study results established that "although cognitive factors may largely account for store selection and for most planned purchases within the store, the environment in the store and the emotional state of consumers may be important determinants of purchase behavior" (Sherman et al., 1997 p.1).

More recently ,Prashar, Vijay, & Parsad, (2017) did a study on the effects of on-line shopping values and website cues on purchase behavior using the S-O-R framework. The

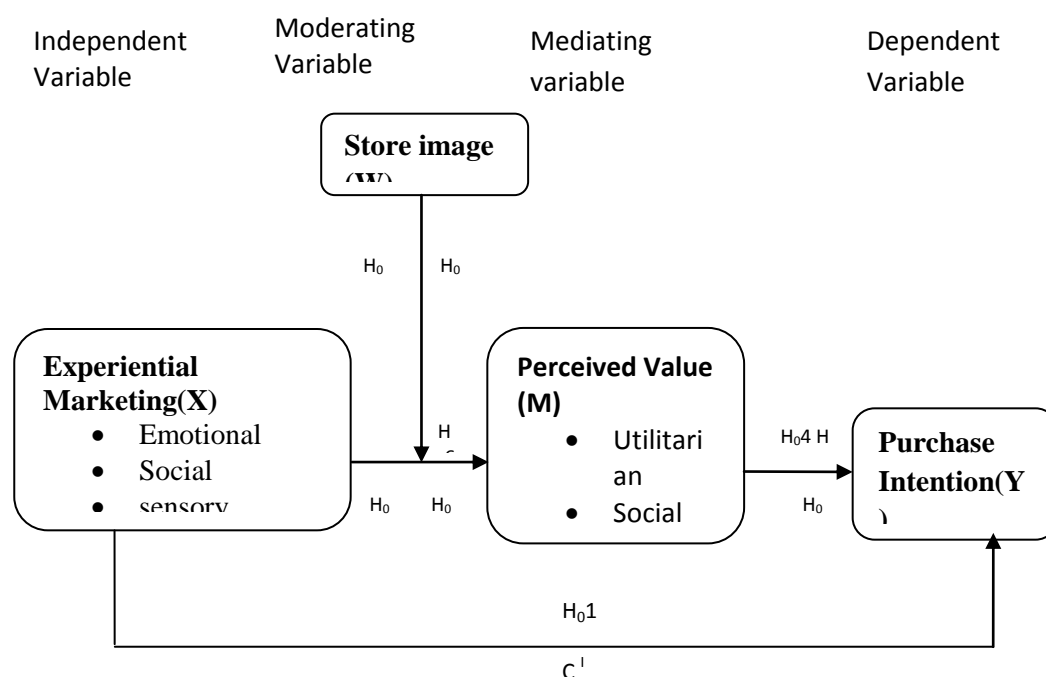


study established that both the external and internal factors have direct influence on website satisfaction. In addition, website satisfaction was found to significantly mediate the relationship between online shopping values and web atmospheric cues, and consumers' purchase intention.

The S-O-R model is thus suited for this study since the stimulus dimension of the model reflects the environmental stimulus which largely encompasses the store image attributes and the experiential dimensions. In addition, the organism variable of the model reflects the customer's emotional states such as pleasure, arousal and excitement which indeed are key pillars in the experiential marketing spectrum. Furthermore, the response variable of the model captures the main focus of the study; purchase intention.

## 2.3 Conceptual Framework

This model depicts the graphical interrelationships between the four key study variables which are; the dependent, independent, mediating and moderating variable.



**Figure 2.4: Conceptual framework** 1

**Source: Author's Own Conceptualization (2017)**

## 2.4 The Relationship between Experiential Marketing and Purchase Intention

Experiential marketing holds the view that consumers are not merely rational beings but that they also are emotional beings hence they seek feelings, fantasies and fun in their consumption experiences (Holbrook & Hirschman, 1982). Prayag, Hosany, Muskat, &

Chiappa, (2015 p.9) citing (Cohen and Areni 1991) defines emotions as the “affective states characterized by episodes of intense feelings associated with a specific referent (such as a person, an object, or an event) and instigate specific response behaviors” These emotions and feelings may be categorized as feel, sense, think, act and relate, (Schmitt, 1999) and as Same (2014b p.3) asserts “emotional attachment is central to the experiential paradigm”. Experiential marketing aims at creating a memorable experience that engages the customer in an inherently personal way (Gilmore & Pine, 2002) which can lead to favourable attitudes towards a company’s products.

Various studies have been carried out confirming the relationship between experiential marketing and purchase intention. An early study by Kotler (1974) established that store atmospherics- the conscious designing of space to create buyer effects, produces specific emotional effects in the buyer that enhance purchase probability. Srivastava, (2008) did a study on how experiential marketing could be used to build brands where he compared stores using experiential marketing and those not using experiential marketing. Specifically the study sought to establish the impact of experiential marketing on repeat visit by customers and the reasons for repeat visits when compared to stores not using experiential marketing. The results of the study showed that “repeat visit for customers in the experiential marketing stores was 32% when compared to 1% for the stores not using experiential marketing”( p.6). Moreover, the reasons that were given for repeat visits were; “ambience (34%), feel good (37%), friendly people (29%)” (p. 5) and this confirms that the experiential marketing has significant power to generate stimuli and emotions, that can ultimately influence purchase intention.

The answer to the question as to whether it is possible to create the futuristic retail experience through experiential marketing, was in the positive (Srinivasan & Srivastava, 2010). Experiential marketing through its ability to create touch points for creating memorable experiences was found to be a significant factor in attracting shoppers to a retail store. In view of this, the study conclusion was that “retailers should work on the environmental elements to increase satisfaction and encourage the return of shoppers” (Srinivasan & Srivastava, 2010 p.6).

A study by Yang & He (2011) on Goal, customer experience and purchase intention in a retail context in China established that the two dimensions of experiential marketing- emotional experience and social experience significantly affect purchase intention, while the third dimension- sensory experience, has an indirect influence on purchase intention. The study advises organizations that want to survive in this fiercely competitive business environment that they “should not only provide favorable sensory experience but also provide excellent emotional experience and social experience to create long-lasting competitive advantages and increase re-patronage” (p.8). The influence and importance of customer experiences on purchase intentions and particularly in retail context is emphasized in this study. These results are consistent with those of Anggie & Haryanto (2011), who noted the existence of a clear experience/intention path since the urge for shoppers to desire to come back, can only happen where the shopper has received the anticipated level of satisfaction from their initial shopping experience. Their study concluded that when retailers create environments that lead to customers having

unforgettable experiences, it will further arouse favorable responses that will ultimately encourage the intentions to purchase.

Same, (2014b) did a study on experiential marketing and country branding where she argues that experiences affect attitudes, judgments, and other aspects of consumer behavior. In addition she noted that attitude whose components are cognitive (our thoughts and beliefs), affective (feelings and emotions), and conative or behavioural, is a key determinant of our responses whether to purchase or not. This was also confirmed by Khan and Rahman, (2014) who carried out a study on ‘Influence of Experiential Marketing on Customer Purchase Intention focusing on Passenger Car Market’ and in which they used Schmitt’s strategic experiential modules of feel, sense, think, act and relate (Schmitt, 1999). The study conclusion was that the five experiential elements significantly influenced purchase intention, with the ‘sense’ and ‘feel’ elements rating very highly. These results are consistent with those of a study by Yacob, Erida, Rosita, Alhadey, & Mohameed, (2016) on the ‘effect of experiential marketing on brand loyalty’ where the five experiential modules were found to positively influence brand loyalty. Furthermore, results from a study by Prayag et al.,( 2015) established that tourists emotions and overall image predicted a significant variation in satisfaction, which in turn was positively related to the intention to recommend.

## **2.5 The Relationship between Experiential Marketing and Perceived Value**

The concept of experiential marketing is credited to the seminal work of Pine & Gilmore (1998), where they argued that the key to firm competitiveness is providing special

experiences and unforgettable memories. These experiences must holistically and consistently involve a person at different levels and thus contributing to the creation of value by enabling the customers to live all the moments of the relationship with a company in an excellent way, even beyond their expectations (Gentile et al., 2007). This value according to Zeithaml, (1988 p. 14) is “the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given.” Furthermore, the fundamental goal of customers is to obtain value (Chiu, Wang, Fang, & Huang, (2014) citing Holbrook (1984). The link between experiential marketing and perceived value is also confirmed by Holbrook, (1999) who defined customer value as an interactive, relativistic, preference experience. Moreover, “perceived value reflects an experience, in that it does not reside solely in the product purchased, the brand chosen, or the object possessed but rather in the derived consumption experience”(Nsairi, 2012).

Numerous studies have been conducted confirming a linkage between experiential marketing and perceived value. A study on how to sustain the customer experience (Gentile et al., 2007) identified five experiential dimensions that contribute to value perceptions. These are; sensorial component that provides sensorial value, emotional component that creates affective value, cognitive experience that relates to a customer’s thinking or conscious mental processes, lifestyle component that relates to a consumer’s values and beliefs, and lastly, relational component whose focus is the customer’s value derived from the social context of the experience. The study proved that a “relevant part of the value proposed to customers, and actually recognized by them, is linked to

experiential features; and that “regardless of the context, customers want to live positive consumption experiences” (p.10).

Rintamäki et al., (2006) in a study on ‘Decomposing the value of department store shopping into utilitarian, hedonic and social dimensions’ asserted that “Creating and delivering customer value is a precondition for retailers to survive in today’s competitive marketplace”( p.3). The study used utilitarian, hedonic and social dimensions of perceived value. The study concluded that “by becoming aware of the utilitarian, social and hedonic dimensions that comprise total customer value, and the benefits that customers associate with these dimensions, the concept of customer value can be used as a managerial tool in planning advertising and promotions, segmentation strategies, managing store atmospherics, and in staging integrated and memorable shopping experiences” (p. 16). A study on ‘Tourist perceived value in a community-based home-stay visit’, and whose objective was to identify both the functional and experiential dimensions, established that home-stay visitors’ value perceptions are not only dependent on functional aspects of value but also on emotional and experiential features ( Jamal, Othman, Maheran, & Muhammad ,2011). Moreover, “the emotional and experiential dimensions were shown to be the main sources of value derived from tourists’ experiences” and in view of this, advises marketers on “the need to emphasize value in terms of fun, memorable experiences, new and different experiences...” (Jamal et al., 2011 p.9).

## **2.6 The Mediating Effect of Perceived Value**

According to Gallarza & Gil (2008), the concept of perceived value has continued to draw attention from both practitioners and academicians due to its recognition as a barometer of long-term business performance since it is one of the most salient determinants of repurchase intentions and repeat purchase behavior and consequently a basis for competitive advantage. The immense benefits to be realized by firms that embrace the concept of perceived value has elevated it to become an imperative prerequisite for any firm that embraces sustainability in an increasingly competitive market (Huber, Herrmann, & Morgan, 2001). Organizations are increasingly recognizing that perceived value is a key factor in strategic management and that the creation of customer value must be the reason for the firm's existence and certainly for its success. Additionally loyalty and profits are strongly linked to customer value and therefore should be addressed in every marketing activity (Gallarza & Gil, 2008). Embracing perceived value concept in business practice results in high levels of customer satisfaction and furthermore, it has been found to have significant effect on customer repurchase intention and loyalty (Lin et al., 2005). This is consistent with Parasuraman & Grewal (2000) who argue that perceived value is the most important predictor of repeat purchase intention.

In a study conducted by Cronin et al., (2000), perceived value was found to be a better predictor of repurchase intentions than either satisfaction or quality. This is consistent with Petrick, (2004) who argues that quality, perceived value, and satisfaction all have



been shown to be good predictors of behavioral intentions. According to Ashton, Scott, Solnet, & Breakey, (2010) perceived value is a multidimensional construct consisting of perceived brand image, perceived quality, perceived sacrifice- monetary price and perceived risk non monetary price for instance time and energy. In this study, the four dimensions of perceived value were found to have significant influence on purchase intention. The study conclusion was that firms can improve their competitiveness by focusing on enhancing the dimensions of perceived value since this will translate to high levels of purchase intention. A study on ‘The relationship between perceived price and consumers’ purchase intentions of private label wine brands’ concluded that there is a significant positive relationship between the overall perceived value and consumers’ overall purchase intentions of PLB wines (Oosthuizen, Spowart, & De Meyer-Heydenrych, 2015). Furthermore, “approximately 37.50% of the variance in consumers’ overall purchase intentions is predicted by overall perceived value” (p. 11)

The strong relationship between perceived value and purchase intention is summed by Aulia et al., (2016) who states that “the more benefits the product or the service offer, the more satisfied the customer, thus the higher chances that it will lead to positive behavior”. More so, by regarding perceived value as a consumer’s net gain obtained from their consumption behavior, then it can be theorized as a key indicator of purchase intention (Chen & Dubinsky, 2003).

## **2.7 The Moderating Effect of Store Image**

Scholars have established that “store image is related to perceived value of merchandise and that perceived value shapes the customer’s behavior”(Žemgulienė, 2013). Perceived value is the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given implying that value represents a trade-off of salient “get and give-components,” which are perceived as benefits and sacrifices, respectively (Chen & Dubinsky, 2003 citing Zeithaml 1988). Additionally, store image is “the complex of a consumer’s perceptions of a store on different (salient) attributes” (Bloemer & Ruyter, 1998 p.4) . It is the impression of a retailer in the minds of consumers (Ailawadi & Keller, 2004), formed on the basis of a shopping experience or on external information on the retailer from sources such as commercials, news, or word-of-mouth (Mazursky & Jacoby, 1986). These impressions tend to have a significant impact on store patronage or frequency of shopping at a particular store, with the likelihood that a consumer will shop at a given store increasing as the individual's perceptions of the store become more positive (Darley & Lim, 1999)

The results of a study on how destination image, perceived value, and service quality affect destination loyalty (Kim, Holland, & Han, 2013 p.11) showed that “overall satisfaction was affected by perceptions of service quality and perceived value, which were also directly influenced by perceived destination image” and “that destination image and satisfaction are important variables influencing destination loyalty”. Perceived value quite often stands out as an antecedent and a key determinant of customer satisfaction and their future behavioral intentions (Cronin, Brady, and Hult 2000:

McDougall and Levesque 2000; Parasuraman & Grewal 2000). Image and perceived value are outcome variables of service quality. Moreover, service quality and customer satisfaction are core marketing priorities since they are prerequisites of consumer loyalty such as repeat sales and positive word of mouth (Ryu et al., 2012). Citing the results of a study by Lai et al., (2009) , Ryu et al., (2012 P.6) posits that “service quality directly affected both customer perceived value and image perceptions”.

Ryu et al., (2012), did a study where one of the objectives was to establish the influence of restaurant image on customer perceived value and customer satisfaction. The results of the study showed that customer perceived value was a perfect mediator of an image-satisfaction path. However the findings also indicated that “the consumer evaluation process flows from image to satisfaction via customer perceived value, not directly from image to satisfaction (p.8). Moreover, this “supports the notion that customers highly rely on customer perceived value to evaluate their satisfaction, while customer perceived value is significantly influenced by image.

A study on how experiential quality, experiential Value, experiential satisfaction affect theme park image, and revisit intention show that “improving theme park visitors’ perceptions of experiential quality, functional value, and image can effectively raise experiential satisfaction levels, and higher levels of experiential satisfaction should ultimately result in revisit intention” (Wu, Li, & Li, 2014). It is this realization of the importance of image as a source of competitive advantage that has made retailers spend a great deal of time and money on store environments so as to create the right images

(Joyce & Lambert, 1996). Store image was thus found to be a suitable moderator taking into account its unique relationship with perceived value and its influence on purchase intention. Furthermore, previous studies have established that “perceived value is another characteristic of store image” and that “store image and perceived value account for 41% of the variance on purchase intention” (Heijden & Verhagen, 2004 p.2).

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This chapter discusses the research design, target population, sampling design, data collections and analysis, measurements of the variables and also ethical consideration.

#### **3.1 Study area**

The study focused on the retail sector in Kenya and specifically covered the three leading retail chains in Kenya, namely Nakumat, Tuskys and Naivas. The specific branches selected were in Nairobi the commercial and administrative capital city of Kenya.

#### **3.2 Research Design**

The study adopted a quantitative design in line with positivism studies with the objective of collecting large data sample to generate findings that are statistically significant and generalisable. According to Saunders, Lewis, & Thornhill, (2009) positivism philosophy assumes that knowledge exists outside of /and independent of the researcher. A research strategy to collect data uses existing theory to develop hypotheses and these hypotheses are then tested and confirmed, in whole or part, or refuted, leading to the further development of theory which then may be tested by further research. Moreover, this is also consistent with (Gartrell & Gartrell, 2002) who posits that positivism consists of seven characteristics; Concepts related in law-like statements; Nominal definition of concepts; Operational definition/partial interpretation; Derivation of hypothesis for

empirical examination; Formal language (logic or math) to express laws; Variables related together empirically and lastly entails use of statistical techniques . This study used an explanatory approach with the intention of explaining cause-effect relationship among the study variables.

### **3.2 Target Population**

The study targeted all the shoppers who shop at the Nairobi based top branches of the three leading Kenyan retailers; Nakumat, Tuskys and Naivas . Based on a survey done in mid of October 2016, each of the branches were found to serve well over 5000 shoppers per day totalling to over 15, 000 shoppers per day. These retailers were chosen because of their nationwide representation; an approach that was also used by (Tih & Lee, 2013) in their study on the consumer's perceptions of retail owned brands. The specific branches are Tuskys T-Mall, Nakumatt Mega and Naivas Westlands. Previous researches have however used single malls that reflected cultural diversity (Michon, Yu, Smith, & Chebat, 2008), general representation of the consumer (Putro & Haryanto, 2015) and highest turnover (Rintamäki et al., 2006) . Wu et al., (2011) however chose to base their study on two largest supermarket chains but went further to pick four stores from each chain. This study combined all these factors in the selection of Nairobi County as the study environment and the choice of the retailers and their specific branches. Nairobi County is found appropriate for this study due to its cosmopolitan nature and its cultural diversity. Furthermore, these branches were selected because of their location and that the catchments they serve reflect high levels of cultural and class diversity necessary for this study.

### 3.4 Sample Design and Sampling Technique

#### 3.4.1 Sample Size

Based on a survey done in mid of October 2016, each of the branches were found to serve well over 5000 shoppers per day totalling to over 15, 000 shoppers per day. Since the study population is well over 10,000, the study adopted the Cochran's formula(1977) and recommended by (Fisher, Laing, Stoeckel, & Townsend, 1991) to obtain the desired sample size as follows:

$$n = \frac{z^2 pq}{d^2}$$

**Where •**

**n** = the desired sample size (when target population is greater than 10,000).

**z** = the standard normal deviate, usually set at 1.96 (or more simply at 2.0), which corresponds to the 95 percent confidence level.

**p** = the proportion in the target population estimated to have a particular characteristic. If

there is no reasonable estimate, then 50 percent is recommended

**q**= 1.0 - p.

**d** = degree of accuracy desired, usually set at .05 or occasionally at .02.

For example, if the proportion of a target population with a certain characteristic is .50, the z statistic is 1.96, and we desire accuracy at the .05 level, then the sample size is:

$$n = \frac{(1.96^2)*(.5)*(.5)}{(.05)^2} = 384.16$$

Since the formula gives a minimum sample size of 385, the study targeted a sample size of 420 respondents distributed proportionately according to the branch share of the market. Consequently Nakumat, Tuskys and Naivas contributed 164, 147 and 109 respondents respectively. These figures were evenly spread out in the three days of data collection.

### **3.4.2 Sampling Procedure**

The specific outlets targeted by this study were; Nakumat Mega, Tuskys T-Mall, and Naivas Westlands. Stratified, Proportionate and purposive sampling techniques were used to select a representative sample from each of the supermarkets where each contributed according to the percentage share of branch network to realize a total sample of 420. To obtain respondents, the study used a store intercept approach targeting only those shoppers exiting the supermarket and who show proof of purchase. This approach was used in studies such as (Michon, Yu, Smith, & Chebat, 2008; Madahi & Sukati, 2016) . Moreover, for the shoppers to be allowed to take part in the study, they were first required to confirm that they have not previously taken part in the same study in that particular supermarket or any other participating supermarket. The store intercept method conforms to purposive sampling approach since the sample must conform to a predetermined criteria (Cooper & Schindler, 2003).

### **3.5 Data Collection, Instruments and Management**

Before commencing the process of data collection a letter of introduction as a postgraduate student was obtained from the Dean- School of Business and Economics of



Moi University. In addition a research permit was obtained from the National Council for Science, Technology and Innovation (NACOSTI).

The data for the study was gathered through a structured questionnaire. . A questionnaire is a scheduled interview form or measuring instrument including a formalized set of questions for obtaining information from respondents (Kothari, 2004) . The reason for asking structured questions is to improve the consistency of the wording used in doing the study at different places which increases the reliability of the study by ensuring that every respondent is asked the same question.

The process of data collection was carried over a three day period running from Thursday to Saturday in the three outlets for a period of three weeks. This is because according to Diallo et al., (2015) shopping motives vary by time of day and day of the week hence the need for data collection to also span multiple times and different days. In view of this, data was collected from noon to two pm and from four to seven pm to coincide with the peak shopping times of the day. Only a third of the targeted respondents per outlet were interviewed in a day for the three days.

This questionnaire consisted of two sections, that is, Section A and Section B. Section A includes the variables related to demographics such as age, gender, income level and highest level of academic qualification. The study variables and their dimensions namely; emotional experience, social experience, sensory experience, store image, social value,

utilitarian value, hedonic value and purchase intention and how they were tested are in Section B.

In order to increase reliability several aspects of data collection were carefully considered. The first objective was to minimize memory-based bias. This was done by focusing on the shopping experience that had just taken place in the supermarket the data was collected. A shopping experience that has taken place minutes ago is easy for respondents to recall; this would not be the case if data gathering is done by telephone or mail survey (Rintamäki et al., 2006). The data was collected using a self administered questionnaire. Within these malls, consumers identified as leaving the supermarkets and having clear purchase evidence (carrying a shopping parcel/bag identifying the brand or outlet) were approached and kindly asked whether they would be willing to take part in a brief study. Approaching consumers in this way is an accepted method of access within this consumer setting (Hung et al., 2011). To identify appropriate study participants, the screening considered frequency of purchases, with participants screened out on the basis of “ad hoc” and “one-off” purchases. Customers were then asked to take part in the study on the ‘Effect of Experiential Marketing on Purchase Intention; A moderated mediation of store image and perceived value’. Customers, who agreed to participate in the study where possible, were taken to the supermarket reception where the questionnaire was further explained and administered. To ensure that any queries while filling in the questionnaire were promptly addressed, the study dealt with only one single respondent at a time. On average, the respondents took around five minutes to fill in the

questionnaire. All the customers who completed the questionnaire were then thanked for their willingness to participate in the study.

### **3.6 Measurements of Variables**

In order to ensure content validity, measures that had been used in previous studies were adopted. All the items adopted a 5-point Likert-type scale indicating the extent of agreement or disagreement with a given statement, namely, 1 “Disagree strongly”, 2 “Disagree”, 3 “Neither disagree nor agree”, 4 “Agree”, and, 5 “Agree strongly”. or 1 “Very bad”, 2 “bad”, 3 “Not sure”, 4 “Good”, 5 “Very good”. (Chen & Dubinsky, 2003) citing Marton-Williams, (1986) argues that the five-point scales as was used in this study, has been confirmed by previous research to be readily comprehensible to respondents and enables them to easily express their views.

#### **3.6.1 Measurement of Purchase Intention**

The measurement of purchase intentions was done using five items adapted from Angie & Haryanto, (2011). The respondents were required to respond to the statement; “I plan to visit this supermarket again” “I hope that I can always shop at this supermarket”, “I want to shop in this supermarket if there is any chance”, “If I go shopping, I will always not forget to shop in this supermarket”, “I will recommend this supermarket to my friends”. The items adopted a 5-point Likert-type scale indicating the extent of agreement or disagreement with a given statement, namely, 1 “Disagree strongly”, 2 “Disagree”, 3 “Neither disagree nor agree”, 4 “Agree”, and, 5 “Agree strongly”.

### 3.6.2 Measurement of Experiential Marketing

The three dimensions of experiential marketing ; sensory experience, social experience and emotional experience were measured using fourteen items adapted from a study by Yang & He (2011). Consequently, the dimension- sensory experience was measured using four items. These are; “The shopping process would arouse my strong sensations.”, “The shopping trip would bring me great interest.”, “The shopping trip is very attractive.”, and “The shopping trip is quite worthwhile”.

Four items were used to measure social experience. The items are “the shopping trip can promote my relationships with others, my feelings, and friendship.”, “By shopping in this supermarket, I can get recognition.”, “By shopping in this supermarket, I can find a sense of belonging.”, and “By shopping in this supermarket, I can position my social status.” All the items for both sensory and social experiences adopted a 5-point Likert-type scale indicating the extent of agreement or disagreement with a given statement, namely, 1 “Disagree strongly”, 2 “Disagree”, 3 “Neither disagree nor agree”, 4 “Agree”, and, 5 “Agree strongly”. or 1 “Very bad”, 2 “bad”, 3 “Not sure”, 4 “Good”, 5 “Very good”

Emotional experience was measured using six items originally used by Brengman & Geuens, (2004). The respondents were required to rate their shopping experience using the scales: “Depressed\_ :\_ :\_Contented”, “Unhappy\_ :\_ :\_happy”, “Unsatisfied\_ :\_ :\_satisfied”, “Annoyed\_ :\_ :\_pleased”, “Bored\_ :\_ :\_relaxed”, “Despairing\_ :\_ :\_relaxed”.

:\_hopeful”), which is designed to semantic-differential scale (continuum with a pair of opposite adjectives as anchors).

### **3.6.3 Measurement of Perceived Value**

Perceived value was measured using eighteen items adapted from (Rintamäki et al., 2006). The items adopted a 5-point Likert-type scale indicating the extent of agreement or disagreement with a given statement, namely, 1 “Disagree strongly”, 2 “Disagree”, 3 “Neither disagree nor agree”, 4 “Agree”, and, 5 “Agree strongly”.

Utilitarian value consists of six items, social value six items and hedonic value six items. The six items for measuring social value are “Patronizing this supermarket fits the impression that I want to give to others”, “I am eager to tell my friends/acquaintances about this shopping trip”, “I feel that I belong to the customer segment of this supermarket”, “I found products that are consistent with my style”, “I felt like a smart shopper, because I made successful purchases” and lastly “This shopping trip gave me something that is personally important or pleasing to me”. The six items used to measure utilitarian value are; “I saved money when I shopped here”, “I made inexpensive purchases”, “I got my purchases done cheaper than if I had made them elsewhere”, “I was able to get everything I needed under one roof”, “I was able to shop without disruptive queuing or other delays”, and “I was able to make my purchases conveniently”. The six items used to measure hedonic value are; “I enjoyed this shopping trip itself, not just because I was able to get my purchases done”, “I was having fun”, “In my opinion, shopping around was a pleasant way to spend leisure time”, “I felt adventurous and

wanted to visit different sections in order to find interesting products”, “I was looking for insights and new ideas to buy” and “I wanted to explore/touch/try different products while shopping”.

### **3.6.4 Measurement of Store Image**

The store image was measured using five items measures adapted from Chang and Wang, (2014) and as previously used by Grewal, Baker, and Borin (1998). The respondents were required to respond to the statements; “The retail store would be a pleasant place to shop” ; “ The customer has an attractive shopping experience in the retail store”; “The retail store offers good overall service” ; “The retail store has helpful salespeople” ; “ The retail store has knowledgeable salespeople” The items adopted a 5-point Likert-type scale indicating the extent of agreement or disagreement with a given statement, namely, 1 “Disagree strongly”, 2 “Disagree”, 3 “Neither disagree nor agree”, 4 “Agree”, and, 5 “ Strongly agree ”.

## **3.7 Reliability and Validity of Research Instrument Validity**

### **3.7.1 Validity Testing**

Validity of a scale seeks to determine the extent to which differences in observed scale scores reflect the true differences among objects or the characteristics being measured (Malhotra & Dash, 2011). Measurement of validity of the constructs was done by determining whether they are different from each other (discriminant validity), and whether there was homogeneity within the construct (convergent validity) consistent with Eriksson & Vaghult, (2000). Furthermore, Bollen, (1989) recommends convergent

validity and discriminant validity as the ideal indicators of the validity of the measurement model.

To gain understanding of the underlying constructs in the variables, all the items were factor analysed with the construct configuration obtained through principal component analysis (PCA) using Kaiser–Meyer–Olkin (KMO) test of sample adequacy and Bartlett test of sphericity (Malhotra, 2004) . Factor loadings for all the items were then assessed with any item with factor loadings less than the recommended threshold of 0.5 being candidates for dropping (Shaharudin, Mansor, Hassan, Omar, & Harun, 2011; Hair, Black, Babin, & Anderson, 2010). The components extracted were required to meet the minimum recommended Eigen value of greater than one (Costello & Osborne, 2005; Plucker, 2003). Eigenvalue reflects the amount of variance accounted for by a factor (Hair, Black, Babin, Anderson, & Tathan, 2006). To determine the sample adequacy for factor analysis, the study used KMO tests of sample adequacy and Bartlets test of sphericity. Furthermore, Hair et al., (2006) recommends KMO as the most appropriate test of a correlation matrix for purposes of conducting a factor analysis. Tabachnick & Fidell, (2001) recommend a KMO of 0.6 and higher as the acceptable threshold. Moreover, the Bartlett’s test of sphericity provides a chi square output that must be significant to confirm that the matrix is not an identity matrix (Taherdoost, Sahibuddin, & Jalaliyoon, 2014), hence confirming that a linear combination exists (Beavers et al., 2013). The study further adopted Varimax procedure for orthogonal rotation to maximize loadings on the factors and also minimize the number of components (Malhotra & Dash, 2011).

To determine whether the variables meets the requirements for convergent validity, the study analysed the Average Variance Extracted (AVE) (Beneke, Cumming, & Jolly, 2013; Yuan & Wu, 2008). AVE refers to the “average amount of variation that a latent construct is able to explain in the observed variables to which it is theoretically related and hence it is generated when “variance is averaged across all observed variables that relate theoretically to a latent construct” (Farrel, 2009 p 3-4). To compute the average variance extracted for the constructs, the study used the squared multiple correlations from the confirmatory factor analysis (O’Cass & Grace, 2008) . Furthermore, the study used the Fornell Larcker criterion (Fornell & Larcker, 1981) to determine whether the AVE scores meets the requirements. A score of 0.5 and above is acceptable meaning that the constructs account for more than 50% of the explained variance (Beneke, Flynn, Greig, & Mukaiwa, 2013).

The study also sought to establish whether there existed discriminant validity in the model consistent with (Beneke, Flynn, et al., 2013 ; Yuan & Wu, 2008). Discriminant validity is referred to as the “trait difference between constructs” (Yuan & Wu, 2008 p.15). According to Beneke, Flynn, et al., (2013 p.5), discriminant validity is suggested to be present “if the loading of a particular construct on its allocated construct is higher than its cross loadings on all other constructs. Moreover, Matzler, Bidmon, & Grabner-Krauter, (2006 p4) ,citing Fornel & Lacker (1981) also argue that “the average variance shared between a construct and its measures should be greater than the variance shared between the constructs and other constructs in the model”. In addition, Matzler et al.,



(2006 p4) argues that discriminant validity is suggested to be present “when the diagonal elements (square root AVE) are greater than the off-diagonal elements in the corresponding rows and columns”. The study therefore was guided by this requirement that , the squared roots of the average Variance extracted should be higher than all the correlations with the other constructs to indicate that satisfactory levels of discriminant validity exists (Lin & Chuan, 2013).

### **3.7.2 Reliability Testing**

The study also found it important to assess the reliability of the tool that was used to collect information so as to determine the internal consistency of the tool. Reliability “is the extent to which measurements are repeatable –when different persons perform the measurements, on different occasions, under different conditions, with supposedly alternative instruments which measure the same thing” (Drost, 2011 p2). Moreover, reliability is closely related to validity since a tool cannot be reliable if it lacks validity (Tavakol & Dennick, 2011). The study used Cronbach’s alpha since it’s the most widely used measure of reliability of the data collection instrument in determining the internal consistency (Tavakol & Dennick, 2011). Internal consistency “measures consistency within the instrument and questions how well a set of items measures a particular behaviour or characteristic within the test” (Drost, 2011 p7). All the four constructs were tested to determine their levels of reliability guided by the Cronbach’s alpha’s threshold of 0.8 (Malhotra, 2010). Furthermore, Lin & Lu, (2010) contend that a Cronbach’s alpha of 0.7 and above signals high levels of reliability. In this study, the study first determined

the reliability of the individual dimensions, then for the constructs and finally the reliability of the entire tool. In addition to Cronbach's alpha Composite reliability was also computed to assess the internal consistency. This is consistent with Hair, Black, & Babin, (2005) who recommends average variance extracted (AVE) and composite reliability (CR) as the most appropriate in assessing the internal consistency of measures.

### **3.8 Data Analysis and Presentation**

The constructs in the research tool were measured using a combined total of thirty nine items. An average score for the multiple items of each construct were therefore computed to arrive at a composite value and this is what was used in further multiple and correlation analysis (Wang & Benbasat, 2007). The entire process used SPSS version 21. This software was also employed for descriptive statistics for socio-demographics and test of assumption including normality checks in which values of skewness and kurtosis were evaluated, multi-collinearity, homoscedasticity and outliers. Notably, factor analysis condensed social experience and sensory experience into one component and which was renamed social-sensory experience. Pearson correlations were conducted to check the relationship between the seven variables (purchase intention, Store image, social-sensory experience, emotional experience, social value, utilitarian value and hedonic value). Confirmatory factor analysis with Varimax rotation was used to ascertain the validity of the scales and structural relationships among the exogenous and latent concepts. All the items used in measuring particular variables were required to meet a factor loading threshold of 0.5 and above with any item having factor loadings less than 0.5 being dropped entirely (Hair et al., 2010;Shaharudin et al., 2011) . Moreover, where items were

dropped, a further factor analysis was conducted on the remaining items. Additionally, factor components were required to meet the minimum Eigen value requirement of 1. Convergent validity was checked using AVE, whereas discriminant validity was checked using the square roots of the AVE and comparing this with the correlations for each variable. Furthermore internal consistency was checked using Cronbach's alpha and composite reliability.

By using SPSS with process macro- model seven (7), the relationships in the various models were tested to determine their level of significance. Process macro has been recommended for analysis in those studies that involve multiple mediator models as is the case in this study (Preacher & Hayes, 2008). Moreover, since the study based its analysis on the dimensions and not the whole construct, several models were generated based on the combinations of the two dimensions of the independent variable, and the three dimensions of the mediating variable. Notably, both the moderator and the dependent variable were single dimension variables. The significance of the models was tested using the p-values and bootstrap confidence intervals. Bootstrapping was regarded as being appropriate for this kind of study since it is recommended for multiple interaction models and is far much superior to methods that assume normality of the sampling distribution of the indirect effects (Preacher & Hayes, 2008). The criteria used to determine the significance of the relationship was 0.05 for p-values and a bootstrap interval that does not contain zero. In addition, moderation graphs were generated to give a graphical view of the moderation effect. A summary of the results for all the hypothesized relationships is given at the end of chapter four of this study.

### **3.8.1 Data Entry and Verification**

After collecting the data, all the questionnaires were put together and then all the items were coded. The item scores in each questionnaire were then entered into SPSS version 21. In addition, data was screened to avoid cases of distortions since missing data may lead to biased results. The two steps that were followed were; first checking for errors and secondly correcting for errors. To make this possible, frequency for each variable were run and thereafter inspected to identify any scores that were falling outside the acceptable range and moreover if there are any missing entries. Using the averaging of the upper and lower scores, the missing entries were then captured and the abnormal entries corrected. Descriptive statistics were then performed after making sure that the data contained no errors. Moreover, this process also ensured that the requirements for the assumptions of multiple linear regressions are adhered to (Pallant, 2010).

### **3.8.2 Testing Assumptions**

Although this study used the bootstrapping method which is not subject to the linear regression assumptions, it was found necessary to check for possible violations of these assumptions so as to build confidence in the data before proceeding to analysis. The statistical tests of the regression assumptions were done on the seven variables that emerged after conducting factor analysis namely; purchase intention, emotional experience, socio-sensory experience, store image , social value, utilitarian value and hedonic value to ensure the results of the analysis were trustworthy and not misleading. If the assumptions are violated, the results can lead to the making of wrong conclusions for

instance resulting in a Type I error (when the study concludes that there is a statistical difference when in reality one does not exist) (Zikmund, Babin, Carr, & Griffin, 2009). The assumptions that the study tested include: all variables are normally distributed: linearity of each of the independent variables with the dependent variable; singularity and outliers: equal variance of the dependent variable across a range of independent variables (homoscedasticity), and no multi-collinearity.

### **3.8.2.1 Normality Test**

Normality of distribution is one of the major assumptions of regression models. According to Tabachnick & Fidell, (2001) variables that are not normally distributed can result in distorted relationships. The test of normality was done using Kurtosis, skewness tests, plots and Shapiro-wilk test.

### **3.8.2.2 Linearity Test**

Multiple regressions assume a linear relationship must exist if one is to correctly estimate the relationship between the dependent and independent variables. It has also been noted that non-linear relationships between the independent variable and dependent variable increases the risk of type II error in the results of regression analysis since the true relationship will be underestimated. Linearity was tested using correlations among variables and also bi-variate scatter plots which according to Hair et al., (2006) is the most common way to identify any nonlinear patterns in the data. Additionally, careful scrutiny of the inter-correlations among pairs of independent variables is essential in detecting possible occurrence of multi-collinearity. Multi-collinearity is a phenomenon

in which two or more predictor variables in a multiple regression model are highly correlated. In this regard, multi-collinearity was tested using tolerance and VIF, meaning that one can be linearly predicted from the others with non-trivial degree of accuracy. The acceptable tolerance values is that it should be more than 0.1 while the values for variance inflation factor (VIF) is that they should be less than 10 implying that multi-collinearity issues do not exist (Dootson, Beatson, & Drennan, 2016) , citing Allen & Benet 2012).

### **3.8.2.3 Homoscedasticity Tests**

Homoscedasticity is a standard assumption of regression models and it means constant variance or that the relationship is constant for the entire range of the dependent variable (Garson, 2012; Wang & Zhou, 2003). Violation of this assumption is referred to as heteroscedasticity and this “can have adverse consequences for the efficiency of estimators, so it is important to detect the variance heterogeneity in regression analysis” (Lin & Wei, 2003 p.172). Moreover, Greens (2000), argues that heteroscedasticity can result to the Ordinary Least Squares (OLS) estimators suffering from gross inefficiency. Heteroscedasticity may lead to misleading results and also increase the likelihood of type 1 error occurring. It is however not uncommon to find this assumption violated hence the need to carry out assessment tests that may confirm any possible violation ( Wang & Zhou, 2003).

There are several methods that may be used to detect cases of heteroscedasticity in the data. These methods comprise of the graphical and non-graphical procedures and this

study used both. The most common graphical procedure is uses of standardized scatter plots (Lin & Wei, 2003) . Moreover, “For heteroscedasticity detection, the usual graphical procedure consists of plotting the ordinary least squares residuals against fitted values or an explanatory variable. A megaphone-shaped pattern is taken as evidence that the variance depends on the quantity plotted on the abscissa.”(Lin, Zhu, Cao, & Li, 2011 P. 1509-1510). Heteroscedasticity manifests by having higher residuals for some portions of the range when compared with others. However when the assumption of homoscedasticity is met, residuals tend to form parternless cloud of dots (Garson, 2012). In addition to the scatter plots, the study used the levene’s test of homogeneity to detect cases of heterogeneity. According to Garson (2012), levene’s test of homogeneity is the most common test of homoscedasticity and it tests the assumption that each group of one or more categorical independent variables has the same variance on an interval dependent. The study rejects the null hypothesis that the groups have equal variances if the Levin statistic is significant at 0.5.

### **3.8.3 Common Method Variance**

Common method variance refers to the variance that is attributable to the measurement method rather than to the constructs the measures represent. These variances represent a serious challenge to research since they are a major source of measurement error hence threatening the validity of the conclusions about the relationships between constructs (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). Moreover, common method variance tends to introduce systematic bias into a study by artificially inflating or deflating correlations potentially invalidating the conclusions drawn about the construct inter-

correlations (Reio, Jr, 2010) .Inflated correlations as a result of CMV may cause regression estimates to converge at a higher value than their true population value potentially leading to one committing a type 1 error. Furthermore, deflation makes it difficult to detect a relationship if it exists and this may lead the study into committing a type II error (Siemsen, Roth, & Oliveira, 2010).

These challenges posed by common method bias makes it very necessary for researchers to be aware about how their data collection procedures and research designs can contribute to CMV and also the possible approaches that may be used to address the problem(Reio, Jr, 2010). According to Podsakoff et al., (2003), among the possible causes of Common Method Variance are; common rater effects, consistency motif, leniency biases, context induced moods, social desirability, common scale factors and item ambiguity.

The study addressed these methodological biases in a number of ways. According to Conway & Lance (2010), one of the ways researchers can rule out significant methodological biases is by ensuring that the measures used demonstrate high construct validity. This was emphasized in this study and was made possible by carrying out extensive literature review to ensure that items related to the constructs they were measuring. In addition, respondents were requested to give honest responses devoid of any personal considerations. The wording of the items was also structured in a way that significantly minimized ambiguity while at the same time making the questionnaire relatively short to minimize the time a respondent was taking to respond to all the items.



Harman's single factor test was also used to confirm that common method variance was not a problem in the study. Podsakoff et al., (2003) argues that Harman's single factor test is the most common and simplest test of Common Method Variance. It is computed by loading all the factors into the factor analysis but then constrain the factors into one. If the unrotated factor analysis shows that one item accounts for over 50% of the variance, then a conclusion is made that CMV is present (Roni, 2014).

### 3.8.4 Hypothesis Testing

The following models were tested to confirm or reject the study's stated objectives.

$$H_01: Y = \alpha + \beta_1 X + \varepsilon$$

$$H_02: M = \alpha + \beta_1 X + \varepsilon$$

$$H_03: Y = \alpha + \beta_2 M + \varepsilon$$

$$H_04: (C^1) Y = \alpha + \beta_1 X + \beta_2 M + \varepsilon$$

$$H_05: M = \alpha + \beta_1 X + \beta_2 W + \beta_3 X * W + \varepsilon$$

$$H_06: Y = (b_0 + a_0 b_1 + a_2 b_1 W) + (a_1 b_1 + a_3 b_1 W + c')X$$

Where

Experiential Marketing dimensions- X

Store Image- W

Perceived Value dimensions- M

Purchase Intention- Y

$b_0, a_0$ - constants

$\beta_1, \beta_2, \beta_3$ - Coefficients

$C^1$  - conditional effect

$\varepsilon$ - Error term

### **3.9 Ethical Consideration**

Appropriate ethical behaviour was adopted. Respondents were assured of confidentiality regarding any information gathered, filled and shared or disclosed to any other party other than for study purposes. Furthermore, the anonymity of the respondents was also assured. There was no name writing on the questionnaires. In addition, informed consent was obtained from individual respondents and those declining participation were not coerced. Courtesy and appreciation were incorporated and no leading or private questions were asked. Permission to carry out the study was sought from the relevant authorities which include consent from the management of the supermarkets and a research permit from the National Council for Science, Technology & Innovation (NACOSTI).

## **CHAPTER FOUR**

### **DATA ANALYSIS, INTERPRETATION AND PRESENTATION**

#### **4.0 Overview**

This chapter covers the results of data analysis and discussions of the research findings guided by relevant literature. Characteristics of study variables including the demographic characteristics of the respondents are captured using descriptive statistics such as graphs and tables. In addition, the chapter reports on the results of tests of assumptions, factor analysis using principle component analysis and correlations using Pearson's correlations. Moreover, the results of hypothesis testing for all the models are also covered in this chapter.

#### **4.1 Response Rate**

The study sampled a total of 420 respondents during the three days of data collection. However, only 386 questionnaires were correctly filled. The number of questionnaires that were partially filled was 34 and hence were not included in the analysis consistent with the approach by Wei, Marthandan, Chong, Ooi, & Arumugam, (2009). This translates to a response rate of 92% while the non-response rate was 8%. The high response rate was realized since the respondents had first to give their consent to take part in the study before being issued with the questionnaire. Moreover, the respondents were requested to fill in the questionnaire and hand it back immediately within the supermarket premises or entrance and therefore not allowed to carry it home. The 8 % non-response

rate was mainly due to cases of incomplete questionnaires. The results are shown in table 4.1

**Table 4.1: Response Rate**

Item	Figure	Percentage
Respondents.	420	100%
Responses	386	92%
Non-Response	34	8%

**Source: Survey Data, 2017**

#### **4.2 Demographic Profile of the Respondents**

The study sought to determine the demographic profiles of all the respondents focusing on; gender, age and education level. The frequency of visit to the supermarket was also captured. This information is necessary in determining whether these demographic variables have any correlation with the study variables.

**Table 4.2: Summary of the Demographic Profile**

Variables	Dimensions	Frequency	Percentage
Gender	Male	201	52.1
	Female	185	47.9
Education level	Secondary	78	20.2
	Diploma	84	21.8
	Degree	107	27.7
	Masters	106	27.5
	Doctorate	11	2.8
Age	below 20	36	9.3
	20-29	164	42.5
	30-39	118	30.6
	40-49	48	12.4
	above 50	20	5.2
Visits	Daily	121	31.3
	Weekly	139	36.0
	More than 4 times	126	32.6
	Total	386	100.0

**Source: Survey Data, 2017**

The demographic profile of the study consisting of 386 respondents presented in table 4.1 includes gender, age, highest level of education attained. The gender distribution of the study respondents is 52.1 % male and 47.9 % females. The results of the study also showed that majority of the respondents have post secondary education qualifications with diplomas at 21.8%, undergraduate 27.7%, masters 27.5% and PhD 2.8%. Only 20.2 % of the respondents have not gone beyond secondary level of education. The age profile of the respondents indicate that majority of the respondents at 73.1 % are youthful and fall within the age bracket of 20 to 39 years. Only 9.3 % were below 20 years and 17.6 % were above 40 years of age. The frequency of visits as shown in table 4.2 also indicates that 68.6% of the respondents visited the supermarkets minimum four times in a month, with 31.3 % reporting daily shopping visits.

The demographic information shows that there exists a near gender parity in the customers visiting supermarkets implying that both males and females regularly visit supermarkets. Regarding the level of education, the results indicate that on average 80 % of the respondents have attained post secondary education. This implies that majority of the shoppers are able to make informed choices. Moreover, the age of the respondents indicates that majority of the shoppers (73.1 %) are youthful falling within the age bracket of 20 to 39 years. This may indicate that supermarkets are highly attractive to the educated and youthful populations. The study results shows that 67 % of the shoppers visit at least once every week, hence we may infer that the supermarket is proving to be the preferred shopping outlet for majority of shoppers.

## **4.2 Data transformation**

The constructs in the research tool were measured using a combined total of thirty nine items. An average score for the multiple items of each construct were therefore computed to arrive at a composite value and this is what was used in further descriptive, correlational, and regression analysis. This is consistent with the approach by Wang and Benbasat, (2007).

## **4.4 Descriptive Statistics of the constructs**

This section gives a comprehensive coverage of the descriptive statistics of the four main study variables; purchase intention, perceived value, experiential marketing and store image. Emphasis is on the mean and standard deviations of all the study items. These results are shown from table 4.3 to 4.6.

### **4.4.1 Purchase Intention**

This section shows and explains the descriptive statistics for all the five items that were used to measure purchase intention. All the items adopted a 5-point Likert-type scale indicating the extent of agreement or disagreement with a given statement, namely, 1 “Disagree strongly”, 2 “Disagree”, 3 “Neither disagree nor agree”, 4 “Agree”, and, 5 “Agree strongly”. The items used in measuring purchase intention were adapted from Anggie & Haryanto, (2011). The particular statements and their corresponding descriptives are: “I plan to visit this supermarket again” (n=386, M= 4.43, SD=0.99428), “I hope that I can always shop at this supermarket” (n=386, M= 4.272, SD=1.040), “I want to shop in this supermarket if there is any chance” (n=386, M= 4.2979, SD=1.0304),

If I go shopping, I will always not forget to shop in this supermarket” (n=386, M= 3.9948, SD=1.18649), “I will recommend this supermarket to my friends” (n=386, M= 4.2979, SD=1.0577). As shown on the table the shoppers who participated in the study generally agree that purchase intention is influenced by the respective indicators since the mean was around 4.00.

**Table 4.3 Purchase Intention**

<b>Purchase Intention.</b>	<b>Mean</b>	<b>Std. Dev</b>
I plan to visit this supermarket again	4.43	0.99428
I hope that I can always shop at this supermarket	4.272	1.040
I want to shop in this supermarket if there is any chance	4.2979	1.0304
If I go shopping, I will always not forget to shop in this supermarket	3.9948	1.18649
I will recommend this supermarket to my friends	4.2979	1.0577
N = 386		

**Source: Survey Data, 2017.**

#### **4.4.2 Experiential Marketing**

This section shows and explains the descriptive statistics for the three dimensions of experiential marketing; sensory experience, social experience and emotional experience, and which has a total of fourteen measuring items all adapted from a study by Yang & He (2011). Sensory experience and Social experience were measured using four items each totaling to eight items. All the eight items adopted a 5-point Likert-type scale indicating the extent of agreement or disagreement with a given statement, namely, 1 “Disagree strongly”, 2 “Disagree”, 3 “Neither disagree nor agree”, 4 “Agree”, and, 5 “Agree strongly”. Moreover, emotional experience was measured using six items. The

respondents were required to rate their shopping experience using a semantic-differential scale (continuum with a pair of opposite adjectives as anchors). The results for the means and standard deviations for the items used to measure the three dimensions of experiential marketing; sensory experience, social experience and emotional experience, are shown on table 4.4. As shown on the table, the means for all the items used to measure the two dimensions of experiential marketing had means that were above 3.5 confirming that majority of the respondents were in agreement about the importance of the two variables in influencing consumer decision making.

**Table 4.4 Experiential Marketing**

<b>Experiential Marketing</b>	<b>Mean</b>	<b>Std. Dev</b>
The shopping process arouses my strong sensations	3.606	1.23
The shopping experience brings me great interest	3.821	1.163
The shopping encounter is very attractive	3.80	1.146
The shopping trip is quite worthwhile	3.956	1.147
The shopping encounter can promote my relationships with others, my feelings and friendship	3.702	1.292
By shopping in this supermarket, I can get recognition	3.324	1.431
By shopping in this supermarket, I can find a sense of belonging	3.516	1.389
By shopping in this supermarket, I can position my social status	3.555	1.431
Depressed_ : _ : _Contented	4.316	0.879
Unhappy_ : _ : _happy	4.290	0.922
Unsatisfied_ : _ : _satisfied	4.319	0.914
Annoyed_ : _ : _pleased	4.282	0.912
Bored_ : _ : _relaxed	4.088	0.990
Despairing_ : _ : _hopeful	4.106	0.965
N= 386		

**Source: Survey Data, 2017.**



The particular statements and their corresponding descriptive for sensory experience are: “The shopping process would arouse my strong sensations.” (n=386, M= 3.606, SD=1.23), “The shopping trip would bring me great interest.” (n=386, M= 3.821, SD= 1.163), “The shopping trip is very attractive.” (n=386, M= 3.80, SD=1.146), and “The shopping trip is quite worthwhile” (n=386, M= 3.956, SD=1.147). The particular statements and their corresponding descriptive for social experience are: “The shopping trip can promote my relationships with others, my feelings, and friendship” (n=386, M= 3.702, SD=1.292), “By shopping in this supermarket, I can get recognition” (n=386, M= 3.324, SD=1.431), “By shopping in this supermarket, I can find a sense of belonging” (n=386, M= 3.516, SD=1.389), and “By shopping in this supermarket, I can position my social status” (n=386, M= 3.355, SD=1.431). In addition, the descriptive for the emotional experience responses are; Depressed\_ :\_ :\_Contented” (n=386, M= 4.316, SD=0.879), “Unhappy\_ :\_ :\_happy” (n=386, M= 4.290, SD=0.922), “Unsatisfied\_ :\_ :\_satisfied” (n=386, M= 4.319, SD=0.914), “ Annoyed\_ :\_ :\_pleased” (n=386, M= 4.282, SD=0.912), “Bored\_ :\_ :\_relaxed” (n=386, M= 4.088, SD=0.990), “Despairing\_ :\_ :\_hopeful” (n=386, M= 4.106, SD=0.965).

#### **4.4.3 Perceived Value**

This section shows and explains the descriptive statistics for the three dimensions of perceived value; Utilitarian value, Social value and Hedonic value and which has a total of eighteen measuring items. Perceived value was measured using eighteen items adapted from (Rintamäki et al., 2006). Utilitarian value consists of six items, social value six items and hedonic value six items. All the items adopted a 5-point Likert-type scale

indicating the extent of agreement or disagreement with a given statement, namely, 1 “Strongly disagree”, 2 “Disagree”, 3 “Neither disagree nor agree”, 4 “Agree”, and, 5 “Strongly agree ”. The results for the means and standard deviations for the items used in measuring the three dimensions of perceived value; utilitarian value, social value and hedonic value, are shown on table 4.5. The means for all the items used to measure the three dimensions of perceived value ranged were above 3.5 out of 5 signifying strong agreement that the three factors have significant influences on consumption behaviors.

**Table 4.5 Perceived Value**

<b>Perceived Value</b>	<b>Mean</b>	<b>Std. Dev</b>
I saved money when I shopped here	3.720	1.267
I made inexpensive purchases	3.632	1.291
I got my purchases done cheaper than if I had made them elsewhere	3.682	1.299
I was able to get everything I needed under one roof	3.876	1.305
I was able to shop without disruptive queuing or other delays	3.663	1.316
I was able to make my purchases conveniently	4.114	1.075
Patronizing this supermarket fits the impression that I want to give to others	3.829	1.192
I am eager to tell my friends/acquaintances about this shopping trip	3.801	1.231
I feel that I belong to the customer segment of this supermarket	3.961	1.126
I found products that are consistent with my style	4.078	1.047

I felt like a smart shopper, because I made successful purchases	3.99	1.074
This shopping trip gave me something that is personally important or pleasing to me	3.943	1.122
I enjoyed this shopping trip itself, not just because I was able to get my purchases done	3.834	1.118
I was having fun	3.609	1.287
In my opinion, shopping around was a pleasant way to spend leisure time	3.567	1.338
I felt adventurous and wanted to visit different sections in order to find interesting products	3.741	1.303
I was looking for insights and new ideas to buy	3.609	1.329
I wanted to explore/touch/try different products while shopping	3.609	1.388
N= 386		

---

**Source: Survey Data, 2017**

The particular statements and their corresponding descriptive for utilitarian value are: “I saved money when I shopped here” (n=386, M= 3.720, SD=1.267), “I made inexpensive purchases” (n=386, M= 3.632, SD= 1.291), “I got my purchases done cheaper than if I had made them elsewhere.” (n=386, M= 3.682, SD=1.299), “I was able to get everything I needed under one roof” (n=386, M= 3.876, SD=1.305), “I was able to shop without

disruptive queuing or other delays”, (n=386, M= 3.663, SD=1.316), and, “I was able to make my purchases conveniently” (n=386, M= 4.114, SD=1.075).

The particular statements and their corresponding descriptive for social value are: “Patronizing this supermarket fits the impression that I want to give to others” (n=386, M= 3.829, SD=1.192), “I am eager to tell my friends/acquaintances about this shopping trip” (n=386, M= 3.801, SD=1.231), “I feel that I belong to the customer segment of this supermarket” (n=386, M= 3.961, SD=1.126), “I found products that are consistent with my style” (n=386, M= 4.078, SD=1.047), “I felt like a smart shopper, because I made successful purchases” (n=386, M= 3.99, SD=1.074), “This shopping trip gave me something that is personally important or pleasing to me” (n=386, M= 3.943, SD=1.122).

The particular statements and their corresponding descriptive for hedonic value are: “I enjoyed this shopping trip itself, not just because I was able to get my purchases done” (n=386, M= 3.834, SD=1.118), “I was having fun” (n=386, M= 3.609, SD=1.287), “In my opinion, shopping around was a pleasant way to spend leisure time” (n=386, M= 3.567, SD=1.338), “I felt adventurous and wanted to visit different sections in order to find interesting products” (n=386, M= 3.741, SD=1.303), “I was looking for insights and new ideas to buy” (n=386, M= 3.609, SD=1.329), “I wanted to explore/touch/try different products while shopping” (n=386, M= 3.609, SD=1.388).

#### 4.4.4 Store Image

This section shows and explains the descriptive statistics for all the five items that were used to measure store image. The store image was measured using five items adapted from Chang and Wang, (2014) and as previously used by Grewal, Baker, and Borin (1998). All the items adopted a 5-point Likert-type scale indicating the extent of agreement or disagreement with a given statement, namely, 1 “Disagree strongly”, 2 “Disagree”, 3 “Neither disagree nor agree”, 4 “Agree”, and, 5 “Agree strongly”. The results for the means and standard deviations of the items used in measuring store image are shown on table 4.6. Generally, the mean scores for all the items used to measure store image ranged between 4 to 5 implying that most respondents agreed on the importance of store image in influencing consumption behavior.

The particular statements and their corresponding descriptive are: “The retail store would be a pleasant place to shop”, (n=386, M= 4.298, SD=0.971), “The customer has an attractive shopping experience in the retail store” (n=386, M= 4.14, SD=1.035), “The retail store offers good overall service” (n=386, M= 4.228, SD=0.972), “The retail store has helpful salespeople” (n=386, M= 4.176, SD=1.042), “The retail store has knowledgeable salespeople” (n=386, M= 4.179, SD=1.089),

**Table 4.6: Store Image**

<b>Store Image.</b>	<b>Mean</b>	<b>Std. Dev</b>
The supermarket is a pleasant place to shop	4.298	0.971
The customer has an attractive shopping experience in this supermarket	4.14	1.035
This supermarket offers good overall service	4.228	0.972
This supermarket has helpful personnel	4.176	1.042
This supermarket has knowledgeable personnel	4.179	1.089
N=386		

**Source: Survey Data, 2017**

#### **4.5 Test of Statistical Assumptions**

The study conducted statistical tests of the regression assumptions on the four variables; purchase intention, experiential marketing, store image and perceived value so as to ensure the results of the analysis are trustworthy and not misleading. Violations of the assumptions of linear regression may lead to one committing a type I or type II error. Type one error is where you reject a null hypothesis when it should actually be accepted and type ii error occurs when one accepts a wrong null hypothesis when it should actually be rejected. The assumptions that the study tested include: all variables are normally distributed: linearity of each of the independent variables with the dependent variable; no outliers: equal variance of the dependent variable across a range of independent variables (homoscedasticity), and no multi-collinearity.

### **4.5.1 Normality Test**

One of the major regression assumptions is that the variables have normal distributions. According to Tabachnick & Fidell, (2001) variables that are not normally distributed can result in distorted relationships. The removal of univariate and bivariate outliers can reduce the likelihood of occurrence of type I and type II errors in addition to significantly improving the accuracy of the model estimates. The study tested for normality by using Kurtosis, skewness tests, plots and Shapiro Wilk test.

#### **4.5.1.1 Skewness and Kurtosis**

The results in table 4.7 show the kurtosis and skewness of the four seven variables. As the results indicate purchase intention (skewness; -0.886, kurtosis; -0.174), social-sensory experience (skewness; -0.437, kurtosis; -0.709), emotional experience (skewness -0.763, kurtosis -0.326), utilitarian value (Skewness; -0.628, kurtosis -0.215), social value (skewness; -0.670, kurtosis; -0.329), Hedonic value (Skewness; -0.671, kurtosis -0.346), Store image (Skewness; -1.008, kurtosis 0.251). The skewness and kurtosis indicators are within the acceptable range of normality and which according to Garson, (2012) should be within the range of -2 and 2 to suggest normality.

**Table 4.7 Skewness and Kurtosis**

<b>Variable</b>	<b>Skewness</b>	<b>Kurtosis.</b>
Purchase intention	-0.886	-0.174
Social-sensory experience	-0.437	-0.709
Emotional experience	-0.763	-0.326
Utilitarian value	-0.628	-0.215
Social value	-0.670	-0.329
Hedonic value	-0.671	-0.346
Store image	-1.008	0.251

**Source: Survey Data, 2017.**

#### **4.5.1.2 Q-Q Plots for Normality**

The study further tested for normality using QQ plots for the seven variables. As the results show in appendix 5 for all the seven variables, the data is closely clustered along the best fit line confirming that the data is largely normally distributed (Garson, 2012).

#### **4.5.1.3 Shapiro-wilk Test of Normality**

In addition, the study used the Shapiro-wilk test since it is one of the most common statistical measures of normality. It tests the null hypothesis that the data is drawn from a normally distributed population. This test is sensitive to sample sizes such that large sample sizes even with minimal deviations may lead to reporting of results being significant. Consequently, Shapiro-wilk should be used in conjunction with graphical or visual methods as was the case in this study. A decision to accept the null hypothesis is



made if the p-value is greater than 0.05 or if the Shapiro-wilk statistic is close to 1 (Rose, Spinks, & Canhoto, 2014) . Furthermore this also agrees with Gel, Miao, & Gastwirth, (2005 p.8) assertion that “Shapiro-wilk (SW) test of normality may be interpreted as the Pearson correlation between the standardized ordered sample and the expected values of the standard normal distribution. When the data come from a normal distribution, the SW statistic should be close to 1”.

**Table 4.8 Shapiro-wilk Normality Test**

Shapiro- wilk			
	Statistic	df	sig
PI	.840	386	.000
SESO	.947	386	.000
EE	.864	386	.000
UT	.920	386	.000
SV	.915	386	.000
HV	.927	386	.000
SI	.855	386	.000

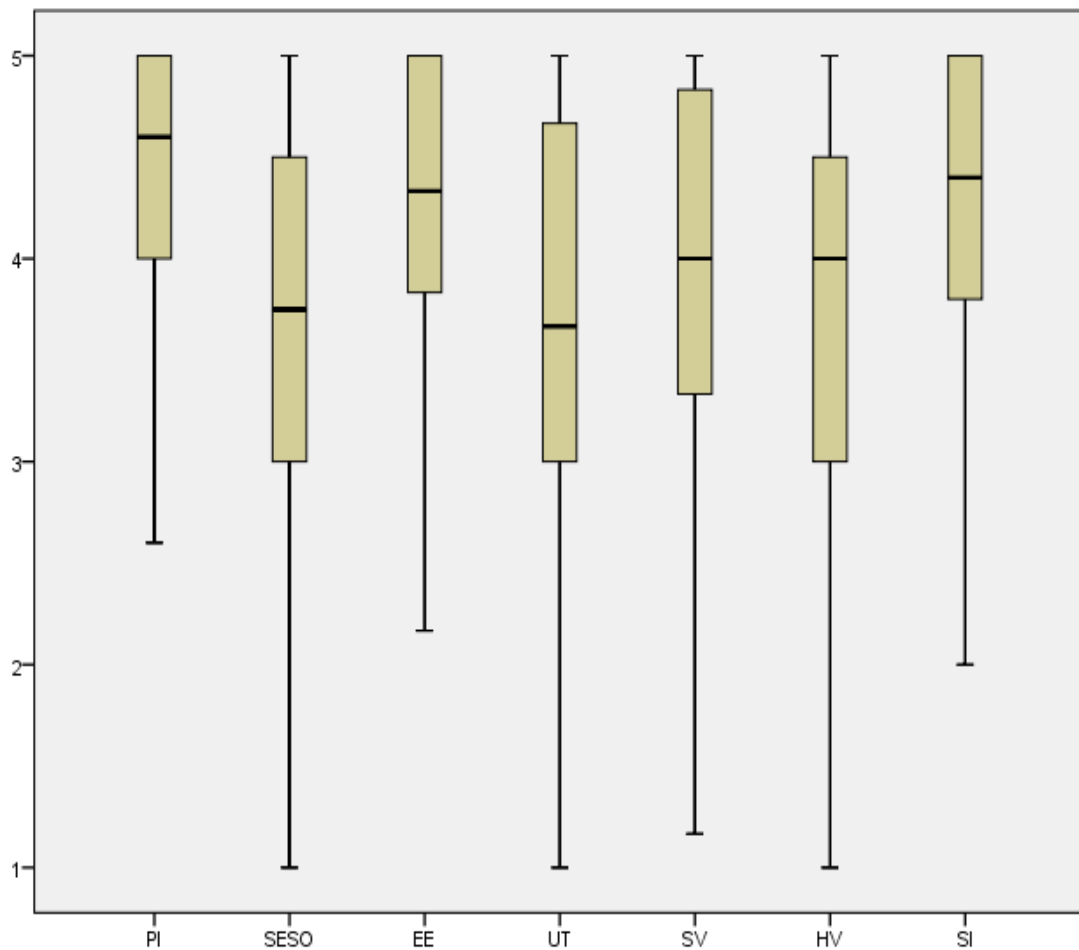
**Source: Survey Data 2017**

The results of the study on table 4.8 shows, SW statics for Purchase Intention (0.840), Social-sensory experience (0.947), Emotional experience (0.864), Utilitarian value (0.920), Social value (0.915), Hedonic value (0.927) and Store image (0.855). These results for the statistics of all the seven variables are close to 1 hence the requirements for the assumption of normality have been complied with. Additionally, Shapiro wilk should not be used alone but together with graphical tests such as Q-Q plots since this statistical test may indicate non-normality when in fact the data is exceptionally normal (Casson &

Farmer, 2014). As the results in appendix 5 shows, the Q-Q plots for all the dimensions indicates that this assumption was found to be holding.

#### 4.5.2 Test of Outliers

The study also tested for normality using box plots to detect any outliers. The test covered all the seven variables together. As the results show in figure 4.1, there are no outliers in any of the seven variables. This is therefore an indication that the data is largely normal.



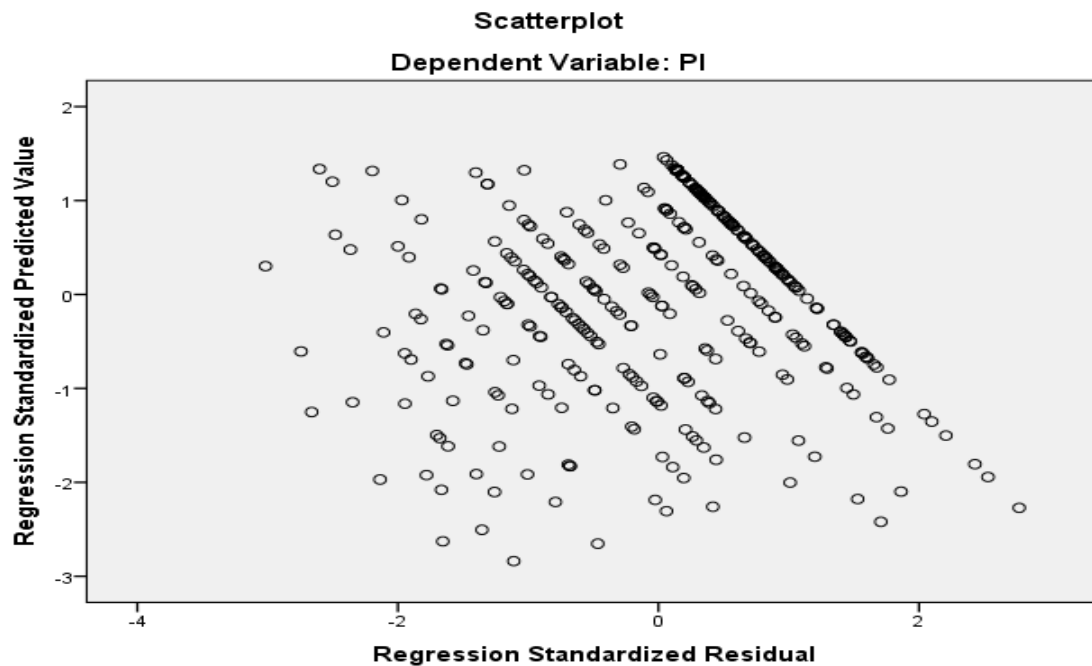
**Figure 4.1: Box plots test for outliers**

### 4.5.3 Assumption of Homogeneity

The study tested for the assumption of homoscedasticity using both the graphical and non-graphical methods.

#### 4.5.3.1 Standardized Scatter Plots

The graphical method used and which is the most common approach according to Lin & Wei (2003), is the use of standardized scatter plots. The ordinary least squares residuals were plotted against fitted values or an explanatory variable. Notably, when the assumption of homoscedasticity is met, residuals tend to form patternless cloud of dots (Garson, 2012). As the results are shown in figure 4.2 there was slight violation since a pattern seems appear in some way. This was further assessed using the levene's statistic.



**Figure 4.2: Standardized scatter plot of homoscedasticity**

#### **4.5.3.2 Levene's Test of Homogeneity**

According to Garson (2012), Levene's test is the most common test of homogeneity and it tests the assumption that each group of one or more categorical independent variables has the same variance on an interval dependent. The study rejects the null hypothesis that the groups have equal variances if the Levin statistic is significant at 0.5.

As the results in table 4.9 indicate, social-sensory experience (0.904), utilitarian value (0.389), social value (0.179), and hedonic value (0.414), all complied with the requirement of homogeneity of variance since they all were not significant. However, emotional experience (0.044) and store image (0.14) marginally violated this requirement for homogeneity. But since the scatter plot on figure 4.2 confirms general adherence to the requirements for homogeneity, these marginal violations may not be regarded as being of any consequence. In addition, these violations were not of any serious concern since the study used bootstrapping which does not impose the parametric assumptions on the data. This is because through repeated sampling, bootstrapping is able to correct any biases in the data (Preacher & Hayes, 2008). This is also consistent with Preacher, Rucker, & Hayes, (2007) who argue that when using bootstrapping, "no assumptions about the shape of the sampling distribution of the statistic are necessary when conducting inferential tests" (p.6).

**Table 4.9 Levene's test of Homogeneity**

	Levene Statistic	df1	df2	Sig.
SESO	.517	12	373	.904
EE	1.815	12	373	.044
UT	1.064	12	373	.389
SV	1.368	12	373	.179
HV	1.036	12	373	.414
SI	2.137	12	373	.014

**Source: Survey Data 2017**

#### **4.5.4 Test of Linearity**

The study equally tested for the assumption of linearity using variance inflation factor (VIF) and tolerance. According to Dootson et al., (2016), citing Allen & Benet (2012), the acceptable tolerance range should be more than 0.1 while the values for variance inflation factor (VIF) should be less than 10 as a confirmation that multi-collinearity issues do not exist in the data. The results are shown on table 4.10.

**Table 4.10: Colinearity Diagnostics**

Model	Unstandardized Coefficients.		Standardized coefficient		Colinearity diagnostics		
	B	SE	Beta	t	Sig	Tolerance	VIF
(Constant)	2.397	.176		13.653	.000		
EE	.079	.046	.091	1.732	.084	.617	1.621
SESO	.216	.040	.352	5.455	.000	.410	2.437
UT	.018	.030	.032	.608	.543	.616	1.623
SV	.003	.047	.004	.058	.954	.358	2.792
HV	-.039	.038	-.067	-1.028	.305	.397	2.520
SI	.228	.044	.287	5.176	.000	.554	1.804

**Dependent variable; PI**

**Source: Survey Data, 2017**

The results for tolerance and VIF as shown on table 4.10 indicate social-sensory experience (.410; 2.437), emotional experience (.617; 1.621), utilitarian value (.616; 1.623), social value (.358; 2.792), hedonic value (.397; 2.520) and store image (.554; 1.804). These results suggests that there was no problem of multi-collinearity since the values of tolerance and VIF for all the variables are within the requirements of 0.1 and above for tolerance and less than 10 for VIF. Additionally, Field (2005) argues that correlation coefficient should not go beyond 0.8 to avoid multi-collinearity. The results on table 4.10 show that the highest correlation coefficient is 0.710 which is less than 0.8, again confirming that there is no multi-collinearity problem in this study.

#### **4.6 Psychometric Testing**

The study also sought to establish the validity and reliability of the instruments. Validity seeks to establish whether the research tool actually measure what it is meant to measure. It seeks to determine the extent to which differences in observed scale scores reflect the true differences among objects or the characteristics being measured (Malhotra & Dash, 2011) The study used factor analysis to establish whether the requirements for construct validity were adhered to. Moreover the study also sought to establish whether the tools complied with the requirements for convergent and discriminant validity. In addition, in seeking to establish whether the research tool met the requirements for reliability, cronbach's alpha and composite reliability were computed. Reliability "is the extent to which measurements are repeatable –when different persons perform the measurements, on different occasions, under different conditions, with supposedly alternative instruments which measure the same thing" (Drost, 2011 p.2).

#### 4.6.1 Factor Analysis

The study also conducted factor analysis for all the four constructs; purchase intention, experiential marketing, perceived value and store image using principle component analysis (PCA) with Varimax rotation. The purpose of factor analysis was to determine the validity of those particular constructs. The results of the study are shown in tables 4.11 to table 4.14.

##### 4.6.1.1 Factor Analysis: Purchase Intention

Purchase intention was factorised to determine whether the five items of the study were actually measuring the construct. These five items were factor analyzed with the construct configuration obtained through principal component analysis (PCA). The results are shown on table 4.11.

**Table 4.11 Factor Analysis- Purchase In**

<b>Purchase Intention items.</b>	<b>Factor loadings</b>	<b>Eigen values</b>	<b>% of variance</b>
I plan to visit this supermarket again	0.874	3.805	76.096
I hope that I can always shop at this supermarket	0.884		
I would want to shop in this supermarket if there is another chance	0.882		
If I go shopping, I will always not forget to shop in this supermarket	0.826		
I will recommend this supermarket to my friends	0.894		
<b>KMO</b>			<b>0.895</b>
<b>Chisquare</b>			<b>1371.997</b>
<b>Degrees of freedom</b>			<b>10</b>
<b>Significance</b>			<b>0.000</b>

Source: Survey Data, 2017

The factor analysis results showed that all the five items of purchase intention: “I plan to visit this supermarket again”, “I hope that I can always shop at this supermarket”, “I want to shop in this supermarket if there is any chance”, “If I go shopping, I will always not forget to shop in this supermarket” and “I will recommend this supermarket to my friends” , all produced a one-factor solution with an Eigen value of 3.805. Eigen value of greater than one is the acceptable threshold(Costello & Osborne, 2005 ; Plucker, 2003). All the items were subject to a factor loading threshold of 0.5 and above with any item with factor loadings less than 0.5 being candidates for dropping (Shaharudin et al., 2011 ; Hair et al., 2010). Notably, the factor loadings for the five items range from 0.826 to 0.894 meeting the minimum requirement of 0.5. Moreover, since only one factor was extracted, rotation was not necessary (Sasmita & Suki, 2015).

Table 4.11 shows that this component extracted accounted for 76.096 percent of the variance in purchase intention. Furthermore, Hair et al.,(2006) recommends KMO as the most appropriate test of a correlation matrix for purposes of conducting a factor analysis. The sample met the required thresholds for sampling adequacy (KMO 0.895, Bartlett’s test of sphericity (1371.997,  $P < 0.001$ ). The Bartlett’s test of sphericity provides a chi square output that must be significant to confirm that the matrix is not an identity matrix (Taherdoost et al., 2014) hence confirming that a linear combination exists (Beavers et al 2013). The results of the study therefore meet this requirement for Bartlett’s test of sphericity ( $P = 0.001$ ,  $df=10$ ,  $\chi^2= 1371.997$ ). Furthermore, Tabachnick & Fidell (2001) recommend a KMO of 0.6 and higher with the study results (KMO 0.895) indicating that the requirement has been adhered to.



The study further computed the Average Variance Extracted (AVE) for Purchase intention to establish whether the construct adhered to the requirements of convergent validity. According to Hosen (2012 p.9) convergent validity refers to “the extent to which multiple measures of a construct agree with one another or is the actual general agreement among ratings, gathered independently of one another, where measures should be theoretically related”. AVE refers to the “average amount of variation that a latent construct is able to explain in the observed variables to which it is theoretically related” and hence it is generated when “variance is averaged across all observed variables that relate theoretically to a latent construct”(Farrel, 2009 p3-4) . To compute the average variance extracted for the construct, the study used the squared multiple correlations from the confirmatory factor analysis(O’Cass & Grace, 2008). According to Fornell & Larcker (1981) , a score of 0.5 and above is acceptable meaning that the constructs account for more than 50% of the explained variance (Beneke, Cumming, et al., 2013). The results as shown in table 4.15 shows the AVE’s of purchase intention was 0.76 hence confirming good convergent validity.

#### **4.6.1.2 Factor Analysis: Experiential Marketing**

The study also conducted factor analysis on experiential marketing to determine whether the fourteen items used to measure the three dimensions of experiential marketing; social experience, sensory experience and emotional experience, were actually measuring those particular dimensions. The results of the study are shown in table 4.12.

To gain understanding of the underlying constructs in experiential marketing; the fourteen items were factor analyzed with the construct configuration obtained through principal component analysis.

The study used the most common orthogonal rotation method - varimax rotation, and which has been known to produce more interpretable results (Taherdoost et al., 2014 ; Costello & Osborne, 2005). The purpose of rotation was to simplify and clarify the structure of the data by maximizing high item loadings and minimizing low item loadings (Taherdoost et al., 2014 ) or to “produce a better fit between the data and the factors” (Plucker, 2003 p.5). The factor analysis results in table 4.12 shows that the four items of social experience, four items of sensory experience and six items of emotional experiential produced two-factor solution. The four factors of social experience and four of sensory experience loaded onto one single component. These items are “ The shopping process arouses my strong sensations”, “The shopping experience brings me great interest”, “The shopping encounter is very attractive”, “The shopping trip is quite worthwhile”, The shopping encounter can promote my relationships with others, my feelings and friendship”, “By shopping in this supermarket, I can get recognition”, “By shopping in this supermarket, I can find a sense of belonging”, “By shopping in this supermarket, I can position my social status”.

Table 4.12: Factor Analysis: Experiential market

<b>Experiential Marketing</b>	<b>Factor loadings</b>	<b>Eigen values</b>	<b>% of variance</b>	<b>Cumulative variance</b>
<b>Social-sensory experience</b>		<b>5.102</b>	<b>36.443</b>	<b>70.206</b>
The shopping process arouses my strong sensations	0.737			
The shopping experience brings me great interest	0.754			
The shopping encounter is very attractive	0.731			
The shopping trip is quite worthwhile	0.662			
The shopping encounter can promote my relationships with others, my feelings and friendship	0.833			
By shopping in this supermarket, I can get recognition	0.794			
By shopping in this supermarket, I can find a sense of belonging	0.795			
By shopping in this supermarket, I can position my social status	0.808			
<b>Emotional experience.</b>		<b>4.727</b>	<b>33.763</b>	
Depressed_ :_ :_Contented	0.800			
Unhappy_ :_ :_happy	0.871			
Unsatisfied_ :_ :_satisfied	0.895			
Annoyed_ :_ :_pleased	0.883			
Bored_ :_ :_relaxed	0.786			
Despairing_ :_ :_hopeful	0.807			
KMO				0.920
Chi square				4523.707
Degrees of freedom				91
Significance				0.000
N = 386				

Source: Survey Data, 2017.

Taherdoost et al, (2014) argues that labeling the new constructs should be guided by the theoretical and conceptual intent of the study to ensure appropriateness of the new name. Consequently the new construct was labeled social-sensory experience with an Eigen value of 5.102. In addition, the six items of emotional experiential; “depressed-contented”, “unhappy-happy”, “unsatisfied-satisfied”, “annoyed-pleased”, “bored-relaxed”, and “despairing-hopeful”, all loaded onto single component with an Eigen value of 4.727. Eigen value of greater than one is the acceptable threshold (Costello & Osborn 2005; Plucker 2003). All the items were subject to a factor loading threshold of 0.5 and above with any item with factor loadings less than 0.5 being candidates for dropping (Sharahudin et al., 2011; Hair et al., 2010). Notably, the factor loadings for all the items range from 0.731 to 0.895 meeting the minimum requirement of 0.5.

Moreover, in order for a factor to be considered stable and solid, it should contain at least three items with significant loadings (Costello & Osborn, 2005). The two factors; social-sensory and emotional experience had eight and six factors respectively implying that this requirement was not violated. Table 4.12 further shows that social sensory experience accounted for 36.443% of the variance and emotional experience 33.763%. Cumulatively, the two factors extracted accounted for 70.206 % of the variance within the construct of experiential marketing. The sample met the required thresholds for sampling adequacy (KMO 0.92, Bartlett’s test of sphericity 4523.707,  $P < 0.001$ ). The Bartlett’s test of sphericity provides a chi square output that must be significant to confirm that the matrix is not an identity matrix (Taherdoost et al., 2014) hence confirming that a linear combination exists (Beavers et al., 2013). The results of the study

therefore met this requirement for Bartlett's test of sphericity ( $P = 0.001$ ,  $df=91$ ,  $\chi^2=4523.707$ ). Furthermore, Tabachnick and Fidel (2001) recommend a KMO of 0.6 and higher with the study results (KMO 0.92) indicating that the requirement has been adhered to.

The study further computed the Average Variance Extracted (AVE) for the two dimensions of experiential marketing: social-sensory experience and social experience, so as to establish whether the constructs adhered to the requirements of convergent validity. According to Hosen (2012 p.9) convergent validity refers to "the extent to which multiple measures of a construct agree with one another or is the actual general agreement among ratings, gathered independently of one another, where measures should be theoretically related". AVE refers to the "average amount of variation that a latent construct is able to explain in the observed variables to which it is theoretically related" and hence it is generated when "variance is averaged across all observed variables that relate theoretically to a latent construct" (Farrel, 2009 p. 3-4). To compute the average variance extracted for the construct, the study used the squared multiple correlations from the confirmatory factor analysis (O'cass & Grace, 2008). According to Fornell & Lacker (1981), a score of 0.5 and above is acceptable meaning that the constructs account for more than 50% of the explained variance. The results as shown in table 4.15 shows the AVE's of social-sensory experience is 0.59, while emotional experience is 0.71. Guided by the AVE minimum requirement of 0.5, the two dimensions of experiential marketing; Social-sensory experience and social experience, the results confirm good convergent validity.

#### **4.6.1.3 Factor Analysis: Perceived value**

The study further conducted factor analysis on the perceived value construct to determine whether the eighteen items used to measure the three dimensions of perceived value; utilitarian value, social value and hedonic value, were actually measuring those dimensions. Towards this end, the eighteen items were factor analyzed with the construct configuration obtained through principal component analysis (PCA) and using Varimax rotation .The results of the study are shown in table 4.13.

**Table 4.13: Factor Analysis –Perceived value**

<b>Perceived Value</b>	<b>Factor loadings</b>	<b>Eigen values</b>	<b>% of variance</b>	<b>Cumulative variance</b>
<b>Utilitarian value</b>		<b>2.395</b>	<b>15.967</b>	<b>72.302</b>
I saved money when I shopped here	0.779			
I made inexpensive purchases	0.799			
I got my purchases done cheaper than if I had made them elsewhere	0.785			
<b>Social value</b>		<b>4.100</b>	<b>27.332</b>	
Patronizing this supermarket fits the impression that I want to give to others	0.662			
I am eager to tell my friends/acquaintances about this shopping trip	0.705			
I feel that I belong to the customer segment of this supermarket	0.784			
I found products that are consistent with my style	0.788			
I felt like a smart shopper, because I made successful purchases	0.747			
This shopping trip gave me something that is personally important or pleasing to me	0.770			
<b>Hedonic Value</b>		<b>4.350</b>	<b>29.003</b>	
I enjoyed this shopping trip itself, not just because I was able to get my purchases done	0.723			
I was having fun	0.765			
In my opinion, shopping around was a pleasant way to spend leisure time	0.771			
I felt adventurous and wanted to visit different sections in order to find interesting products	0.766			
I was looking for insights and new ideas to buy	0.800			
I wanted to explore/touch/try different products while shopping	0.823			
<b>KMO</b>				<b>0.929</b>
<b>Chi square</b>				<b>4211.840</b>
<b>Degrees of freedom</b>				<b>105</b>
<b>Significance</b>				<b>0.000</b>

**Source: Survey Data, 2017**

The factor analysis results in table 4.13 shows that out of the six items of utilitarian value, only three loaded together under utilitarian value whereas three items loaded onto social value. The items that loaded together onto utilitarian value were; “I saved money when I shopped here”, “I made inexpensive purchases”, “and “I got my purchases done cheaper than if I had made them elsewhere”. The three items of utilitarian value that loaded onto social value were; “I was able to get everything under one roof”, “I was able to make purchases conveniently”, and “I was able to shop without disruptive queuing or other delays”. In addition to these three items of utilitarian value that loaded onto social value: all the six items of social value loaded onto the component of social value. These six items of social value include; “patronizing this supermarket fits the impression that I want to give to others”, “ I am eager to tell my friends/acquaintances about this shopping trip”, “I feel that I belong to the customer segment of this supermarket”, “I found products that are consistent with my style”, “I felt like a smart shopper, because I made inexpensive purchases” and ”This shopping trip gave me something that is personally important or pleasing to me” The three items of utilitarian value that loaded onto social value were dropped entirely (Costello & Osborn 2005) leaving only three items. Furthermore, all the six items of hedonic value loaded strongly on the component of hedonic value. These items are; “I enjoyed this shopping trip itself, not just because I was able to get my purchases done”, “I was having fun”, “in my opinion, shopping around was a pleasant way to spend my leisure time”, “I felt adventurous and wanted to visit different sections in order to find interesting products”, “I was looking for insights and new ideas to buy” and “I wanted to explore/touch/try different products while shopping”.



A revised exploratory factor analysis was then conducted on the remaining fifteen items excluding the three that were dropped (Pett, Lackey, & Sullivan, 2003; Wu, Li, & Li, 2014). The re-factorized fifteen items under perceived value produced three-factor solutions with Eigen values greater than one (utilitarian value- 2.395, social value- 4.100, and hedonic value-4.350). According to Costello & Osborn (2005) an Eigen value of greater than one is the acceptable threshold. All the items were subject to a factor loading threshold of 0.5 and above with any item having factor loadings less than 0.5 being candidates for dropping (Sharahudin et al., 2011; Hair et al., 2010). Notably, the factor loadings for all the items range from 0.662 to 0.823 hence meeting the minimum requirement of 0.5.

Table 4.13 further shows that the percentage of variance accounted for by utilitarian value is 15.967 % , social value is 27.332% and hedonic value 29.003%. Cumulatively, the three factors extracted accounted for 72.302 % of the variance in the perceived value construct confirming that they are core dimensions of perceived value construct. The sample met the required thresholds for sampling adequacy (KMO 0.929, Bartlett's test of sphericity  $P = 0.000$ ,  $df=105$ ,  $\chi^2= 4211.840$ ). Furthermore, Tabachnick and Fidel (2001) recommend a KMO of 0.6 and higher with the study results (KMO 0.929) indicating that the requirement has been adhered to.

Moreover, the study further computed the Average Variance Extracted (AVE) for the three dimensions of perceived value: utilitarian value, Social value and hedonic value, so as to establish whether the constructs adhered to the requirements of convergent validity.

To compute the average variance extracted for the constructs, the study used the squared multiple correlations from the confirmatory factor analysis. The result in table 4.15 shows the AVE's minimum requirement of 0.5 is fully met confirming good convergent validity.

#### 4.6.1.4 Factor Analysis: Store Image

The study equally factorised the construct of store image to determine whether the five items used in measuring the construct were actually measuring store image. The results of the study are shown in table 4.14.

**Table 4.14 Factor Analysis- Store Image**

Store Image items	Factor loading s	Eigen values	% of variance
This supermarket is a pleasant place to shop	0.820	3.736	74.721
The customer has an attractive shopping experience in this supermarket	0.847		
This supermarket offers good overall service	0.906		
This supermarket has helpful personnel	0.858		
This supermarket has knowledgeable personnel	0.888		
<b>KMO</b>			<b>0.871</b>
<b>Chisquare</b>			<b>1347.623</b>
<b>Degrees of freedom</b>			<b>10</b>
<b>Significance</b>			<b>0.000</b>

**Source: Survey Data, 2017**

The five items of store image were factor analyzed with the construct configuration obtained through Principal Component Analysis (PCA). The purpose of using PCA was to confirm that all the concepts were correctly measured with the right variables loading on each factor and each factor meeting the loading threshold of 0.5 and above. Notably, the factor loadings for the five items range from 0.82 to 0.906 meeting the minimum requirement of 0.5 and “thus corroborating that the constructs are one-dimensional and factorially idiosyncratic” (Sasmita & Suki, 2014 p.9). In addition, the factor analysis results shows that all the five items of store image; “This supermarket is a pleasant place to shop”, “The customer has an attractive shopping experience in this supermarket”, “This supermarket offers good overall service”, “This supermarket has helpful personnel” and “This supermarket has knowledgeable personnel”, all produced a one-factor solution with an Eigen value of 3.736. Moreover, since only one factor was extracted, rotation was not necessary in this case (Sasmita & Suki, 2014).

Table 4.14 shows that this component extracted accounted for 74.721 percent of the variance in store image. The sample met the required thresholds for sampling adequacy (KMO 0.871, Bartlett’s test of sphericity  $P = 0.001$ ,  $df=10$ ,  $\chi^2= 1347.623$ ).

In addition, the study computed the Average Variance Extracted (AVE) for store image to establish whether the construct adhered to the requirements of convergent validity. The results as shown in table 4.15 shows the AVE’s of store image was 0.75 hence confirming good convergent validity.

#### 4.6.2 Average Variance Extracted (AVE)

The results for AVE for all the study variables were computed and are shown on table 4.15 below. As the results shows, the values of AVE's for all the variables range from 0.59 to 0.76 hence meeting the minimum requirement of 0.5 confirming high levels of convergent validity.

**Table 4.15      Average Variance Extracted (AVE)**

<b>Construct</b>	<b>AVE</b>
Purchase Intention	0.76
Store Image	0.75
Social-sensory experience	0.59
Emotional experience	0.71
Utilitarian Value	0.62
Hedonic Value	0.60
Social Value	0.55

**Source: Survey Data, 2017.**

#### 4.6.3 Discriminant Validity

The study also sought to establish whether there existed discriminant validity in the model (Beneke, Flynn et al., 2013; Yuan & Wu, 2008). Discriminant validity is referred to as the “trait difference between constructs”(Yuan & Wu, 2008 p.15) . It is a representation of the extent to which measures of a given construct differ from measures

of other constructs in the same model Hosein (2012). According to Beneke, Flynn et al., (2013 p.5), discriminant validity is suggested to be present “if the loading of a particular construct on its allocated construct is higher than its cross loadings on all other constructs. Moreover, Matzler et al., (2006 p.4) citing Fornel & Lacker (1981) also argue that “the average variance shared between a construct and its measures should be greater than the variance shared between the constructs and other constructs in the model”. In this regard, Matzler et al., (2006 p.4) further contends that discriminant validity is suggested to be present “when the diagonal elements (square root AVE) are greater than the off-diagonal elements in the corresponding rows and columns”. Furthermore, according to Son et al., (2013) high discriminant validity is a proof that that a construct is unique and measures something unique phenomena that others do not measure. As the results in table 4.16 shows, the squared roots of the average Variance extracted are higher than all the correlations with the other constructs suggesting satisfactory levels of discriminant validity(Lin & Chuan, 2013).

**Table 4.16 Cross loadings of the constructs within the model**

<b>Variable</b>	<b>PI</b>	<b>SESO</b>	<b>EE</b>	<b>UT</b>	<b>HV</b>	<b>SV</b>	<b>SI</b>
<b>Purchase Intention</b>	0.87						
Social-Sensory Experience. (SESO)	.585**	0.77					
Emotional experience (EE)	.468**	.544**	0.84				
Utilitarian Value(UT)	.413**	.430**	.442**	0.79			
Hedonic Value(HV)	.468**	.599**	.535**	.495**	0.78		
Social Value (SV)	.581**	.616**	.594**	.673**	.701**	0.74	
Store image	.584**	.528**	.541**	.613**	.630**	.678**	0.86
NB/ square root of AVE in diagonal and italicized.							

**Source: Survey Data, 2017.**

#### **4.6.4 Internal Consistency Reliability**

The study also found it important to assess the reliability of the tool that was used to collect information so as to determine the internal consistency of the tool. Reliability “is the extent to which measurements are repeatable –when different persons perform the measurements, on different occasions, under different conditions, with supposedly alternative instruments which measure the same thing” (Drost, 2011, p.2). Moreover,

reliability is closely related to validity since a tool cannot be reliable if it lacks validity (Tavakol & Dennick, 2011).

**Table 4.17 Internal Consistency Reliability**

<b>Construct</b>	<b>Dimensions.</b>	<b>Number of questions</b>	<b>Composite Reliability. (CR)</b>	<b>Cronbachs alpha dimensions</b>	<b>Cronbachs alpha Construct.</b>	<b>Cronbachs alpha for the questionnaire.</b>
Purchase intention	Purchase Intention.	5	0.94	0.919	0.919	0.968
Store image	Store Image	5	0.94	0.915	0.915	
Perceived value	Social	6	0.88	0.918	0.939	
	Utilitarian.	3	0.83	0.81		
	Hedonic.	6	0.9	0.92		
Experiential Marketing	Social-sensory	8	0.92	0.92	0.933	
	Emotional	6	0.94	0.941		

**Source: Survey Data, 2017**

As shown on table 4.17, the study used composite reliability and Cronbach's alpha to determine the internal consistency of the research tool. The Cronbach's alpha however is the most widely used measure of reliability of the data collection instrument in determining the internal consistency (Tavakol & Dennick, 2011). Internal consistency "measures consistency within the instrument and questions how well a set of items measures a particular behaviour or characteristic within the test" (Drost, 2011, p.7). In

computing the cronbach's alpha, the study first determined the reliability of the individual dimensions, then for the constructs and finally the reliability of the entire tool.

Furthermore, these results also shows the composite reliabilities (CR) of the constructs; purchase intention (0.94), store image (0.94), utilitarian value (0.83), social value (0.88) hedonic values (0.9), social-sensory experience (0.92) and emotional experience (0.94). This confirms high levels of internal consistency since all composite reliability of all the variables range from between 0.83 to 0.94 which is within the recommended minimum of 0.6 (Bagozzi & Yi, 1988; Fornel & Lacker 1981). The results of the study in table 4.17 further show the Cronbach's Alpha coefficients of purchase intention to be 0,919 and store image is 0.915. The results also indicate that perceived value has a Cronbachs Alpha of 0,939 with its three dimensions- utilitarian, social and hedonic values posting 0.81, 0.918 and 0.92 respectively. In addition, experiential marketing has a Cronbach's alpha of 0.933, with its two dimensions- social-sensory and emotional experience posting 0.92 and 0.941 respectively .All the four constructs were deemed to be highly reliable due to their high Cronbach's alpha's of over 0.9 which is way above the threshold of 0.8 (Malhotra, 2010). Furthermore, Lin and Lu (2010) contend that a Cronbach's alpha of 0.7 and above signals high levels of reliability. Notably, the entire questionnaire recorded a very high Cronbach's alpha of 0.968 "implying the survey instrument is reliable to measure all constructs consistently and free from random error" (Sasmita& Suki 2014 p.10).



#### **4.7 Test of Common Method Variance**

The study had taken measures to minimize the likelihood of common method variance affecting the study results. Among the steps taken was to use understandable language in the questionnaire, making the questionnaire relatively short and requesting the respondents to give honest answers. To confirm that indeed CMV did not cloud the results, a statistical test- Harman's single factor test was conducted and the results are shown in appendix 6. As the results indicate, Common Method variance was not a problem in this study since the first single factor accounted for 45% of the total variance and which is below the threshold of 50% consistent with Roni, (2014).

#### **4.8 Correlations, Means and Standard Deviations**

The study sought to establish the interrelationships between the study variables. To achieve this objective, correlation analysis for this study was done using Pearson's product moment correlations. In addition, the study sought to determine the means and standard deviations of the study variables with the results also shown on the same table. Generally, these variables means ranged from 3.68 to 4.43 implying that most of the respondents were in agreement regarding the strong influences of those variables. The results of the study are shown in table 4.18 and also in appendix 7.

Pearson correlations were conducted to check the relationship between the seven variables (purchase intention, Store image, social-sensory experience, emotional experience, social value, utilitarian value and hedonic value). As cited in Sasmita & Suki

(2014) Linda et al., stated that the correlations is strong when the value of  $r = 0.50$  to  $1.0$ , whereas  $r = -0.50$  to  $-1.0$  indicate a highly dependable relationship. Field (2005) however argues that correlation coefficient should not go beyond  $0.8$  to avoid multi-collinearity. Since the highest correlation coefficient is  $0.701$  which is less than  $0.8$ , there is no multi-collinearity problem in this study (Chiu & Leng, 2016).

**Table 4.18 Correlations, Means and Standard deviation**

Variable	Dimensions.	PI	SESO	EE	UT	HV	SV	SI
<b>Purchase Intention</b>	Purchase intention(PI)	1						
<b>Experiential Marketing</b>	Social-Sensory Experience. (SESO)	.585**	1					
	Emotional experience (EE)	.468**	.544**	1				
<b>Perceived Value</b>	Utilitarian Value(UT)	.413**	.430**	.442**	1			
	Hedonic Value(HV)	.468**	.599**	.535**	.495**	1		
	Social Value (SV)	.581**	.616**	.594**	.673**	.701**	1	
<b>Store image</b>	Store Image( SI)	.584**	.528**	.541**	.613**	.630**	.678**	1
<b>Mean</b>		4.43	3.64	4.29	3.68	3.66	3.94	4.204
<b>Standard Deviation</b>		.631	1.03	.729	1.095	1.096	.934	.819

NB/ Correlation is significant at the 0.01 level (2- tailed)

N= 386

**Source: Survey Data, 2017**

The results in table 4.18 shows that Social-Sensory experience (  $r = 0.585$  ,  $p < 0.01$ ), Emotional experience (  $r = 0.468$  ,  $p < 0.01$ ), Utilitarian Value (  $r = 0.413$  ,  $p < 0.01$ ),

Hedonic Value (  $r = 0.468$  ,  $p < 0.01$ ), Social value (  $r = 0.581$  ,  $p < 0.01$ ), Store Image (  $r = 0.584$  ,  $p < 0.01$ ), were all correlated to purchase intention significantly and positively. The highest correlation was between social-sensory experience and purchase intention at 0.585. This confirms that all the hypothesized relationships were significant at  $p < 0.01$ .

The results of the study also show the mean and standard deviations of all the variables. Table 4.18 shows purchase intention (Mean= 4.43, SD= .631), Social-sensory experience (Mean= 3.64, SD= 1.03.), Emotional experience (Mean= 4.29, SD= 0.729), Utilitarian value (Mean= 3.68, SD= 1.095), Social value (Mean= 3.94, SD= 0.934), Hedonic value, (Mean= 3.66, SD= 1.096) and Store image (Mean= 4.204, SD= 0.819).

#### **4.9 Regression Analysis**

The results of factor analysis on the four main constructs of purchase intention, store image, experiential marketing and perceived value showed that; Store image and purchase intention extracted one component each. However, experiential marketing extracted two components; social-sensory experience and emotional experience. In addition, perceived value extracted three components; utilitarian value, social value, and hedonic value. These factor extractions resulted in six different types of unique models each of which had to be analyzed separately. These models are; Model 'I': " Moderating effect of store image on the indirect relationship between social-sensory experience and purchase intention via utilitarian value; Model II: " Moderating effect of store image on the indirect relationship between social-sensory experience and purchase intention via social value; Model III: " Moderating effect of store image on the indirect relationship

between social-sensory experience and purchase intention via hedonic value; Model IV: “ Moderating effect of store image on the indirect relationship between emotional experience and purchase intention via utilitarian value; Model V: “ Moderating effect of store image on the indirect relationship between emotional experience and purchase intention via social value; Model VI: “ Moderating effect of store image on the indirect relationship between emotional experience and purchase intention via hedonic value.

Regression analysis was then done for all the models to determine the effect of individual variables and their interactions in predicting purchase intention. The six study objectives/hypotheses were reformulated based on these six models. Moreover, regressions were carried out based on the six reformulated study objectives and hypotheses. The analysis were guided by the recommendations of Baron & Kenny, (1986), Preacher et al., (2007) and Preacher & Hayes, (2008). The detailed regression outputs for all the analyzed relationships are shown on appendix 8.

Assessment of the interaction and the indirect effects is done using bootstrapping. This is a non parametric re-sampling procedure that involves repeatedly sampling from the data set and estimating the indirect effect in each re-sampled set. This process is repeated several thousands times and the results used to build an empirical approximation of the sampling distribution which then forms the basis of constructing confidence intervals (Preacher & Hayes, 2008). Bootstrapping is anchored on the principle that it is sometimes more accurate to draw conclusions about the characteristics of a population strictly from the sample at hand, rather than making unrealistic assumptions about the population

(Novoa & Mendez, 2009). The use of bootstrapping in this study was due to the fact that it has been recommended as an appropriate method in the analysis of multiple mediator and interaction models (Preacher & Hayes, 2008). Moreover, bootstrapping has been confirmed to “compute more accurate confidence intervals of indirect effects than the commonly used methods such as the causal steps strategy and the Sobel test which are subject to the assumptions of normality” (Hoeven & Verhoeven, 2013 P.7) .

#### **4.9.1 The Moderating Effect of Store Image on the Indirect Relationship between Social-sensory Experience and Purchase Intention via Utilitarian Value.**

This analysis was testing the relationships in model ‘I’ which had six steps. To conduct this analysis, the study used a combination of SPSS version 22 and process-macro version 2.16.1; 2012-2016, model seven (7).

##### **4.9.1.0 Model Summary**

The null hypothesis for this model is “There is no moderating effect of store image (SI) on the indirect relationship between Social-sensory experience (SESO) and purchase intention (PI) via Utilitarian Value (UT)”. However to arrive at the final output of this hypothesis which is the moderated mediation, five preliminary analysis needed to be done on the hypothesis linking the social-sensory experience and the purchase intention, the link between the Social-sensory experience and utilitarian value, the link between the utilitarian value and purchase intention, the moderating effect of store image on the relationship between the social-sensory experience and utilitarian value, and lastly, the

indirect effect of the social-sensory experience on purchase intention via utilitarian value. This is consistent with the recommendations of Baron & Kenny, (1986).

The overall results of the study regarding this objective are shown on table 4.19. The result of moderation model indicates that the moderating effect of store image on the relationship between social-sensory experience and utilitarian value accounts for 39% of the variance ( $R^2=0.3920$ ) in the utilitarian value. This moderation model is also highly significant ( $F=82.0972$ ,  $P=0.0000$ ). The results of the mediated model indicate that the mediation effect of utilitarian value was accounting for 43% of the variance ( $R^2=0.4259$ ) in purchase intention. The model is also highly significant ( $F= 142.0592$ ,  $P= 0.0000$ ).

**Table 4.19: Results of Regression analysis with utilitarian value as the mediator and social-sensory Experience as Predictor**

Variable	Utilitarian value	Purchase Intention.	Indirect effect	Moderating effect
Intercept	4.1198***	3.312***	0.1557*0.2401 =0.0374***	-0.0123
Social-Sensory	0.1557***	0.3547***		
Utilitarian value		0.2401***		
Store Image	0.6459***			
Social-Sensory*Store Image	-0.0123			
$R^2$	0.3920***	0.4259***		
Bootstrapping results for conditional indirect effect	-.0029			

**Source: Survey Data, 2017.**

#### 4.9.1.1 Model 1 Hypothesis Testing

The six hypotheses of model I were tested as below indicated.

**H<sub>0</sub>1a: There is no significant relationship between social-sensory experience and purchase intention.**

The results in table 4.19 indicates that Social-Sensory experience has a beta value ( $\beta=0.3547, p=0.0000$ ). Since the p- value associated with Social-Sensory experience is less than 0.05, the null hypothesis is rejected and hence concludes that Social-Sensory experience has a significant relationship with purchase intention. These results are in agreement with those of previous other studies that have established the existence of a positive and strong link between experiential marketing dimensions and purchase intention (Anggie & Haryanto, 2011; Yang & He , 2011; Nigam, 2012).

**H<sub>0</sub>1b: There is no significant relationship between Social-sensory Experience and Utilitarian value.**

The results in table 4.19 indicates that Social-Sensory experience has a beta value ( $\beta=0.1557, p=0.0019$ ). Since the p- value associated with Social-Sensory experience is less than 0.05, the null hypothesis is rejected and hence concludes that Social-Sensory experience has a significant relationship with utilitarian value. This is in agreement with the results of previous studies that have confirmed the existence of a strong and positive relationship between experiential marketing dimensions and perceived value or its dimensions (Maghnati, Ling, & Nasermoadeli, 2012; Yacob et al., 2016).

**H<sub>0</sub>1c: There is no significant relationship between utilitarian value and purchase intention.**

The results in table 4.19 further indicates that utilitarian value has a beta value ( $\beta=0.2401, p=0.0000$ ). Since the p- value associated with utilitarian value is less than 0.05, the null hypothesis is rejected and hence concludes that there exists a significant relationship between utilitarian value and purchase intention. These results are in agreement with previous studies that have positively linked perceived value dimensions with purchase intention (Eggert & Ulaga, 2002).

**H<sub>0</sub>1d: There is no significant mediating effect of utilitarian value on the relationship between social-sensory experience and purchase intention**

According to (Preacher et al., 2007), Mediation, or an indirect effect, is said to occur when the causal effect of an independent variable (X) on a dependent variable (Y ) is transmitted by a mediator (M). As indicated in table 4.19 and appendix 8, the indirect effect of social-sensory effect on purchase intention via utilitarian value is computed by multiplying effect of social-sensory experience on utilitarian value with the effect of utilitarian value on purchase intention ( $0.1557 \times 0.2401 = 0.0374^{***}$ ) The outcome is a beta value ( $\beta=0.0374, p=0.000$ ). This is also confirmed by the results of the confidence intervals for the two paths that are indeed significant (Social-sensory experience to utilitarian value-  $Bt_{ll}$  0.0576,  $Bt_{ul}$  0.2538, and Utilitarian value to purchase intention-  $Bt_{ll}$  0.1770,  $Bt_{ul}$  0.3032). Since the two paths are significant, their product (indirect effect) is equally significant. Moreover, since the p- value associated with the indirect effect of social-sensory effect on purchase intention via utilitarian value is less than 0.05, the null



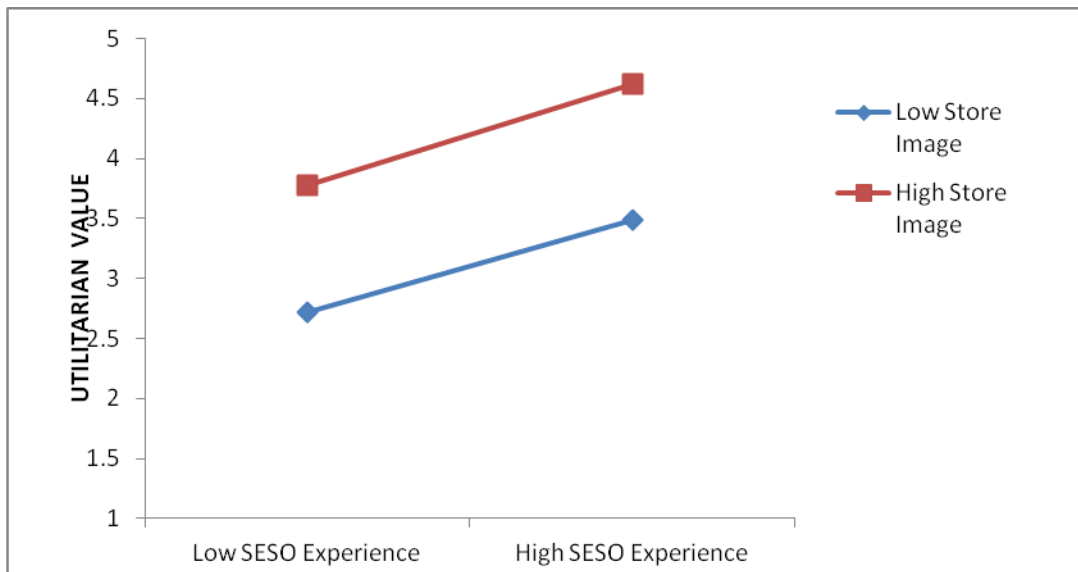
hypothesis is rejected and hence concludes that there exists a significant mediating effect of utilitarian value on the relationship between social-sensory experience and purchase intention. This concurs with the results of numerous previous studies that have confirmed the existence of a strong link between perceived value dimensions and purchase intention, hence confirming perceived value as a key mediator in any experiential marketing-purchase intention relationship (Oosthuizen et al., 2015: Ashton, Scott, Solnet, & Breakey, 2010: Oosthuizen, Spowart, & De Meyer-Heydenrych, 2015).

**H<sub>01e</sub>: There is no significant moderating effect of store image on the relationship between social-sensory experience and utilitarian value.**

The results of the study as shown in table 4.19 shows the interaction effect of store image on the relationship between social-sensory experience and utilitarian value having a beta value ( $\beta = -0.0123$   $p = 0.7921$ ). Since the p-value associated with the interaction effect is greater than 0.05, we fail to reject the null hypothesis and hence conclude that there is no significant moderating effect of store image on the relationship between social-sensory experience and utilitarian value. Moreover this is confirmed by the results of the bootstrap confidence intervals for the interaction effects shown in appendix 8 ( $Bt_{ll} - 0.1036$ ,  $Bt_{ul} 0.791$ ) since the interval includes zero.

This conclusion is further exhibited and confirmed by the interaction results shown on figure 4.3. As the figure shows, at the lower level of social-sensory experience, the average effect on utilitarian for the customers with low store image perceptions is 3.3; while for those with high store image perceptions is 4.5. Furthermore, when the level of social-sensory experience increases, the effect on utilitarian value increases, both for the

customers with low and for those with high store image perceptions. However since the lines are parallel to each other, the change or increase is the same for both those customers with high store image perceptions and those with low store image perceptions confirming non-interaction.



**Figure 4.3: The Moderating Effect of Store image on the relationship between Social-Sensory Experience and Utilitarian Value**

**Source: Survey Data 2017**

**H<sub>01f</sub>: There is no significant moderating effect of store image on the indirect relationship between social-sensory experience and purchase intention via utilitarian value.**

Conditional indirect effect of moderated mediation occurs when the strength of an indirect effect depends on the level of some variable, or in other words, when mediation relations are contingent on the level of a moderator (Preacher et al., 2007). The conditional indirect effects of social-sensory experience on purchase intention via

utilitarian value, moderated by store image were computed using bootstrapping and its result as shown in table 4.19 and appendix 8, was a beta value ( $\beta = -0.0029$ ;  $Bt_{ul} - 0.0322$ ,  $Bt_{ul} 0.0237$ ). A decision to reject the null hypothesis of no conditional indirect effect is made if the confidence interval does not contain zero (Preacher et al., 2007). Since the 95 percent bootstrap confidence interval, based on 5000 bootstrap samples includes zero, a decision is made not to reject the null hypothesis and conclude that there is no moderated mediation, thus supporting the interpretation that store image does not moderate the mediated effect of social sensory experience on purchase intention via utilitarian value. Notably, the results of this study concur with Cronin's et al., (2000) who suggested that since consumer decision making process is complex and comprehensive, there is a need to use integrative models so as to unearth the many possible factors that may be interacting to influence consumption decisions.

#### **4.9.2 The Moderating Effect of Store Image on the Indirect Relationship between Social-sensory Experience and Purchase Intention via Social Value.**

Testing of this hypothesis was done using model II and which also had six steps.

##### **4.9.2.0 Model Summary**

The null hypothesis for this model is "There is no moderating effect of store image (SI) on the indirect relationship between Social-sensory experience (SESO) and purchase intention (PI) via Social Value (SV)". However to arrive at the final output of this hypothesis which is the moderated mediation, five preliminary analysis needed to be done on the hypothesis linking the social-sensory experience and the purchase intention, the link between the Social-sensory experience and social value, the link between the

social value and purchase intention, the moderating effect of store image on the relationship between the social-sensory experience and social value, and lastly, the indirect effect of the social-sensory experience on purchase intention via social value. To conduct this analysis, the study used the software process-macro version 2.16.1; 2012-2016, model seven.

This hypothesis necessitated conducting the moderated regression analyses predicting purchase intention (PI) with social-sensory experience (SESO) as the independent variable, Social value (SV) as the mediator and Store Image as the moderator. The overall results of the study regarding this objective are shown on table 4.20. The results of moderation model indicates that the moderating effect of store image on the relationship between social-sensory experience and social value accounts for 56% of the variance in social value ( $R^2=0.5588$ ). This moderation model is also highly significant ( $F= 161.2870$ ,  $P= 0.0000$ ).

The results of the mediated model indicate that the mediation effect of social value was accounting for 42% of the variance ( $R^2=0.4203$ ) in purchase intention. The model is also highly significant ( $F= 138.8335$ ,  $P= 0.0000$ ).

**Table 4.20 Results of Regression Analysis**

<b>Variable</b>	<b>Social Value</b>	<b>Purchase Intention</b>	<b>Indirect Effect</b>	<b>Moderating Effect.</b>
Intercept	3.89***	3.123	0.3399*0.2993 =0.1017***	0.0819*
Social-Sensory	0.3399***	0.2904***		
Social Value		0.2993***		
Store Image	0.5722***			
SOSE*SI	0.0819*			
R <sup>2</sup>	0.5588***	0.4203***		
Bootstrapping results for conditional indirect effect	0.0245			

**Source: Survey Data, 2017.**

#### **4.9.2.1 Model '11' Hypothesis Testing.**

**H<sub>0</sub>2a: There is no significant relationship between social-sensory experience and purchase intention.**

The results in table 4.20 indicates that Social-Sensory experience has a beta value ( $\beta=0.2904$ ,  $p=0.0000$ ). Since the p- value associated with Social-Sensory experience is less than 0.05, the null hypothesis is rejected and hence concludes that Social-Sensory experience is significant in predicting purchase intention.

**H<sub>0</sub>2b: There is no significant relationship between social-sensory experience and social value.**

The results in table 4.20 indicates that Social-Sensory experience has a beta value ( $\beta=0.3399$ ,  $p=0.0000$ ). Since the p- value associated with Social-Sensory experience is less than 0.05, the null hypothesis is rejected and hence concludes that Social-Sensory experience has a significant relationship with social value. This is in agreement with the results of previous studies that have confirmed the existence of a strong and positive relationship between experiential marketing dimensions and perceived value dimensions (Maghnati et al., 2012; Yacob et al., 2016).

**H<sub>0</sub>2c: There is no significant relationship between Social value and purchase intention.**

The results in table 4.20 indicates that social value has a beta value ( $\beta=0.2993$ ,  $p=0.0000$ ). Since the p- value associated with social value is less than 0.05; the null hypothesis is rejected and hence concludes that there exists a significant relationship between social value and purchase intention. These results are in agreement with previous studies that have positively linked perceived value dimensions with purchase intention (Eggert & Ulaga, 2002).

**H<sub>0</sub>2d: There is no significant mediating effect of Social value on the relationship between social-sensory experience and purchase intention**

The indirect effect of social-sensory effect on purchase intention via social value is computed by multiplying effect of social-sensory experience on social value with the

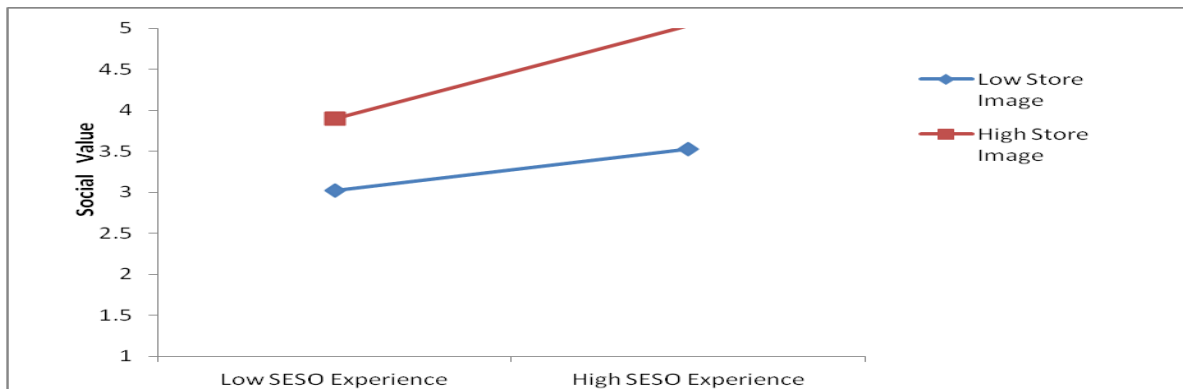
effect of social value on purchase intention ( $0.3399 \times 0.2993 = 0.1017^{***}$ ). The outcome as shown in table 4.20 is a beta value ( $\beta=0.1017$ ,  $p=0.0000$ ). This is also confirmed by the results of the confidence intervals for the two paths that are significant as shown on appendix 8 (social-sensory experience to social value-  $Bt_{ll}$  0.2656,  $Bt_{ul}$  0.4141, and social value to purchase intention-  $Bt_{ll}$  0.2133,  $Bt_{ul}$  0.3676). Certainly, since the two paths are significant, their product (indirect effect) is equally significant. Moreover, since the p-value associated with the indirect effect of social-sensory experience on purchase intention via social value is less than 0.05, the null hypothesis is rejected and hence concludes that there exists a significant mediating effect of social value on the relationship between social-sensory experience and purchase intention. This is consistent with the results of numerous previous studies that have confirmed the existence of a strong link between perceived value and purchase intention, hence confirming perceived value or its dimensions as a key mediator in any experiential marketing-purchase intention relationship (Ashton et al., 2010; Oosthuizen et al., 2015).

**H<sub>02e</sub>: There is no significant moderating effect of store image on the relationship between social-sensory experience and social value.**

The results of the interaction effect of store image on the relationship between social-sensory experience and social value as shown in table 4.20 has a beta value ( $\beta=0.0819$ ,  $p=0.0203$ ). Since the p-value associated with the interaction effect of store image is less than 0.05, we reject the null hypothesis and hence conclude that there is a significant moderating effect of store image on the relationship between social-sensory experience and social value. Moreover this is confirmed by the results of the bootstrap confidence

intervals for the interaction effects shown in appendix 8 ( $B_{t_{ll}}$  0.0128,  $B_{t_{ul}}$  0.1510) since the interval does not include zero.

This conclusion is further exhibited and confirmed by the interaction results shown on figure 4.4. As the figure shows, at the lower level of social-sensory experience, the average effect on social value for the customers with low store image perceptions is 3.0; while for those with high store image perceptions is 4.0. Furthermore, when the level of social-sensory experience increases, the effect on social value increases for both the customers with low and those with high store image perceptions. However the increase is much higher for those customers with high store image perceptions than those with low store image perceptions confirming interaction. Moreover these results are consistent with those of Heijden & Verhagen, (2004) who established that store image is closely related to value perceptions..



**Figure 4.4: The Moderating Effect of Store image on the relationship between Social-Sensory Experience and Social Value**

**Source: Survey Data 2017**



**H<sub>0</sub>2f: There is no significant moderating effect of store image on the indirect relationship between social-sensory experience and purchase intention via Social value.**

Conditional indirect effect of moderated mediation occurs when the strength of an indirect effect depends on the level of some variable, or in other words, when mediation relations are contingent on the level of a moderator (Preacher et al., 2007). The conditional indirect effects of social-sensory experience on purchase intention via social value, moderated by store image were computed using bootstrapping and its result as shown in table 4.20 and appendix 8 was a beta value ( $\beta=0.0245$ ;  $Bt_{ll}$  0.0045,  $Bt_{ul}$  0.0516). A decision to reject the null hypothesis of no conditional indirect effect is made if the confidence interval does not contain zero (Preacher et al., 2007). Since the 95 percent bootstrap confidence interval, based on 5000 bootstrap samples does not include a zero, a decision is made to reject the null hypothesis and conclude that there is a moderated mediation, thus supporting the interpretation that store image significantly moderates the mediated effect of social sensory experience on purchase intention via social value. The results of this study therefore concur with Cronin's et al., (2000) who proved the complex nature of consumer decision making hence warranting use of integrative models as opposed to merely using bi-variate models.

### **4.9.3 The Moderating Effect of Store Image on the Indirect Relationship between Social-sensory Experience and Purchase Intention via Hedonic Value.**

This hypothesis was tested using model III and which followed six steps

#### **4.9.3.0 Model Summary**

The null hypothesis for this model is “There is no moderating effect of store image (SI) on the indirect relationship between Social-sensory experience (SOSE) and purchase intention (PI) via Hedonic Value (HV)”. However to arrive at the final output of this hypothesis which is the moderated mediation, five preliminary analysis needed to be done on the hypothesis linking the social-sensory experience and the purchase intention, the link between the Social-sensory experience and hedonic value, the link between the hedonic value and purchase intention, the moderating effect of store image on the relationship between the social-sensory experience and hedonic value, and lastly, the indirect effect of the social-sensory experience on purchase intention via hedonic value. To conduct this analysis, the study used the software process-macro version 2.16.1; 2012-2016, model seven.

This hypothesis necessitated conducting the moderated regression analyses predicting purchase intention(PI) with social-sensory experience(SOSE) as the independent variable, Hedonic value(HV) as the mediator and Store Image as the moderator. The overall results of the study regarding this objective are shown on table 4.21. Moreover, the result of moderation model indicate that the moderating effect of store image on the relationship between social-sensory experience and hedonic value for 50% of the

variance in hedonic value ( $R^2=0.496$ ). This moderation model is also highly significant ( $F=125.2505$ ,  $P=0.0000$ ).

In addition, the results of the mediated model indicate that the mediation effect of hedonic value was accounting for 36% of the variance ( $R^2=0.3635$ ) in purchase intention.

The model is also highly significant ( $F=109.3547$ ,  $P=0.0000$ ).

**Table 4.21 Results of Regression Analysis with Hedonic value as the Mediator and Social sensory Experience as the Predictor**

Variable	Hedonic Value	Purchase Intention	Indirect Effect	Moderating Effect
Intercept	3.652***	3.8073***	0.4008*0.1346 = 0.0539***	0.0194
Social-Sensory	0.4008***	0.3771***		
Hedonic Value		0.1346***		
Store Image	0.5499***			
SOSE*SI	0.0194			
$R^2$	0.496***	0.3635***		
Bootstrapping results for conditional indirect effect	0.0026			

**Source: Survey Data, 2017**

#### 4.9.3.1 Model 3 Hypothesis Testing

**H<sub>0</sub>3a: There is no significant relationship between social-sensory experience and purchase intention.**

The results in table 4.21 indicates that Social-Sensory experience has a beta value ( $\beta=0.3371$ ,  $p=0.0000$ ). Since the p- value associated with Social-Sensory experience is less than 0.05, the null hypothesis is rejected and hence concludes that Social-Sensory experience is significant in predicting purchase intention.

**H<sub>0</sub>3b: There is no significant relationship between social-sensory experience and Hedonic value.**

The results in table 4.21 indicates that Social-Sensory experience has a beta value ( $\beta=0.4008$ ,  $p=0.0000$ ). Since the p- value associated with Social-Sensory experience is less than 0.05, the null hypothesis is rejected and hence concludes that Social-Sensory experience has a significant relationship with hedonic value. This is in agreement with the results of previous studies that have confirmed the existence of a strong and positive relationship between experiential marketing dimensions and perceived value dimensions (Maghnati et al., 2012); Yacob et al., 2016).

**H<sub>0</sub>3c: There is no significant relationship between Hedonic value and purchase intention.**

The results in table 4.21 further indicates that hedonic value has a beta value ( $\beta= 0.1346$ ,  $p=0.0004$ ). Since the p- value associated with hedonic value is less than 0.05; the null hypothesis that there is no significant relationship is rejected, and hence concludes that there exists significant relationship between hedonic value and purchase intention. These

results are in agreement with previous studies that have positively linked perceived value dimensions with purchase intention (Eggert & Ulaga, 2002).

**H<sub>0</sub>3d: There is no significant mediating effect of Hedonic value on the relationship between social-sensory experience and purchase intention**

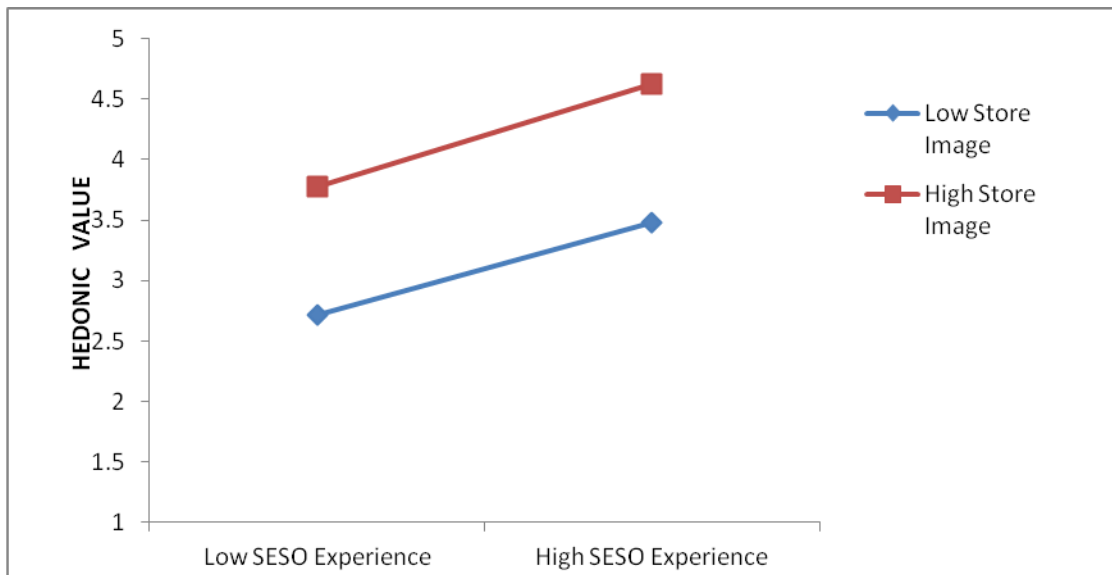
The indirect effect of social-sensory effect on purchase intention via hedonic value is computed by multiplying effect of social-sensory experience on utilitarian value with the effect of utilitarian value on purchase intention ( $0.4008 \times 0.1346 = 0.0539^{***}$ ). The outcome as shown in table 4.21 is a beta value ( $\beta = 0.0539$ ,  $p = 0.000$ ). This is also confirmed by the results of the bootstrap confidence intervals for the two paths that are significant as shown on appendix 8 (social-sensory experience to hedonic value-  $Bt_{ll}$  0.3097,  $Bt_{ul}$  0.4919, and hedonic value to purchase intention-  $Bt_{ll}$  0.0611,  $Bt_{ul}$  0.2080). Notably, since the two paths are significant, their product (indirect effect) is equally significant.

Moreover Since the p- value associated with the indirect effect of social-sensory effect on purchase intention via hedonic value is less than 0.05, the null hypothesis is rejected. These results are in agreement with those of previous studies that have confirmed the existence of a strong link between perceived value and its dimensions with purchase intention, hence confirming perceived value dimensions as key mediators in any experiential marketing-purchase intention relationship (Ashton et al., 2010; Oosthuizen et al., 2015).

**H<sub>03e</sub>: There is no significant moderating effect of store image on the relationship between social-sensory experience and hedonic value.**

The results in table 4.21 shows that the interaction effect of store image on the relationship between social-sensory experience and hedonic value has a beta value ( $\beta = 0.194$   $p = 0.6531$ ). Since the  $p$ -value associated with the interaction effect is greater than 0.05, the study failed to reject the null hypothesis and hence conclude that there is no significant moderating effect of store image on the relationship between social-sensory experience and purchase intention. Moreover this is confirmed by the results of the bootstrap confidence intervals for the interaction effects shown in appendix 8 ( $Bt_{ll} - 0.0654$ ,  $Bt_{ul} 0.1042$ ) since the interval includes zero.

This conclusion is further exhibited and confirmed by the interaction results shown on figure 4.5. As the figure shows, at the lower level of social-sensory experience, the average effect on hedonic value for the customers with low store image perceptions is 2.7; while for those with high store image perceptions is 3.7. Furthermore, when the level of social-sensory experience increases, the effect on hedonic value increases for both the customers with low and those with high store image perceptions. However since the lines are parallel to each other, the change or increase is the same for both those customers with high store image perceptions and those with low store image perceptions confirming non-interaction.



**Figure 4.5: The Moderating Effect of Store Image on the Relationship between Social-sensory Experience and Hedonic Value.**

**Source: Survey Data 2017.**

**H<sub>0</sub>3f: There is no significant moderating effect of store image on the indirect relationship between social-sensory experience and purchase intention via Hedonic value.**

Conditional indirect effect of moderated mediation occurs when the strength of an indirect effect depends on the level of some variable, or in other words, when mediation relations are contingent on the level of a moderator (Preacher et al., 2007). The conditional indirect effects of social-sensory experience on purchase intention via hedonic value, moderated by store image were computed using bootstrapping and its result as shown in table 4.21 and appendix 8 is a beta value ( $\beta=0.0026$ ;  $Bt_{ll}=0.0101$ ,  $Bt_{ul}=0.0159$ ). A decision to reject the null hypothesis of no conditional indirect effect is made if the confidence interval does not contain zero (Preacher et al., 2007). Since the 95

percent bootstrap confidence interval , based on 5000 bootstrap samples includes zero, a decision is made not to reject the null hypothesis and conclude that there is no moderated mediation, thus supporting the interpretation that store image does not moderate the mediated effect of social sensory experience on purchase intention via hedonic value. Notably, the results of this study concur with Cronin's et al., (2000) who recommended the use of integrative models when studying consumer behavior since he argued that consumer decision making process is complex and comprehensive involving many factors.

#### **4.9.4 The Moderating Effect of Store Image on the Indirect Relationship between Emotional Experience and Purchase Intention via Utilitarian Value**

This hypothesis was tested using model IV and this process involved testing six different sub-hypotheses or steps.

##### **4.9.4.0 Model Summary**

The null hypothesis for this model is “There is no moderating effect of store image (SI) on the indirect relationship between emotional experience (EE) and purchase intention (PI) via Utilitarian Value (HV)”. However to arrive at the final output of this hypothesis which is the moderated mediation, five preliminary analysis needed to be done on the hypothesis linking the social-sensory experience and the purchase intention, the link between the emotional experience and utilitarian value, the link between the utilitarian value and purchase intention, the moderating effect of store image on the relationship between the emotional experience and utilitarian value, and lastly, the indirect effect of



the emotional experience on purchase intention via utilitarian value. To conduct this analysis, the study used the software process-macro version 2.16.1; 2012-2016, model seven.

This hypothesis necessitated conducting the moderated regression analyses predicting purchase intention (PI) with Emotional experience (EE) as the independent variable, Utilitarian value (UV) as the mediator and Store Image (SI) as the moderator.

The overall results of the study regarding this objective are shown on table 4.22.

**Table 4.22 Results of Regression Analysis**

Variable	Utilitarian Value	Purchase Intention	Indirect Effect	Moderating Effect
Intercept	4.0447***	3.4118***	0.2456*0.2845 =0.07***	0.1778***
Emotional Experience	0.2456***	0.2948***		
Utilitarian Value		0.2845***		
Store Image	0.6998***			
Emotional Experience*Store Image	0.1778***			
R <sup>2</sup>	0.4072***	0.3357***		
Bootstrapping results for conditional indirect effect	0.0506***			

**Source: Survey Data, 2017**

Moreover, the result of moderation model indicate that the moderating effect of store image on the relationship between emotional experience and utilitarian value accounts for 41% of the variance in utilitarian value ( $R^2=0.4072$ ). This moderation model is also highly significant ( $F= 87.4634$ ,  $P= 0.0000$ ).

Additionally, the results of the mediated model indicated that the mediation effect of utilitarian value was accounting for 34% of the variance ( $R^2=0.3357$ ) in purchase intention. The model is also highly significant ( $F= 96.7518$ ,  $P= 0.0000$ ).

#### **4.9.4.1 Model IV Hypothesis Testing**

**H<sub>0</sub>4a: There is no significant relationship between Emotional experience and purchase intention.**

The results in table 4.22 indicates that emotional experience has a beta value ( $\beta=0.2948$ ,  $p=0.0000$ ). Since the p- value associated with emotional experience is less than 0.05, the null hypothesis is rejected and hence concludes that emotional experience is significant in predicting purchase intention. These results are in agreement with those of previous other studies that have established the existence of a positive and strong link between experiential marketing dimensions and purchase intention (Anggie & Haryanto, 2011; Yang & He , 2011; Nigam, 2012).

**H<sub>0</sub>4b: There is no significant relationship between Emotional experience and Utilitarian value.**

The results in table 4.22 indicates that emotional experience has a beta value ( $\beta = 0.2556$ ,  $p < 0.0001$ ). Since the p-value associated with emotional experience is less than 0.05, the null hypothesis is rejected and hence concludes that emotional experience has a significant relationship with utilitarian value. This is consistent with the results of previous studies that have confirmed the existence of a strong and positive relationship between experiential marketing dimensions and perceived value dimensions (Maghnati, Ling, & Nasermoadeli, 2012; Yacob et al., 2016).

**H<sub>0</sub>4c: There is no significant relationship between Utilitarian value and purchase intention.**

The results in table 4.22 indicates that utilitarian value has a beta value ( $\beta = 0.2845$ ,  $p = 0.0000$ ). Since the p-value associated with utilitarian value is less than 0.05, the null hypothesis is rejected and hence concludes that there exists a significant relationship between utilitarian value and purchase intention. These results are in agreement with previous studies that have positively linked utilitarian value with purchase intention (Chiu et al., 2014).

**H<sub>0</sub>4d: There is no significant mediating effect of Utilitarian value on the relationship between emotional experience and purchase intention**

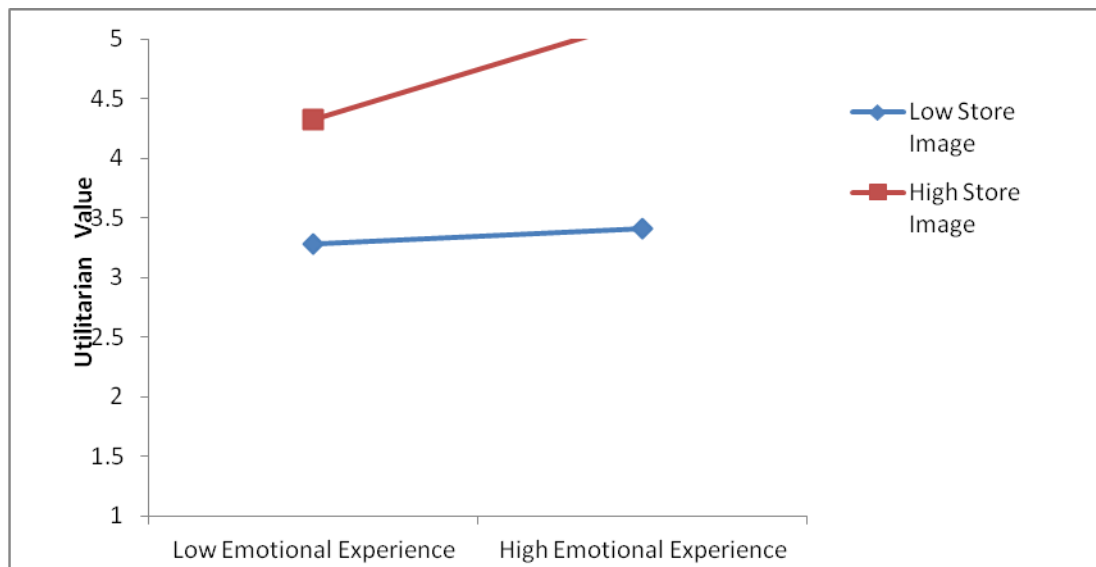
The indirect effect of social-sensory effect on purchase intention via utilitarian value is computed by multiplying effect of emotional experience on utilitarian value with the effect of utilitarian value on purchase intention ( $0.2456 * 0.2845 = 0.07^{***}$ ) shown in table

4.22. The outcome is significant with a beta value ( $\beta = 0.07$ ,  $p = 0.0000$ ). This is also confirmed by the results of the bootstrap confidence intervals for the two paths that are significant as shown on appendix 8 (emotional experience to utilitarian value-  $Bt_{ll}$  0.1218,  $Bt_{ul}$  0.3694, and utilitarian value to purchase intention-  $Bt_{ll}$  0.2162,  $Bt_{ul}$  0.3528). Notably, since the two paths are significant, their product (indirect effect) is equally significant. Moreover Since the p- value associated with the indirect effect of emotional experience on purchase intention via utilitarian value is less than 0.05, the null hypothesis is rejected and hence concludes that there exists a significant mediating effect of utilitarian value on the relationship between emotional experience and purchase intention. This is in agreement with the results of numerous previous studies that have confirmed the existence of a strong link between perceived value and purchase intention, hence confirming perceived value and its dimensions as a key mediator in any experiential marketing-purchase intention relationship (Ashton et al., 2010; Oosthuizen et al., 2015).

**H<sub>0</sub>4e: There is no significant moderating effect of store image on the relationship between emotional experience and utilitarian value.**

The results of the interaction effect of store image on the relationship between emotional experience and utilitarian value as shown in table 4.22 has a beta value ( $\beta = 0.1778$ ,  $p = 0.0033$ ). Since the p- value associated with the interaction effect of is less than 0.05, the study rejects the null hypothesis and hence conclude that there is a significant moderating effect of store image on the relationship between emotional experience and utilitarian value. Moreover this is confirmed by the results of the bootstrap confidence intervals for the interaction effects shown in appendix 8 (  $Bt_{ll}$  0.0595,  $Bt_{ul}$  0.2960) since the interval does not include zero.

This conclusion is further exhibited and confirmed by the interaction results shown on figure 4.6. As the figure shows, at the lower level of emotional experience, the average effect on utilitarian value for the customers with low store image perceptions is 3.3; while for those with high store image perceptions is 4.3. Furthermore, when the level of emotional experience increases, the effect on utilitarian value increases for both the customers with low and those with high store image perceptions. However the increase for those customers with high store image perceptions is quite significant unlike for those with low store image perceptions whose change is marginal, confirming interaction. Moreover these results are consistent with those of Heijden & Verhagen, (2004) who established that store image is closely related to value perceptions..



**Figure 4.6: The Moderating Effect of Store Image on the Relationship between Emotional Experience and Utilitarian Value.**

**Source: Survey Data 2017**

**H<sub>04f</sub>: There is no significant moderating effect of store image on the indirect relationship between emotional experience and purchase intention via Utilitarian value.**

Conditional indirect effect of moderated mediation occurs when the strength of an indirect effect depends on the level of some variable, or in other words, when mediation relations are contingent on the level of a moderator (Preacher et al., 2007). The conditional indirect effects of emotional experience on purchase intention via utilitarian value, moderated by store image were computed using bootstrapping and its result as indicated in table 4.22 and appendix 8 is a beta value ( $\beta=0.0506$ ;  $Bt_{ll}$  0.0045,  $Bt_{ul}$  0.1075). According to Preacher et al., (2007), a decision to reject the null hypothesis of no conditional indirect effect is made if the confidence interval does not contain zero. Since the computed 95 percent bootstrap confidence interval, based on 5000 bootstrap samples does not include zero, a decision is made to reject the null hypothesis and conclude that there is moderated mediation, thus supporting the interpretation that store image moderates the mediated effect of emotional experience on purchase intention via utilitarian value. Notably, the results of this study agree with those of previous studies for instance Cronin's et al., (2000) who posited that since consumer decision making is a complex process and involves many factors, there is a need to embrace the use of integrative models when studying consumer behavior

#### **4.9.5 The Moderating Effect of Store Image on the Indirect Relationship between Emotional Experience and purchase intention via Social Value.**

This hypothesis was tested using model ‘V’ and this process was carried out through six steps.

##### **4.8.5.0 Model Summary**

The null hypothesis for this model is “There is no moderating effect of store image (SI) on the indirect relationship between emotional experience (EE) and purchase intention (PI) via Social Value (SV)”. However to arrive at the final output of this hypothesis which is the moderated mediation, five preliminary analysis needed to be done on the hypothesis linking the emotional experience and the purchase intention, the link between the emotional experience and social value, the link between the social value and purchase intention, the moderating effect of store image on the relationship between the emotional experience and social value, and lastly, the indirect effect of the emotional experience on purchase intention via social value. To conduct this analysis, the study used the software process-macro version 2.16.1; 2012-2016, model seven.

This hypothesis necessitated conducting the moderated regression analyses predicting purchase intention (PI) with Emotional experience (EE) as the independent variable, Social value (SV) as the mediator and Store Image as the moderator.

The overall results of the study regarding this objective are shown on table 4.23. Furthermore, the result of moderation model indicate that the moderating effect of store

image on the relationship between emotional experience and social value accounts for 55% of the variance in social value ( $R^2=0.5470$ ). This moderation model is also highly significant ( $F= 153.7320$  ,  $P= 0.0000$ ). On the other hand, the results of the mediated model indicate that the mediation effect of social value was accounting for 36% of the variance ( $R^2=0.3609$ ) in purchase intention. The model is also highly significant ( $F= 108.1182$ ,  $P= 0.0000$ ).

**Table 4.23 Results of Regression Analysis**

Variable	Social value	Purchase Intention	Indirect Effect	Moderating Effect
Intercept	3.8714***	2.7511***	0.4102*0.3938 =0.16***	0.1594***
Emotional Experience	0.4102***	0.1873		
Social value		0.3938***		
Store Image	0.5965***			
Emotional Experience*Store Image	0.1594***			
$R^2$	0.5470***	0.3609***		
Bootstrapping results for conditional indirect effect	0.0628***			

**Source: Survey Data, 2017**



#### **4.9.5.1 Model 'V' Hypothesis Testing**

**H<sub>0</sub>5a: There is no significant relationship between Emotional experience and purchase intention.**

The results in table 4.23 indicate that emotional experience has a beta value ( $\beta=0.1873$ ,  $p=0.0002$ ). Since the p- value associated with emotional experience is less than 0.05, the study rejects the null hypothesis and hence conclude that emotional experience is significant in predicting purchase intention.

**H<sub>0</sub>5b: There is no significant relationship between Emotional experience and Social value.**

The results in table 4.23 indicate that emotional experience has a beta value ( $\beta=0.4102$ ,  $p=0.0000$ ). Since the p- value associated with emotional experience is less than 0.05, the null hypothesis is rejected and hence concludes that emotional experience has a significant relationship with social value. This is in agreement with the results of previous studies that have confirmed the existence of a strong and positive relationship between experiential marketing dimensions and perceived value dimensions (Maghnati, Ling, & Nasermoadeli, 2012; Yacob et al., 2016).

**H<sub>0</sub>5c: There is no significant relationship between Social value and purchase intention.**

The results in table 4.23 further indicate that social value has a beta value ( $\beta=0.3938$ ,  $p=0.0000$ ). Since the p- value associated with social value is less than 0.05, the null hypothesis is rejected and hence concludes that there exists a significant relationship between social value and purchase intention.

**H<sub>0</sub>5d: There is no significant mediating effect of Social value on the relationship between emotional experience and purchase intention**

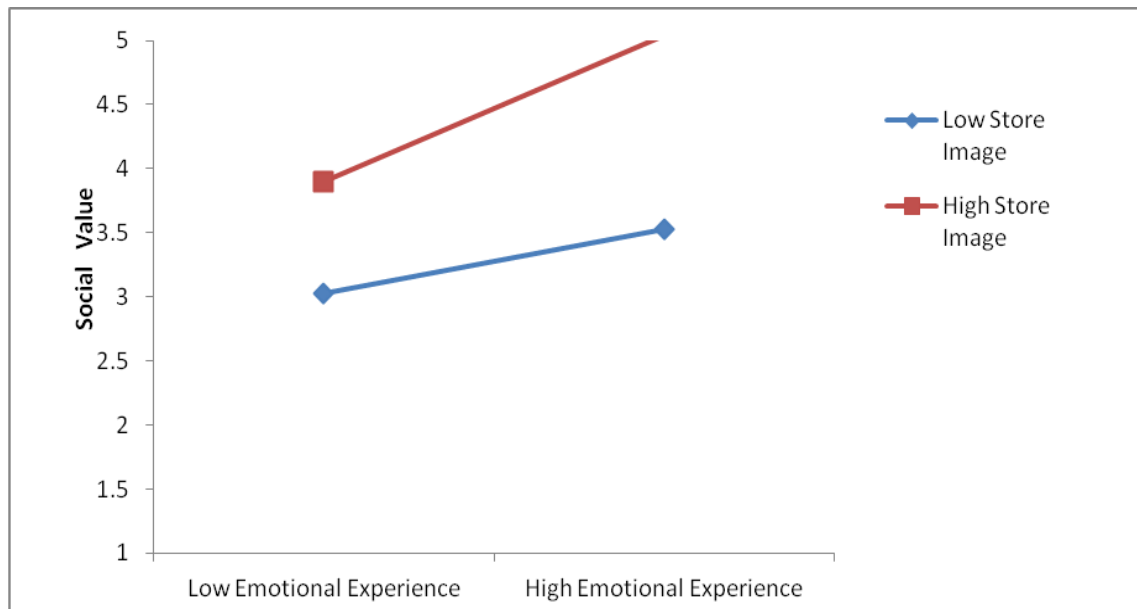
The indirect effect of emotional experience on purchase intention via social value is computed by multiplying effect of emotional experience on social value with the effect of social value on purchase intention ( $0.4102 \times 0.3938 = 0.16^{***}$ ) as shown in table 4.23. The outcome is a significant beta value ( $\beta = 0.16$ ,  $p = 0.0000$ ). This is also confirmed by the results of the bootstrap confidence intervals for the two paths that are significant as shown on appendix 8 (emotional experience to social value-  $Bt_{ll}$  0.3140,  $Bt_{ul}$  0.5064, and social value to purchase intention-  $Bt_{ll}$  0.3097,  $Bt_{ul}$  0.4778). This is because none of the confidence intervals of the two paths contains zero. Notably, since the two paths are significant, their product (indirect effect) is equally significant.

Moreover Since the p- value associated with the indirect effect of emotional experience on purchase intention via social value is less than 0.05, the null hypothesis that social value does not mediate the relationship between emotional experience and purchase intention is rejected. These results are in agreement with those of numerous previous studies that have confirmed the existence of a strong link between perceived value and its dimensions with purchase intention, hence confirming social value as a mediator in any experiential marketing-purchase intention relationship (Ashton et al., 2010; Oosthuizen et al., 2015).

**H<sub>05e</sub>: There is no significant moderating effect of store image on the relationship between emotional experience and social value.**

The results of the interaction effect of store image on the relationship between emotional experience and social value as shown in table 4.23 is a beta value ( $\beta=0.1594$ ,  $p<0.0007$ ). Since the p-value associated with the interaction effect is less than 0.001, the study rejects the null hypothesis and hence concludes that there is a significant moderating effect of store image on the relationship between emotional experience and social value. Moreover, this is confirmed by the results of the bootstrap confidence intervals for the interaction effects shown in appendix 8 (  $Bt_{ll}$  0.0676,  $Bt_{ul}$  0.2512) since the interval does not include zero.

This conclusion is further exhibited and confirmed by the interaction results shown on figure 4.7. As the figure shows, at the lower level of emotional experience, the average effect on social value for the customers with low store image perceptions is 3.0; while for those with high store image perceptions is 3.8. Furthermore, when the level of emotional experience increases, the effect on social value increases for both the customers with low and those with high store image perceptions. However the increase for those customers with high store image perceptions is significantly greater than the increase for those with low store image perceptions, confirming interaction. Notably, these results are consistent with those of Heijden & Verhagen, (2004) who established that store image is closely related to value perceptions.



**Figure 4.7: The Moderating Effect of Store image on the relationship between emotional experience and social value**

**Source: Survey Data 2017**

**H<sub>0</sub>5f: There is no significant moderating effect of store image on the indirect relationship between emotional experience and purchase intention via Social value.**

Conditional indirect effect of moderated mediation occurs when the strength of an indirect effect depends on the level of some variable. Furthermore, it occurs when mediation relations are contingent on the level of a moderator (Preacher et al., 2007).

The conditional indirect effect of emotional experience on purchase intention via social value, moderated by store image were computed using bootstrapping and the results as shown in table 4.23 and appendix 8 is a beta value ( $\beta=0.0628$ :  $Bt_{ll}$  0.0282,  $Bt_{ul}$  0.1099).

According to Preacher et al., (2007), a decision to reject the null hypothesis of no conditional indirect effect is made if the confidence interval does not include zero. Since

the 95 percent bootstrap confidence interval , based on 5000 bootstrap samples does not include zero, a decision is made to reject the null hypothesis and conclude that there exists moderated mediation, thus supporting the interpretation that store image moderates the mediated effect of emotional experience on purchase intention via social value. Moreover, the results of this study are in agreement with Cronin's et al., (2000) assertion that consumer decision making process is both complex and comprehensive hence the need to make use of integrative models in consumer behavior studies.

#### **4.9.6 The Moderating Effect of Store Image on the Indirect Relationship between Emotional Experience and Purchase Intention via Hedonic Value.**

This hypothesis was tested using model 'VI' and this process was carried out through six steps.

##### **4.9.6.0 Model Summary**

The null hypothesis for this model is "There is no moderating effect of store image (SI) on the indirect relationship between Emotional experience (EE) and purchase intention (PI) via Hedonic Value (HV)". However to arrive at the final output of this hypothesis which is the moderated mediation, five preliminary analysis needed to be done on the hypothesis linking the emotional experience and the purchase intention, the link between the emotional experience and hedonic value, the link between the hedonic value and purchase intention, the moderating effect of store image on the relationship between the emotional experience and hedonic value, and lastly, the indirect effect of the emotional

experience on purchase intention via hedonic value. To conduct this analysis, the study used the software process-macro version 2.16.1; 2012-2016, model seven.

This hypothesis necessitated conducting the moderated regression analyses predicting purchase intention (PI) with Emotional experience (EE) as the independent variable, Hedonic value (HV) as the mediator and Store Image as the moderator.

**Table 4.24 Results of Regression Analysis**

Variable	Hedonic Value	Purchase Intention	Indirect Effect	Moderating Effect
Intercept	3.6462***	3.4816***	0.3766*0.2235 =0.08***	0.0392
Emotional Experience	0.3766***	0.3000***		
Hedonic Value		0.2235***		
Store Image	0.6102***			
Emotional Experience*Store Image	0.0392			
R <sup>2</sup>	0.4511***	0.2856***		
Bootstrapping results for conditional indirect effect	0.0088			

**Source: Survey Data, 2017**

The overall results of the study regarding this objective are shown on table 4.24. Moreover, the result of moderation model indicate that the moderating effect of store

image on the relationship between emotional experience and hedonic value accounts for 45% of the variance in hedonic value ( $R^2=0.4511$ ). This moderation model is also highly significant ( $F= 104.6322$ ,  $P= 0.0000$ ). On the other hand, the results of the mediated model indicate that the mediation effect of hedonic value was accounting for 29% of the variance ( $R^2=0.2856$ ) in purchase intention. The model is also highly significant ( $F= 76.5421$ ,  $P= 0.0000$ ).

#### **4.9.6.1 Model ‘VI’ Hypothesis Testing**

The results for this model are explained below;

**H<sub>0</sub>6a: There is no significant relationship between emotional experience and purchase intention.**

The results in table 4.24 indicate that emotional experience has a beta value ( $\beta=0.3000$ ,  $p=0.0000$ ). Since the p- value associated with emotional experience is less than 0.001, the null hypothesis is rejected and hence concludes that emotional experience is significant in predicting purchase intention.

**H<sub>0</sub>6b: There is no significant relationship between emotional experience and hedonic value.**

The results in table 4.24 indicate that emotional experience has a beta value ( $\beta=0.3766$ ,  $p=0.0000$ ). Since the p- value associated with emotional experience is less than 0.001, the null hypothesis is rejected and hence concludes that emotional experience has a significant relationship with utilitarian value. This is in agreement with the results of previous studies that have confirmed the existence of a strong and positive relationship

between experiential marketing dimensions and perceived value (Maghnati, Ling, & Nasermoadeli, 2012; Yacob et al., 2016).

**H<sub>0</sub>6c: There is no significant relationship between hedonic value and purchase intention.**

The results in table 4.24 indicate that hedonic value has a beta value ( $\beta=0.2235$ ,  $p=0.0000$ ). Since the  $p$ -value associated with hedonic value is less than 0.001, the null hypothesis is rejected and hence concludes that there exists a significant relationship between hedonic value and purchase intention. These results are in agreement with previous studies that have positively linked hedonic value with purchase intention (Chiu et al., 2014).

**H<sub>0</sub>6d: There is no significant mediating effect of hedonic value on the relationship between emotional experience and purchase intention**

The indirect effect of emotional experience on purchase intention via hedonic value is computed by multiplying effect of emotional experience on hedonic value with the effect of hedonic value on purchase intention ( $0.3766 \times 0.2235 = 0.08^{***}$ ) as shown in table 4.24. The outcome is a significant beta value ( $\beta=0.08$ ,  $p=0.0000$ ). This is also confirmed by the results of the bootstrap confidence intervals for the two paths that are significant as shown on appendix 8 (emotional experience to hedonic value-  $Bt_{ll}$  0.02552,  $Bt_{ul}$  0.4981, and hedonic value to purchase intention-  $Bt_{ll}$  0.1498,  $Bt_{ul}$  0.2973). Notably, since the two paths are significant, their product (indirect effect) is equally significant. Moreover, since the  $p$ -value associated with the indirect effect of emotional experience on purchase



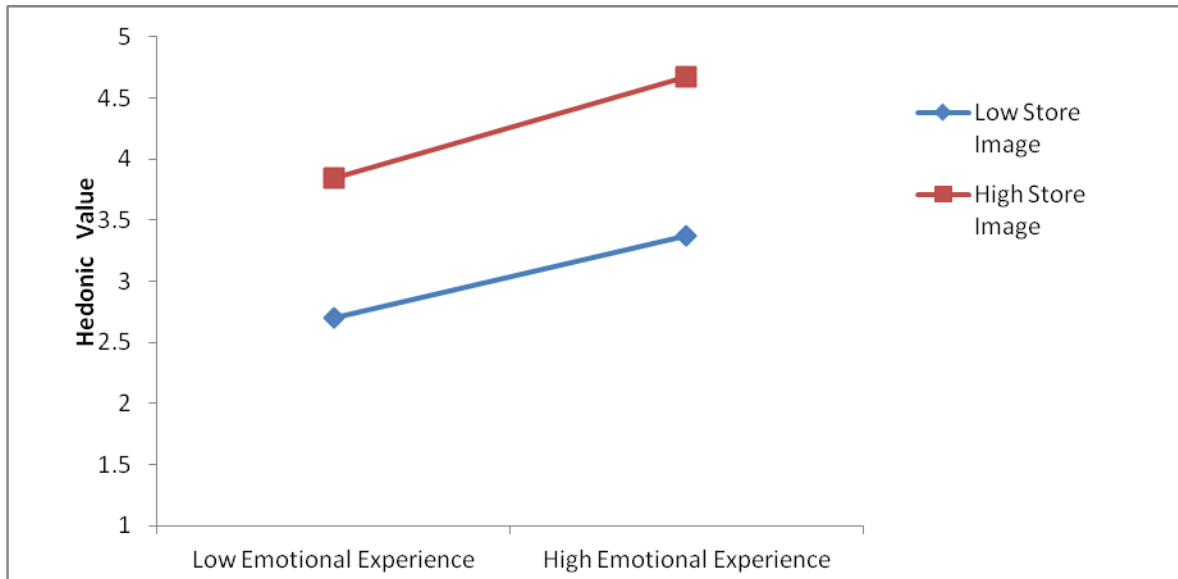
intention via hedonic value is less than 0.001, the null hypothesis that hedonic value does not mediate the relationship between emotional experience and purchase intention is therefore rejected. These results are in agreement with those of numerous past studies that have established the existence of a strong link between perceived value or its dimensions and purchase intention, hence confirming hedonic value as a mediator in any experiential marketing-purchase intention relationship (Ashton et al., 2010; Oosthuizen et al., 2015).

**H<sub>06e</sub>: There is no significant moderating effect of store image on the relationship between emotional experience and hedonic value.**

The results of the interaction effect of store image on the relationship between emotional experience and hedonic value as shown in table 4.24 is a beta value ( $\beta=0.0392$ ,  $p=0.5071$ ). Since the p-value associated with the interaction effect of is greater than 0.001, the study failed to reject the null hypothesis and hence conclude that there is no significant moderating effect of store image on the relationship between social-sensory experience and hedonic value. Moreover this is confirmed by the results of the bootstrap confidence intervals for the interaction effects shown in appendix 8 (  $Bt_{ll}$  0.0768,  $Bt_{ul}$  0.1552) since the interval includes zero.

This conclusion is further exhibited and confirmed by the interaction results shown on figure 4.8. As the figure shows, at the lower level of emotional experience, the average effect on hedonic value for the customers with low store image perceptions is 2.6, while for those with high store image perceptions is 3.7. Furthermore, when the level of emotional experience increases, the effect on hedonic value increases for both the

customers with low and those with high store image perceptions. However since the lines are parallel to each other, the change or increase is the same for both those customers with high store image perceptions and those with low store image perceptions confirming non-interaction.



**Figure 4.8: The Moderating Effect of Store image on the relationship between emotional experience and hedonic value**

**Source: Survey Data 2017**

**H<sub>06f</sub>: There is no significant moderating effect of store image on the indirect relationship between emotional experience and purchase intention via hedonic value.**

Conditional indirect effect of moderated mediation occurs when the strength of an indirect effect depends on the level of some variable, or in other words, when mediation relations are contingent on the level of a moderator (Preacher et al., 2007). The conditional indirect effects of emotional experience on purchase intention via hedonic

value, moderated by store image were computed using bootstrapping and its result as shown in table 4.24 and appendix 8 is a beta value ( $\beta=0.0088$ :  $Bt_{ll} -0.0176$ ,  $Bt_{ul} 0.0360$ ). A decision to reject the null hypothesis of no conditional indirect effect is made if the confidence interval does not contain zero (Preacher et al., 2007). Since the 95 percent bootstrap confidence interval, based on 5000 bootstrap samples includes zero, a decision is made not to reject the null hypothesis and conclude that there is no moderated mediation, thus supporting the interpretation that store image does not moderate the mediated effect of emotional experience on purchase intention via hedonic value. The results of this study are clearly consistent with those of previous studies that have acknowledged the complex nature of consumer decision making process hence recommending the use of integrative models in consumer behavior studies (Cronin et al., 2000).

#### 4.10 Hypothesis Testing Summary

A summary of all the tested hypotheses of the study are shown on table 4.25.

**Table 4.25 Hypothesis Testing Summary**

	HYPOTHESIS	Beta	P-values	Results
<b>Direct Effects</b>				
HO <sub>1a</sub>	SESO has no significant effect on PI.	.3547	0.0000	Rejected
HO <sub>1b</sub>	EE has no significant effect on PI	.2948	0.0000	Rejected
HO <sub>2a</sub>	SESO has no significant effect on UT	.1557	0.0019	Rejected
HO <sub>2b</sub>	SESO has no significant effect on SV	.3399	0.0000	Rejected
HO <sub>2c</sub>	SESO has no significant effect on HV	.4008	0.0000	Rejected
HO <sub>2d</sub>	EE has no significant effect on UT	.2556	0.0001	Rejected
HO <sub>2e</sub>	EE has no significant effect on SV	.4102	0.0000	Rejected
HO <sub>2f</sub>	EE has no significant effect on HV	.3766	0.0000	Rejected
HO <sub>3a</sub>	UT has no significant effect on PI	.2401	0.0000	Rejected
HO <sub>3b</sub>	SV has no significant effect on PI	.2993	0.0000	Rejected
HO <sub>3c</sub>	HV has no significant effect on PI	.1346	0.0004	Rejected
<b>With Mediation.</b>				
HO <sub>4a</sub>	UT has no mediating effect on relationship between SESO and PI	.00374	0.0000	Rejected
HO <sub>4b</sub>	SV has no mediating effect on relationship between SESO and PI	.1017	0.0000	Rejected
HO <sub>4c</sub>	HV has no mediating effect on relationship between SESO and PI	.0539	0.0000	Rejected
HO <sub>4d</sub>	UT has no mediating effect on relationship between EE and PI	.07	0.0000	Rejected

HO <sub>4e</sub>	SV has no mediating effect on relationship between EE and PI	.16	0.0000	Rejected
HO <sub>4f</sub>	HV has no mediating effect on relationship between EE and PI	.08	0.0000	Rejected
<b>With moderation</b>				
HO <sub>5a</sub>	SESO has no significant effect on UT	.0123	0.7921	Accepted
HO <sub>5b</sub>	SESO has no significant effect on SV	.0819	0.0203	Rejected
HO <sub>5c</sub>	SESO has no significant effect on HV	.194	0.6351	Accepted
HO <sub>5d</sub>	EE has no significant effect on UT	.1778	0.0033	Rejected
HO <sub>5e</sub>	EE has no significant effect on SV	.1594	0.0007	Rejected
HO <sub>5f</sub>	EE has no significant effect on HV	.0392	0.5071	Accepted
<b>With Moderated Mediation</b>			<b>Bootstrap Confidence Interval (BCI)</b>	
HO <sub>6a</sub>	No moderated mediation of SI and UT on the relationship between SESO and PI	.0029	-0.0322 to 0.0237	Accepted
HO <sub>6b</sub>	No moderated mediation of SI and SV on the relationship between SESO and PI	.0245	0.0045 to 0.0516	Rejected
HO <sub>6c</sub>	No moderated mediation of SI and HV on the relationship between SESO and PI	.0026	-0.0101 to 0.0159	Accepted
HO <sub>6d</sub>	No moderated mediation of SI and UT on the relationship between EE and PI	.0506	0.0045 to 0.1075	Rejected
HO <sub>6e</sub>	No moderated mediation of SI and SV on the relationship between EE and PI	.0628	0.0282 to 0.1099	Rejected
HO <sub>6f</sub>	No moderated mediation of SI and HV on the relationship between EE and PI	.0088	-0.0176 to 0.0360	Accepted

**Source: Survey Data 2017**

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.0 Introduction**

This chapter discusses and summarizes the results of the key findings of the study. The key highlights of the chapter include; summary of the research findings, contributions to the body of knowledge, conclusions, and the study recommendations guided by the interpretations of the results of the study. There are two sections of the study recommendations; Recommendations for further study and recommendations directed at the retail owners, retail managers and policy makers. Furthermore, the chapter discusses the various limitations of the study so as to provide caution and define the scope within which the study recommendations may be embraced or implemented.

#### **5.1 Summary of the Study**

The purpose of this study was to examine the effect of experiential marketing on purchase intention; A moderated mediation of store image and perceived value among selected supermarkets in Nairobi Kenya. The research was motivated by the need to contribute to the body of knowledge on consumer behavior by examining the complex interactions of key factors that ultimately influence a consumers' decision or intention to buy.

The specific objectives of this study were as follows: 1) To investigate the relationship between experiential marketing dimensions and purchase intention; 2) To assess the

relationship between experiential marketing dimensions and perceived value dimensions; 3) To determine the relationship between perceived value dimensions and purchase intention; 4) To investigate the mediating effect of perceived value dimensions on the relationship between experiential marketing dimensions and purchase intention; 5) To explore the moderating effect of store image on the relationship between experiential marketing dimensions and perceived value dimensions; 6) To assess the moderating effect of store image on the indirect relationship between experiential marketing dimensions and purchase intention via perceived value dimensions.

## **5.2 Conclusion**

The results from the study guided by the study objectives and hypotheses are the basis upon which conclusions have been drawn. These conclusions are based on the relationships of individual dimensions of the constructs as they were extracted during the factor analysis. In view of this, experiential marketing extracted two dimensions; social-sensory experience and emotional experience. Perceived value extracted three components; utilitarian value, social value and hedonic value. Both store image and purchase intention remained one dimensional constructs. Consequently, every objective was subjected to six different types of tests leading to six different outputs and therefore necessitating conclusions for each of the tests.

### **5.2.1 The Relationship between Experiential Marketing and Purchase Intention.**

The first objective of the study was to assess the relationship between experiential marketing dimensions and purchase intention. However since experiential marketing had

two dimensions; Social-sensory experience and emotional experience, the relationship between each one of them with purchase intention, was subjected to hypothesis testing.

#### **5.2.1.1 The Relationship between Social-sensory Experience and Purchase Intention**

The null hypothesis that social-sensory experience has no significant relationship with purchase intention was rejected. This implies that social-sensory experience is a major determinant of purchase intention.

#### **5.2.1.2 The Relationship between Emotional Experience and Purchase Intention**

The null hypothesis that emotional experience does not have a significant relationship with purchase intention was rejected. This implies that emotional experience is a major determinant of purchase intention.

### **5.2.2 The Relationship between Experiential Marketing and Perceived Value**

The second objective of the study was to assess the relationship between experiential marketing and perceived value. Notably after conducting factor analysis, experiential marketing extracted two dimensions; social-sensory experience and emotional experience. Moreover, perceived value extracted three dimensions; utilitarian value, social value and hedonic value. Each of the two dimensions of experiential marketing were thus tested against each of the three dimensions of perceived value.



#### **5.2.2.1 The Relationship between Social-sensory Experience and Utilitarian Value**

The null hypothesis that social-sensory experience does not have a significant relationship with utilitarian value was rejected. This implies that social-sensory experience is a significant antecedent of utilitarian value.

#### **5.2.2.2 The Relationship between Social-sensory Experience and Social Value**

The null hypothesis that social-sensory experience does not have a significant relationship with social value was rejected. This implies that social-sensory experience is a significant antecedent of social value.

#### **5.2.2.3 The Relationship between Social-sensory Experience and Hedonic Value**

The null hypothesis that social-sensory experience does not have a significant relationship with hedonic value was rejected. This therefore leads to the conclusion that social-sensory experience is a significant antecedent of hedonic value.

#### **5.2.2.4 The Relationship between Emotional Experience and Utilitarian Value**

The null hypothesis that emotional experience does not have a significant relationship with utilitarian value was rejected. This leads to the conclusion that emotional experience is a significant antecedent of utilitarian value.

#### **5.2.2.5 The Relationship between Emotional Experience and Social Value**

The null hypothesis that emotional experience does not have a significant relationship with social value was rejected. It is therefore right to conclude that emotional experience is a significant predictor of social value.

#### **5.2.2.6 The Relationship between Emotional Experience and Hedonic Value**

Furthermore, the null hypothesis that emotional experience does not have a significant relationship with hedonic value was rejected. Consequently, we conclude that emotional experience is a significant predictor of hedonic value.

### **5.2.3 The Relationship between Perceived Value and Purchase Intention.**

The third objective of the study sought to determine the relationship between perceived value dimensions and purchase intention. However, due to the fact that perceived value extracted three distinct components after factor analysis, each of these factors; utilitarian value, social value and hedonic value, had their relationship with purchase intention tested separately to determine the nature of the relationship.

#### **5.2.3.1 The Relationship between Utilitarian Value and Purchase Intention.**

The null hypothesis that utilitarian value is not significantly related with purchase intention was rejected. This therefore implies that utilitarian value plays an important role in influencing consumer's purchase intentions.

### **5.2.3.2 The Relationship between Social Value and Purchase Intention.**

The null hypothesis that social value is not significantly related with purchase intention was rejected. This therefore leads to the conclusion that social value plays an important role in influencing consumer's purchase intentions.

### **5.2.3.3 The Relationship between Hedonic Value and Purchase Intention.**

Furthermore, the null hypothesis that hedonic value is not significantly related with purchase intention was also rejected. This therefore implies that hedonic value plays an important role in influencing consumer's purchase intentions.

### **5.2.3.4 The Mediating Effect of Perceived Value on the Relationship between Experiential Marketing and Purchase Intention.**

The fourth objective of the study sought to investigate the mediating effect of perceived value dimensions on the relationship between experiential marketing dimensions and purchase intention. Bearing in mind that experiential marketing has two dimensions; social-sensory experience and emotional experience, and that perceived value has three dimensions; utilitarian value, social value and hedonic value, the mediating effect for six different relationships was tested under this particular objective.

#### **5.2.4.1 The Mediating Effect of Utilitarian Value on the Relationship between Social-sensory Experience and Purchase Intention.**

The null hypothesis that utilitarian value does not significantly mediate the relationship between social-sensory experience and purchase intention, was rejected. This leads to the conclusion that utilitarian value plays an important role in enhancing the social-sensory influence on consumer's purchase intention.

#### **5.2.4.2 The Mediating Effect of Social Value on the Relationship between Social-sensory Experience and Purchase Intention**

The null hypothesis that social value does not significantly mediate the relationship between emotional experience and purchase intention was rejected. This therefore implies that social value enhances the influence of emotional experiences on consumer's purchase intentions.

#### **5.2.4.3 The Mediating Effect of Hedonic Value on the Relationship between Social-sensory Experience and Purchase Intention**

Furthermore, the null hypothesis that hedonic value does not significantly mediate the relationship between social-sensory experience and purchase intention, was equally rejected. This leads to the conclusion that hedonic value plays an important role in enhancing the social-sensory experiences' influence on consumer's purchase intentions.

#### **5.2.4.4 The Mediating Effect of Utilitarian Value on the Relationship between Emotional Experience and Purchase Intention**

Moreover, the null hypothesis that utilitarian value does not significantly mediate the relationship between emotional experience and purchase intention, was rejected. This therefore forms the basis to conclude that utilitarian value plays an important role in enhancing the emotional experiences' influence on consumer's purchase intentions.

#### **5.2.4.5 The Mediating Effect of Social Value on the Relationship between Emotional Experience and Purchase Intention**

In addition, null hypothesis that social value does not significantly mediate the relationship between emotional experience and purchase intention, was rejected. This

therefore implies that social value plays an important role in enhancing the emotional experiences' influence on consumer's purchase intentions.

#### **5.2.4.6 The Mediating Effect of Hedonic Value on the Relationship between Emotional Experience and Purchase Intention**

Moreover, the null hypothesis that hedonic value does not significantly mediate the relationship between emotional experience and purchase intention, was equally rejected. This leads to the conclusion that hedonic value plays an important role in enhancing the emotional experiences' influence on consumer's purchase intentions.

#### **5.2.5.7 The Moderating Effect of Store Image on the Relationship between Experiential Marketing and Perceived Value.**

The fifth objective of the study was exploring the moderating effect of store image on the relationship between experiential marketing dimensions and perceived value dimensions. Testing the hypothesis under this objective takes into account the fact that experiential marketing has two dimensions; social-sensory experience and emotional experience, whereas perceived value has three dimensions; utilitarian value, social value and hedonic value. In view of this, six different types of relationships emerged and hence each of these relationships had to be moderated separately.

##### **5.2.5.1 The Moderating Effect of Store Image on the Relationship between Social-sensory Experience and Utilitarian Value.**

The null hypothesis that store image does not moderate the relationship between social-sensory experience and utilitarian value was not rejected. This therefore implies that store

image does not have any statistical influence on the relationship between social-sensory experience and utilitarian value.

#### **5.2.5.2 The Moderating Effect of Store Image on the Relationship between Social-sensory Experience and Social Value.**

On the other hand, the null hypothesis that store image does not moderate the relationship between social-sensory experience and utilitarian value was rejected. This leads to the conclusion that store image influences the relationship between social-sensory experience and social value.

#### **5.2.5.3 The Moderating Effect of Store Image on the Relationship between Social-sensory Experience and Hedonic Value**

The null hypothesis that store image does not moderate the relationship between social-sensory experience and hedonic value was not rejected. This therefore implies that store image does not have any statistical influence on the relationship between social-sensory experience and hedonic value.

#### **5.2.5.4 The Moderating Effect of Store Image on the Relationship between Emotional Experience and Utilitarian Value.**

The null hypothesis that store image does not moderate the relationship between emotional experience and utilitarian value was also rejected. This therefore implies that store image plays an important role in influencing the relationship between emotional experience and utilitarian value.

#### **5.2.5.5 The Moderating Effect of Store Image on the Relationship between Emotional Experience and Social Value.**

The null hypothesis that store image does not moderate the relationship between emotional experience and social value was also rejected. This leads to the conclusion that store image plays an important role in influencing the relationship between emotional experience and social value.

#### **5.2.5.6 The Moderating Effect of Store Image on the Relationship between Emotional Experience and Hedonic Value.**

On the other hand, the null hypothesis that store image does not moderate the relationship between emotional experience and hedonic value was not rejected. This therefore implies that store image does not have any statistical influence on the relationship between emotional experience and hedonic value.

#### **5.2.6.0 The Moderating Effect of Store Image on the Indirect Relationship between Experiential Marketing and Purchase Intention via Perceived Value**

The sixth objective of the study sought to assess the moderating effect of store image on the indirect relationship between experiential marketing and purchase intention via perceived value. Testing the hypothesis under this objective took into account the fact that upon factor analyzing the data, experiential marketing extracted two variables whereas perceived value extracted three variables. As a result, six different relationships emerged and each of this was subjected to hypothesis testing.

#### **5.2.6.1 The Moderating Effect of Store Image on the Indirect Relationship between Social-sensory Experience and Purchase Intention via Utilitarian Value.**

The null hypothesis that store image does not have any moderating effect on the indirect relationship between social-sensory experience and purchase intention via utilitarian value was not rejected thus supporting the interpretation that store image does not moderate the mediated effect of social sensory experience on purchase intention via utilitarian value.

#### **5.2.6.2 The Moderating Effect of Store Image on the Indirect Relationship between Social-sensory Experience and Purchase Intention via Social Value**

The null hypothesis that store image does not have any moderating effect on the indirect relationship between social-sensory experience and purchase intention via social value was rejected thus leading to the conclusion that store image moderates the mediated effect of social sensory experience on purchase intention via social value.

#### **5.2.6.3 The Moderating Effect of Store Image on the Indirect Relationship between Social-sensory Experience and Purchase Intention via Hedonic Value.**

The null hypothesis that store image does not have any moderating effect on the indirect relationship between social-sensory experience and purchase intention via hedonic value was not rejected hence concluding that store image does not moderate the mediated effect of social sensory experience on purchase intention via hedonic value.

#### **5.2.6.4 The Moderating Effect of Store Image on the Indirect Relationship between Emotional Experience and Purchase Intention via Utilitarian Value**

Additionally, the hypothesis that store image does not have any moderating effect on the indirect relationship between emotional experience and purchase intention via utilitarian



value was rejected thus concluding that store image moderates the mediated effect of emotional experience on purchase intention via utilitarian value.

#### **5.2.6.5 The Moderating Effect of Store Image on the Indirect Relationship between Emotional Experience and Purchase Intention via Social Value**

The null hypothesis that store image does not have any moderating effect on the indirect relationship between emotional experience and purchase intention via social value was rejected. This leads to the conclusion that store image moderates the mediated effect of emotional experience on purchase intention via social value.

#### **5.2.6.6 The Moderating Effect of Store Image on the Indirect Relationship between Emotional Experience and Purchase Intention via Hedonic Value**

Furthermore, the null hypothesis that store image does not have any moderating effect on the indirect relationship between emotional experience and purchase intention via hedonic value was not rejected. This therefore forms the basis to conclude that store image does not moderate the mediated effect of emotional experience on purchase intention via hedonic value.

### **5.3 Implications of the Study Findings**

#### **5.3.1 To Theory**

This study contributes to theory by considering the effect of experiential marketing on purchase intention moderated and mediated by store image and perceived value. The study was a response to a call by Cronin et al., (2000) to investigate complex models of consumer behaviour. In view of this, the study makes a modest contribution to the theory

on consumer behavior by analyzing complex interactions of factors that may influence consumer's purchase intention. Indeed there is no previous documented study that in the same study moderated and mediated the relationship between experiential marketing and purchase intention using store image and perceived value. Previous studies have mainly focused on simple main effects and mostly of bi-variate nature ignoring the accepted fact that consumer decision making is a complex and comprehensive process. Simple models therefore fail to capture the complex nature of consumer decision making. This study therefore breaks into new ground of embracing highly integrative models of consumer behavior.

Furthermore, the step by step hypothesis testing approach using process macro clearly shows the process that leads to the ultimate hypothesis of moderated mediation. In other words, this enables one to clearly link one hypothesis to the next hypothesis. This method of analysis offers a clear guide on how to conduct analysis of complex models therefore setting the stage for further studies in consumer behavior not just in a retail setting but in all aspects of consumer decision making.

The Specifically a major contribution of the study is that unlike most previous studies that have based their analysis on the whole constructs of experiential marketing and perceived value, this study deconstructed these constructs and used their dimensions in the subsequent analysis. Notably, in the process of deconstructing experiential marketing, a new and previously undocumented construct in marketing related studies emerged; social-sensory experience, which may be subjected to further empirical studies. This

being a variable that appears in marketing studies literature for the first time amounts to a notable contribution to the theory on consumer behavior.

In addition, the study confirms assertions of the results of previous studies on the complex nature of consumption behavior, since all the tested mediated relationships were highly significant. Moreover, the findings on the moderating role of store image on the relationship between social-sensory experience and social value, emotional experience and utilitarian value, and; emotional experience and social value is a modest contribution to theory. The fact that the moderation results were significant points out to the need to appreciate that consumer decision making is dynamic and conditional.

Moreover, the moderated mediation model tested in this study opens the door to gaining deeper understanding of consumer's behavioural intention since three out of the six tested relationships were found to be significant. It confirms the contextual and complex nature of consumer decision making process thus challenging researchers to embrace complex models when studying consumer behaviour. Future studies on consumer behaviour will therefore do well to desist from using simple models and embrace integrative models.

### **5.3.2 To Practice**

The study laid bare the contextual nature of the relationship between experiential marketing and purchase intention, by moderating, and mediating this relationship with store image and perceived value. By deconstructing key constructs such as experiential marketing and perceived value and carrying out analysis based on their dimensions, this study underscores the need for marketers to focus on specifics and not generalities. In

view of this, the interactions between specific aspects of these constructs will be of interest to practitioners' as they seek to carve out a niche in this fast growing and highly competitive sector. Retail managers will be able to enhance the competitiveness of their outlets only if they are able to identify the specific experiential aspects valued by their shoppers, how these shoppers define value and the specific items that form the image of the outlets in the minds of these shoppers. Indeed by testing the unique combinations of interactions and determining their level of significance, retail managers and strategies now have a clearer justification on why they should lay a lot of emphasis on the specific aspects in the retail setting that may form the basis of attracting and retaining customers. Moreover, the study was localized in Kenya unlike most previous studies that were majorly conducted outside Africa.

### **5.3.3 To Policy**

The retail sector in Kenya has been witnessing unprecedented growth both in terms of new retailers and expanding branch network. Furthermore, the retail sector has been singled out as a key plank in the realization of Kenya's vision 2030 goals. In view of this, these research findings are immensely useful to policy makers at the national and county levels, the chamber of commerce, investors and other relevant stakeholders as they seek to position this country as an ideal shopping destination. Retail settings will thus need to be set up to offer a complete package to enhance attractiveness and hence lure shoppers to the malls and retail stores. This may include entertainment sections, cafeterias, and beauty parlors.

## **5.4 Recommendations**

### **5.4.1 Management Practice**

The results of the study present insights that may guide the way retail managers set up their stores to attract shoppers and also get them to buy. The significant influence of the dimensions of experiential marketing such as emotional experience and socio-sensory experience on perceived value dimensions (social, utilitarian and hedonic value) and purchase intention is an indicator that supermarkets should seek to radically redesign their environments.

The study would wish to make the following specific recommendations to enhance customer experiential encounters with a view to making them personal, fun and memorable: Arouse shoppers interest in visiting the supermarket by communicating about any new arrivals in the outlets; request customers to give feedback on new items that would be of interest to them and then communicate to these customers immediately the requested items are available, and also ensure that they have a highly interactive and attractive website. In addition, supermarkets may consider attaching personal shopping assistants to a particular category of shoppers probably based on the frequency and value of purchases. These assistants will be required to give personalized attention to these shoppers every time they visit the outlets. Furthermore, launching of shoppers clubs may be an idea worth considering as a way of conferring special recognition and benefits to the members of these clubs and ultimately enhance attachment and loyalty. There is also a

need to emphasize on the need to ensure a tidy and clean shopping environment at all times.

Since all the three dimensions of perceived value emerged as significant mediators between experiential marketing dimensions and purchase intention, there is a need to lay a lot of emphasis on value perceptions, may they be social, utilitarian or hedonic. In view of this, the study makes the following specific recommendations: The supermarkets may run regular offers to their customers on specific items or categories of items. Supermarket displays should also be attractive and products arranged in such a way that it is easy to spot the items of interest to the shoppers. This is essential in ensuring convenience in identifying and selecting items. Supermarkets may also consider occasionally awarding their shoppers with surprise gifts as they go about in their shopping engagement. This will help in creating excitement and fun in the outlet. To enhance customer interactions, outlets may also consider creating social media platforms where shoppers can post their feedback and interact with fellow shoppers. Moreover, there is need for supermarkets to enhance the overall shopping experience by incorporating recreational facilities within the precincts of the shopping mall. This should take into account the expectations and tastes of the different classes of shoppers.

The results showing store image as a significant moderator in the shopping encounter should equally be of interest to management. The perceptions of value can be enhanced by improving the store image. In view of this, supermarkets should seek to make the environment pleasant and attractive while at the same time ensuring that the personnel

are knowledgeable and well trained to serve the clients. In addition, supermarkets should make continuous improvements in service delivery. This may also be supported through regular customer feedback and offering personalized service in assisting shoppers select items and also in carrying or delivering the products.

#### **5.4.2 Management Policy**

Supermarkets would do well to put the customer first in the design of shopping environments. Both the national governments and the county governments should consider putting in place policies that would serve to enrich the shopping environment. In view of this, approvals for setting up supermarkets should take into account not only the shopping space but also a recreational component. This will have the effect of attracting more shoppers to organized retail and which will be a big boost to the economy.

#### **5.5 Suggestion for Further Research**

This study has contributed and enriched the body of knowledge on the complex nature of consumer decision making processes. However, it has opened up gaps that future studies may pursue to enhance knowledge in this area.

Future studies may consider carrying out a study to determine possible additional variables that may moderate the mediated relationship between experiential marketing and purchase intention since store image was found to be significant in only three out of six possible interactions. An example of a possible moderator is consumer personality.

Since perceived value is a highly multidimensional construct, a study may be done using the dimensions not used in this study. For instance, future studies may use the dimensions proposed by Sheth et al., (1991) which are; social, functional, emotional, epistemic and conditional dimensions of value. Moreover since this study was done in a physical store, the same may be replicated in an on-line store to test whether any differences would arise as regards the relationships that would emerge significant or whether the relationships are supported. Additionally, this study was carried out in a service sector context and therefore there may be a need to consider carrying out a similar study in non-service sector since consumer behaviour for services differs from that for tangible products. It is also worth noting that this study did not give any attention to possible differences in the interactions that may be accounted for due to gender, age differences or education levels of the respondents. There is a possibility that these factors may equally have a moderating effect on the hypothesised relationships. In this regard, future studies may consider using these demographic variables as possible moderators.

Notably, this study was conducted spanning three days of the week- Thursday, Friday and Saturday. Since it has been established that buying motives vary with time of the day and day of the week, there may be a need to carry out a comparative study covering different days of the week or probably different times of the day. More so, since debate still abounds as to the true antecedents of behavioural intentions, future studies may also consider interactions of other factors not covered in this study, and which have the potential to influence consumers' purchase intention. Possible factors that may be considered include; demographic factors such as age, gender and consumer income,



consumer attitudes, promotions and advertising among others. It is also worth noting that the study was conducted only within tier one retail outlets and specifically within Nairobi city. Future studies may consider covering a wider geographical area and possibly lower tier outlets. Additionally, the study may be replicated in other types of businesses such as classified hotels.

## REFERENCES

- Ajzen, I. (1991). The Theory of Planned Behavior. *Organizational Behaviour and Human Decision Processes*, 50, 179–211.
- Alam, S. S., & Sayuti, N. M. (2011). Applying the Theory of Planned Behavior (TPB) in halal food purchasing. *International Journal of Commerce and Management*, 21(1), 8–20. <https://doi.org/10.1108/10569211111111676>
- Al-Sabbahy, H. Z., Ekinici, Y., & Riley, M. (2004). An Investigation of Perceived Value Dimensions: Implications for Hospitality Research. *Journal of Travel Research*, 42(1), 226–234. <https://doi.org/10.1177/0047287503258841>
- Alwitt, L. F., & Pitts, R. E. (1996). Predicting Purchase Intentions for an Environmentally Sensitive Product. *Journal of Consumer Psychology*, 5(1), 49–64.
- Andreassen, T. W., & Lindestad, B. (1998). Customer loyalty and complex services: The impact of corporate image on quality, customer satisfaction and loyalty for customers with varying degrees of service expertise. *International Journal of Service Industry Management*, 9(1), 7–23. <https://doi.org/10.1108/09564239810199923>
- Ang, M. C. H., Ramayah, T., & Amin, H. (2015). A theory of planned behavior perspective on hiring Malaysians with disabilities. *Equality, Diversity and Inclusion: An International Journal*, 34(3), 186–200. <https://doi.org/10.1108/EDI-02-2014-0012>
- Anggie, C., & Haryanto, J. O. (2011). Analysis of the Effect of Olfactory, Approach Behavior, and Experiential Marketing toward Purchase Intention. *Gadjah Mada International Journal of Business*, 13(1), 85–101.
- Anker, T. B., Kappel, K., Eadie, D., & Sandøe, P. (2012). Fuzzy promises: explicative definitions of brand promise delivery. *Marketing Theory*, 12(3), 267–287. <https://doi.org/10.1177/1470593112451379>
- Ashton, A. S., & Scott, N. (2011). Hotel restaurant co-branding: The relationship of perceived brand fit with intention to purchase. *Journal of Vacation Marketing*, 17(4), 275–285. <https://doi.org/10.1177/1356766711420838>
- Ashton, A. S., Scott, N., Solnet, D., & Breakey, N. (2010). Hotel Restaurant Dining: The Relationship between Perceived Value and Intention to Purchase. *Tourism and Hospitality Research*, 10(3), 206–218. <https://doi.org/10.1057/thr.2010.5>

- Aulia, S. A., Sukati, I., & Sulaiman, Z. (2016). A Review: Customer Perceived Value and its Dimension. *Asian Journal of Social Sciences and Management Studies*, 3(2), 150–162.
- Awan, H. M., Siddiquei, A. N., & Haider, Z. (2015). Factors affecting Halal purchase intention – evidence from Pakistan’s Halal food sector. *Management Research Review*, 38(6), 640–660. <https://doi.org/10.1108/MRR-01-2014-0022>
- Babin, B. J., & Babin, L. (2001). Seeking something different? A model of schema typicality, consumer affect, purchase intentions and perceived shopping value. *Journal of Business Research*, 54(1), 89–96. [https://doi.org/10.1016/S0148-2963\(99\)00095-8](https://doi.org/10.1016/S0148-2963(99)00095-8)
- Babin, B. J., Darden, W. R., & Griffin, M. (1994). Work and/or fun: measuring hedonic and utilitarian shopping value. *Journal of Consumer Research*, 20(1), 644–656.
- Bagozzi, R. P. (1983). A Holistic Methodology for Modeling Consumer Response to Innovation. *Operations Research*, 31(1), 128–176.
- Bagozzi, R. P., & Yi, Y. (1988). On the Evaluation for Structural Equation Models. *Journal of the Academy of Marketing Science*, 16(1), 74–94.
- Bajs, I. P. (2015). Tourist Perceived Value, Relationship to Satisfaction, and Behavioral Intentions: The Example of the Croatian Tourist Destination Dubrovnik. *Journal of Travel Research*, 54(1), 122–134. <https://doi.org/10.1177/0047287513513158>
- Bandura, A. (1997). *Self-Efficacy: The Exercise of Control*. New York, NY: W.H. Freeman.
- Banerjee, S., & Pawar, S. (2013). Predicting Consumer Purchase Intention: A Discriminant Analysis Approach. *NMIMS Management Review*, 23(2), 113–129.
- Baron, R. ., & Kenny, D. . (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(3), 1173–1182.
- Beavers, A. S., Lounsbury, J. W., Richards, J. K., Huck, S. W., Skolits, G. J., & Esquivel, S. L. (2013). Practical Considerations for Using Exploratory Factor Analysis in Educational Research. *Practical Assessment, Research & Evaluation*., 18(6).
- Beneke, J., Cumming, A., & Jolly, L. (2013). The Effect of item reduction on assortment satisfaction—A Consideration of the category of red wine in a controlled retail setting. *Journal of Retailing and Consumer Services*, 20(3), 282–291.

- Beneke, J., Flynn, R., Greig, T., & Mukaiwa, M. (2013). The influence of perceived product quality, relative price and risk on customer value and willingness to buy: a study of private label merchandise. *Journal of Product & Brand Management*, 22(3), 218–228. <https://doi.org/10.1108/JPBM-02-2013-0262>.
- Beneke, J., & Zimmerman, N. (2014). Beyond private label panache: the effect of store image and perceived price on brand prestige. *Journal of Consumer Marketing*, 31(4), 301–311. <https://doi.org/10.1108/JCM-12-2013-0801>.
- Bloemer, J., & de Ruyter, K. (1998). On the relationship between store image, store satisfaction and store loyalty. *European Journal of Marketing*, 32(5/6), 499–513.
- Bloemer, J., & Ruyter, K. de. (1998). On the relationship between store image, store satisfaction and store loyalty. *European Journal of Marketing*, 32(5/6), 499–513. <https://doi.org/10.1108/03090569810216118>
- Bollen, K. A. (1989). *Structural Equations with Latent Variables*. New York, NY.: Wiley.
- Brakus, J. J., Schmitt, B. H., & Zarantonello, L. (2009). Brand Experience: What Is It? How Is It Measured? Does It Affect Loyalty? *Journal of Marketing*, 73(1), 52–68.
- Brengman, M., & Geuens, M. (2004). The Four Dimensional Impact of Color on Shopper. *Advances in Consumer Research*, 31(1), 122–128.
- Burt, S., Johansson, U., & Thelander, A. (2007). Retail Image As Seen Through Consumers' Eyes: studying international retail image through consumer photographs of stores.
- Caruana, A., Money, A. H., & Berthon, P. R. (2000). Service Quality and Satisfaction – the Moderating Role of Value'. *European Journal of Marketing*, 34(11–12), 1338–52.
- Casson, R., J., & Farmer, L., D. (2014). Understanding and checking the assumptions of linear regression: a primer for medical researchers. *Clinical and Experimental Ophthalmology*, 42(6), 590–596. <https://doi.org/10.1111/ceo.12358>
- Cerreto, L. J., & Lee, J. (2010). Theory of Planned Behavior and Teachers' Decisions Regarding Use of Educational Technology. *Technology. Educational Technology & Society*, 13(1), 152–164.
- Chang, H. H., Hsu, C.-H., & Chung, S. H. (2008). The Antecedents and Consequences of Brand Equity in Service Markets. *Asia Pacific Management Review*, 13(3), 601–624.

- Chang, H.-J., Eckman, M., & Yan, R.-N. (2011). Application of the Stimulus-Organism-Response model to the retail environment: the role of hedonic motivation in impulse buying behavior. *The International Review of Retail, Distribution and Consumer Research*, 21(3), 233–249. <https://doi.org/10.1080/09593969.2011.578798>
- Chang, S.-H., & Wang, K.-Y. (2014). Investigating the Antecedents and Consequences of an Overall Store Price Image in Retail Settings. *Journal of Marketing Theory & Practice*, 22(3), 299–314. <https://doi.org/10.2753/MTP1069-6679220305>
- Chen, C.-F., & Chen, F.-S. (2010). Experience quality, perceived value, satisfaction and behavioral intentions for heritage tourists. *Tourism Management*, 31(1), 29–35. <https://doi.org/10.1016/j.tourman.2009.02.008>
- Chen, Z., & Dubinsky, A. J. (2003a). A conceptual model of perceived customer value in e-commerce: A preliminary investigation. *Psychology and Marketing*, 20(4), 323–347. <https://doi.org/10.1002/mar.10076>
- Chen, Z., & Dubinsky, A. J. (2003b). A conceptual model of perceived customer value in e-commerce: A preliminary investigation. *Psychology and Marketing*, 20(4), 323–347. <https://doi.org/10.1002/mar.10076>
- Chiu, C.-M., Wang, E. T. G., Fang, Y.-H., & Huang, H.-Y. (2014). Understanding customers' repeat purchase intentions in B2C e-commerce: the roles of utilitarian value, hedonic value and perceived risk. *Information Systems Journal*, 24(1), 85–114. <https://doi.org/10.1111/j.1365-2575.2012.00407.x>
- Chiu, W., & Leng, H. K. (2016). Consumers' intention to purchase counterfeit sporting goods in Singapore and Taiwan. *Asia Pacific Journal of Marketing and Logistics*, 28(1), 23–36. <https://doi.org/10.1108/APJML-02-2015-0031>
- Chung, J.-E., Stoel, L., Xu, Y., & Ren, J. (2012). Predicting Chinese consumers' purchase intentions for imported soy-based dietary supplements. *British Food Journal*, 114(1), 143–161. <https://doi.org/10.1108/00070701211197419>
- Conway, J. ., & Lance, C. E. (2010). What Reviewers Should Expect from Authors Regarding Common Method Bias in Organizational Research. *Journal of Business Psychology*, 25. <https://doi.org/10.1007/s10869-010-9181-6>
- Cooper, D., & Schindler, P. (2003). *Business Research Methods* (8th ed.). New Delhi: Tata McGraw-Hill.

- Costello, A. B., & Osborne, J. W. (2005). Best Practices in Exploratory Factor Analysis: Four Recommendations for Getting the Most From Your Analysis. *Practical Assessment, Research & Evaluation*., 10(7).
- Cronin, J. J., Brady, M. K., & Hult, T. (2000). Assessing the Effects of Quality, Value, and Customer Satisfaction on Consumer Behavioral Intentions in Service Environments. *Journal of Retailing*, 76(2), 193–218. [https://doi.org/10.1016/S0022-4359\(00\)00028-2](https://doi.org/10.1016/S0022-4359(00)00028-2)
- Cui, X., & Lai, V. S. (2013). E-Loyalty to Online Auction Websites: A Stimulus-Organism-Response Model.
- Darley, W. K., & Lim, J. (1999). Effects of store image and attitude toward secondhand stores on shopping frequency and distance traveled. *International Journal of Retail & Distribution Management*, 27(8), 311–318. <https://doi.org/10.1108/09590559910288596>
- De Cannière, M. H., De Pelsmacker, P., & Geuens, M. (2010). Relationship Quality and Purchase Intention and Behavior: The Moderating Impact of Relationship Strength. *Journal of Business and Psychology*, 25(1), 87–98.
- Diallo, M. F., Coutelle-Brillet, P., Rivière, A., & Zielke, S. (2015a). How Do Price Perceptions of Different Brand Types Affect Shopping Value and Store Loyalty? *Psychology & Marketing*, 32(12), 1133–1147. <https://doi.org/10.1002/mar.20851>
- Diallo, M. F., Coutelle-Brillet, P., Rivière, A., & Zielke, S. (2015b). How Do Price Perceptions of Different Brand Types Affect Shopping Value and Store Loyalty? *Psychology & Marketing*, 32(12), 1133–1147. <https://doi.org/10.1002/mar.20851>
- Dodds, W. B., Monroe, K. B., & Grewal, D. (1991). Effects of Price , Brand, and Store Information on Buyers Product Evaluations. *Journal of Marketing Research*, 28(3), 307–319. <https://doi.org/10.2307/3172866>
- Dootson, P., Beatson, A., & Drennan, J. (2016). Financial institutions using social media – do consumers perceive value? *International Journal of Bank Marketing*, 34(1), 9–36. <https://doi.org/10.1108/IJBM-06-2014-0079>
- Drost, E. A. (2011). Validity and Reliability in Social Science Research. *Education Research and Perspectives*, 38(1), 105–123.
- Eggert, A., & Ulaga, W. (2002). Customer perceived value: a substitute for satisfaction in business markets? *Journal of Business & Industrial Marketing*, 17(2/3), 107–118. <https://doi.org/10.1108/08858620210419754>

- Eriksson, K., & Vaghult, A. L. (2000). Customer Retention, Purchasing Behavior and Relationship Substance in Professional Services. *Industrial Marketing Management*, 29, 363–372.
- Farrel, A. . (2009). Insufficient discriminant validity: A comment on Bove, Pervan, Beatty, and Shiu (2009). Marketing and Retailing Research Group.
- Field, A. (2005). *Discovering Statistics using SPSS* (2nd ed.). London: Sage.
- Fishbein, M., & Ajzen, I. (1975). *Belief, attitude, intention, and behavior: An introduction to theory and research*. Reading, MA: Addison-Wesley.
- Fisher, A. . ., Laing, J. E., Stoeckel, J. . E., & Townsend, J. . . (1991). *Handbook for Family Planning Operations Research Design* (2nd ed.). New York: Population Council.
- Fornell, C., & Larcker, D. F. (1981). Evaluating Structural Equation Models with Unobservable Variables and Measurement Error. *Journal of Marketing Research*, 18(1), 39–50.
- Gale, B., & Wood, R. C. (1994). Gale, B., & Wood, R. C. (1994). *Managing customer value: Creating quality and service that customers can see*. Simon and Schuster.
- Gallarza, M. G., & Gil, I. (2008). The concept of value and its dimensions: a tool for analysing tourism experiences. *Tourism Review*, 63(3), 4–20. <https://doi.org/10.1108/16605370810901553>
- Garson, G. D. (2012). *Testing Statistical Assumptions*. Asheboro, North Carolina USA: Staistical Associates Publishing.
- Gartrell, C. D., & Gartrell, J. W. (2002). Positivism in sociological research: USA and UK (1966–1990). *British Journal of Sociology*, 53(4), 639–657. <https://doi.org/10.1080/0007131022000021524>
- Gel, Y., Miao, W., & Gastwirth, J. L. (2005). The Importance of Checking the Assumptions Underlying Statistical Analysis: Graphical Methods for Assessing Normality. *American Bar Association*, 46(1), 3–29.
- Gentile, C., Spiller, N., & Noci, G. (2007). How to Sustain the Customer Experience: An Overview of Experience Components that Co-create Value With the Customer. *European Management Journal*, 25(5), 395–410. <https://doi.org/10.1016/j.emj.2007.08.005>

- Gilmore, J. E., & Pine, B. J. (2002). *The Experience IS the Marketing*. Strategic Horizons LLP.
- Gilmore, J. H., & Pine, B. J. (2002). Customer experience places: the new offering frontier. *Strategy & Leadership*, 30(4), 4–11. <https://doi.org/10.1108/10878570210435306>
- Goi, M. T., Kalidas, V., & Zeeshan, M. (2014). Comparison of Stimulus-Organism-Response Framework between International and Local Retailer. *Procedia - Social and Behavioral Sciences*, 130, 461 – 468. <https://doi.org/10.1016/j.sbspro.2014.04.054>
- Greens, W. . (2000). *Econometric Analysis* (4th ed.). Upper Saddle River, NJ: Prentice-Hall.
- Grunig, J. E. (1993). Image and Substance: From Symbolic to Behavioral Relationships. *Public Relations Review*, 19(2), 121–139. [https://doi.org/10.1016/0363-8111\(93\)90003-U](https://doi.org/10.1016/0363-8111(93)90003-U)
- Hair, J. ., Black, B., & Babin, B. J. (2005). *Multivariate Data Analysis*. Upper Saddle River, NJ: Pearson Prentice-Hall.
- Hair, J., Black, W., Babin, B., Anderson, R., & Tathan, R. (2006). *Multivariate data analysis* (6th ed.). New Jersey: Pearson Education International.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *MultiVariate Data Analysis*.
- Hansen, J. D., Beitelspacher, L. S., & Deitz, G. D. (2013). Antecedents and Consequences of Consumers' Comparative Value Assessments Across the Relationship Life Cycle. *Journal of Business Research*, 66(4), 473–79.
- Hanzaee, K. H., & Adibifard, S. (2012). New Product Specification and Purchase Intention: Validating and Developing a Native Scale (NPPI-I). *Middle-East Journal of Scientific Research*, 12(4), 484–489. <https://doi.org/10.5829/idosi.mejsr.2012.12.4.1819>
- Haque, A., Anwar, N., Yasmin, F., Sarwar, A., Ibrahim, Z., & Momen, A. (2015). Purchase Intention of Foreign Products: A Study on Bangladeshi Consumer Perspective. *SAGE Open Access*, 1–12. <https://doi.org/10.1177/2158244015592680>



- He, H., & Mukherjee, A. (2007). I am, ergo I shop: does store image congruity explain shopping behaviour of Chinese consumers? *Journal of Marketing Management*, 23(5–6), 443–460.
- Heijden, H. van der, & Verhagen, T. (2004). Online store image: conceptual foundations and empirical measurement. *Information & Management*, 41, 609–617.
- Heinonen, K., Strandvik, T., Mickelsson, K., Edvardsson, B., Sundström, E., & Andersson, P. (2010). A customer-dominant logic of service. *Journal of Service Management*, 21(4), 531–548. <https://doi.org/10.1108/09564231011066088>
- Hirschman, E. . (1984). Experience seeking: a subjectivist perspective of consumption. *Journal of Business Research*, 12(1), 115–136.
- Hite, R. E., & Bellizzi, J. A. (1985). Differences In the Importance of Selling Techniques Between Consumer and IndustrialSalespeople. *The Journal of Personal Selling and Sales Management*, 5(2), 19–30.
- Hoeven, C. ., & Verhoeven, J. W. . (2013). Corporate social responsibility awareness explaining the relationship of information flow with affective commitment. *Corporate Communications: An International Journal*, 18(2), 264–279. <https://doi.org/10.1108/13563281311319526>
- Holbrook, M. B. (1999). *Consumer Value: A Framework for Analysis and Research*. London: Routledge.
- Holbrook, M. B., & Hirschman, E. . (1982). The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun. *Journal of Consumer Research*, 9, 132–140.
- Hosein, N. Z. (2012). Measuring the Purchase Intention of Visitors to the Auto Show. *Journal of Management and Marketing Research*. Retrieved from <https://www.researchgate.net/publication/268172888>
- Howard, J. A., & Sheth, J. N. (1969). *The Theory of Buyer Behavior*. New York: Wiley .
- Hsu, M. K., Huang, Y., & Swanson, S. (2010). Grocery store image, travel distance, satisfaction and behavioral intentions: Evidence from a Midwest college town. *International Journal of Retail & Distribution Management*, 38(2), 115–132. <https://doi.org/10.1108/09590551011020129>
- Huang, E. (2012). Online experiences and virtual goods purchase intention. *Internet Research*, 22(3), 252–274. <https://doi.org/10.1108/10662241211235644>

- Huber, A., Herrmann, F., & Morgan, R. E. (2001). Gaining competitive advantage through customer value oriented management. *Journal of Consumer Marketing*, 18(1), 41–53.
- Hung, K., Chen, A. H., Peng, N., Hackley, C., Tiwsakul, R. A., & Chou, C. (2011). Antecedents of luxury brand purchase intention. *Journal of Product & Brand Management*, 20(6), 457–467. <https://doi.org/10.1108/10610421111166603>
- Hyunjoo, I., & Sejin, H. (2011). An exploration of the cognitive-affective model of satisfaction in a shopping context: A test of competing models. *The Service Industries Journal*, 31(13), 2273–2288. <https://doi.org/10.1080/02642069.2010.504983>
- Isaid, E. N., & Faisal, M. N. (2015). Consumers' Repurchase Intention Towards a Mobile Phone Brand in Qatar: An Exploratory Study Utilizing Theory of Reasoned Action Framework. *Global Business Review*, 16(4), 594–608. <https://doi.org/10.1177/0972150915581104>
- Jaafar, S. N., Lalp, P. E., & Naba, M. M. (2013). Consumers' Perceptions, Attitudes and Purchase Intention towards Private Label Food Products in Malaysia. *Asian Journal of Business and Management Sciences*, 2(8), 73–90.
- Jackson, V., Stoel, L., & Brantley, A. (2011). Mall attributes and shopping value: Differences by gender and generational cohort. *Journal of Retailing and Consumer Services*, 18(1), 1–9.
- Jamal, S. A., Othman, N., Maheran, N., & Muhammad, N. (2011). Tourist perceived value in a community-based homestay visit: An investigation into the functional and experiential aspect of value. *Journal of Vacation Marketing*, 17(1), 5–15. <https://doi.org/10.1177/1356766710391130>
- Jimmieson, N. L., Peach, M., & White, K. M. (2008). Utilizing the Theory of Planned Behavior to inform change management: An investigation of employee intentions to support organizational change. *Journal of Applied Behavioral Science*, 44(2), 237–262.
- Joyce, M. L., & Lambert, D. R. (1996). Memories of the way stores were and retail store image. *International Journal of Retail & Distribution Management*, 24(1), 24–33. <https://doi.org/10.1108/09590559610107094>

- Kenya has one the most developed retail sector in Africa. (2016, February 18). Standard Newspaper. Retrieved from <http://www.standardmedia.co.ke/business/article/2000192043/kenya-has-second-most-developed-retail-sector-in-africa>
- Khan, I., & Rahman, Z. (2014a). Influence of Experiential Marketing on Customer Purchase Intention: A Study of Passenger Car Market. *Management and Labour Studies*, 39(3), 319–328. <https://doi.org/10.1177/0258042X15572411>
- Khan, I., & Rahman, Z. (2014b). Influence of Experiential Marketing on Customer Purchase Intention: A Study of Passenger Car Market. *Management and Labour Studies*, 39(3), 319–328. <https://doi.org/10.1177/0258042X15572411>
- Khan, I., & Rahman, Z. (2015). Influence of Experiential Marketing on Customer Purchase Intention: A Study of Passenger Car Market. *Management and Labour Studies*, 39(3), 319–328. <https://doi.org/10.1177/0258042X15572411>
- Kim, A. J., & Ko, E. (2012). Do social media marketing activities enhance customer equity? An empirical study of luxury fashion brand. *Journal of Business Research*, 65(10), 1480–1486. <https://doi.org/10.1016/j.jbusres.2011.10.014>
- Kim, H. Y., & Chung, J.-E. (2011). Consumer purchase intention for organic personal care products. *Journal of Consumer Marketing*, 28(1), 40–47. <https://doi.org/10.1108/07363761111101930>
- Kim, S., & Pysarchik, D. T. (2000). Predicting purchase intentions for uni-national and bi-national products. *International Journal of Retail & Distribution Management*, 28(6), 280–291. <https://doi.org/10.1108/09590550010328544>
- Kim, S.-H., Holland, S., & Han, H.-S. (2013). A Structural Model for Examining how Destination Image, Perceived Value, and Service Quality Affect Destination Loyalty: a Case Study of Orlando. *International Journal of Tourism Research*, 15(4), 313–328. <https://doi.org/10.1002/jtr.1877>
- Kiragu, P. (2016a, July). Retail Sector to remain Vibrant for the next two years. *Tuskys News*, (2), 17–18.
- Kiragu, P. (2016b, July). Tuskys Inspiring Story of Growth Second to None in the Retail Sector. *Tuskys News*, (2), 7–9.
- Kothari, C. R. (2004). *Research Methodology* (2nd ed.). New Delhi: New Age International Publishers.
- Kotler, P. (1974). Atmospherics as a Marketing Tool, 49(4), 48–64.

- Lee, J. S., Lee, C. K., & Choi, Y. (2011). Examining the Role of Emotional and Functional Values in Festival Evaluation. *Journal of Travel Research*, 50(6), 685–696.
- Li, H., Daugherty, T., & Biocca, F. (2002). Impact of 3-D Advertising on Product Knowledge, Brand Attitude, and Purchase Intention: The Mediating Role of Presence. *Journal of Advertising*, 31(3), 43–57.
- Lin, C. H., Sher, P. J., & Shih, H. Y. (2005). Past progress and future directions in conceptualizing customer perceived value. *International Journal of Service Industry Management*, 16(1), 318–336.
- Lin, J., & Chuan, C. H. (2013). A Study on Youth Online Impulsive Purchase The Relationship between Individual Difference, Shopping Environment, Emotion Response and Purchase. *Journal of Creative Communications*, 8(2–3), 209–229. <https://doi.org/10.1177/0973258613512571>
- Lin, J.-G., & Wei, B.-C. (2003). Testing for Heteroscedasticity in Nonlinear Regression Models, 32(1), 171–192. <https://doi.org/10.1081/STA-120017806>
- Lin, J.-G., Zhu, L.-X., Cao, C.-Z., & Li, Y. (2011). Tests of heteroscedasticity and correlation in multivariate t regression models with AR and ARMA errors. *Journal of Applied Statistics*, 38(7), 1509–1531. <https://doi.org/10.1080/02664763.2010.515301>
- Lin, L., & Lu, C. (2010). The influence of corporate image, relationship marketing, and trust on purchase intention: the moderating effects of word-of-mouth. *Tourism Review*, 65(3), 16–34. <https://doi.org/10.1108/16605371011083503>
- Lindgreen, A., & Wynstra, F. (2005). Value in business markets: What do we know? Where are we going? *Industrial Marketing Management*, 34(7), 732–748.
- Luo, M. M., Chen, J.-S., Ching, R. K. H., & Liu, C.-C. (2011). An examination of the effects of virtual experiential marketing on online customer intentions and loyalty. *Service Industries Journal*, 31(13), 2163–2191. <https://doi.org/10.1080/02642069.2010.503885>
- Lusch, R. F., & Vargo, S. L. (2011). Service-dominant logic: a necessary step. *European Journal of Marketing*, 45(7/8), 1298–1309. <https://doi.org/10.1108/03090561111137723>
- Machleit, K. A., & Eroglu, S. A. (2000). Describing and Measuring Emotional Response to Shopping Experience. *Journal of Business Research*, 49(1), 101–111.

- Madahi, A., & Sukati, I. (2016). An Empirical Study of Malaysian Consumers' Channel-switching Intention: Using theory of Planned Behaviour. *Global Business Review*, 17(3), 489–523. <https://doi.org/10.1177/0972150916630447>
- Maghnati, F., Ling, K. C., & Nasermoadeli, A. (2012). Exploring the Relationship between Experiential Marketing and Experiential Value in the Smartphone Industry. *International Business Research*, 5(11), 169–177. <https://doi.org/10.5539/ibr.v5n11p169>
- Malhotra, N. . (2004). *Marketing Research: An Applied Orientation* (4th ed.). New Jersey: Pearson Education.
- Malhotra, N., & Dash, S. (2011). *Marketing Research - An Applied Orientation* (6th ed.). Dorling Kindersley-India (Pvt).
- Malhotra, N. K. (2010). *Marketing Research: An Applied Orientation* (6th ed.). Pearson Education.
- Mathwick, C., Malhotra, N., & Rigdon, E. (2001). Experiential value: conceptualization, measurement and application in the catalog and Internet shopping environment. *Journal of Retailing*, 77(1), 39–56.
- Matzler, K., Bidmon, S., & Grabner-Krautter, S. (2006). Individual determinants of brand affect: the role of the personality traits of extraversion and openness to experience. *Journal of Product & Brand Management*, 15(7), 427–434.
- Mazursky, D., & Jacoby, J. (1986). Exploring the Development of Store Images. *Journal of Retailing*, 62(2), 145–165.
- McCole, P. (2004). Refocusing marketing to reflect practice: Refocusing marketing to reflect practice. *Marketing Intelligence & Planning*, 22(5), 531–539. <https://doi.org/10.1108/02634500410551914>
- Mehrabian, A., & Russell, A. (1974). *An approach to environmental psychology*. Cambridge, Mass: MIT Press.
- Michon, R., Yu, H., Smith, D., & Chebat, J. (2008). The influence of mall environment on female fashion shoppers' value and behaviour. *Journal of Fashion Marketing and Management: An International Journal*, 12(4), 456–468. <https://doi.org/10.1108/13612020810906128>
- Mishra, A. (2014). Effect of Experiential Value on Consumer-Based Brand Equity: An Interactive Device Perspective. *Management and Labour Studies*, 39(4), 396–410. <https://doi.org/10.1177/0258042X15578021>

- Morrison, D. G. (1979). Purchase Intentions and Purchase Behavior. *Journal of Marketing*, 43(2), 65–74. <https://doi.org/10.2307/1250742>
- Morwitz, V., Steckel, J., & Gupta, A. (2006). when do purchase intentions predict sales? *International Journal of Forecasting*. <https://doi.org/10.1016/j.ijforecast.2007.05.015>
- Nies, S., & Natter, M. (2012). Does Private Label Quality Influence Consumers' Decision on Where to Shop? *Psychology and Marketing*, 29(4), 279–292. <https://doi.org/10.1002/mar.20521>
- Nigam, D. A. (2012). Modeling Relationship Between Experiential Marketing, Experiential Value And Purchase Intensions In Organized Quick Service Chain Restaurants Shoppers Using Structural Equation Modeling Approach. *Paradigm* (09718907), 16(1), 70–79. <https://doi.org/10.1177/0971890720120108>
- Novoa, C. ., & Mendez, F. (2009). Bootstrap methods for analyzing time studies and input data for simulations. *International Journal of Productivity and Performance Management*, 58(5), 460–479. <https://doi.org/10.1108/17410400910965724>
- Nsairi, Z. B. (2012). Managing browsing experience in retail stores through perceived value: implications for retailers. *International Journal of Retail & Distribution Management*, 40(9), 676–698. <https://doi.org/10.1108/09590551211255965>
- O'Cass, A., & Grace, D. (2008). Understanding the role of retail store service in light of self-image–store image congruence. *Psychology and Marketing*, 25(6), 521–537. <https://doi.org/10.1002/mar.20223>
- Oosthuizen, D., Spowart, J., & De Meyer-Heydenrych, C. . (2015). The relationship between perceived price and consumers' purchase intentions of private label wine brands. *African Journal of Hospitality, Tourism and Leisure*, 4(2), 1–17.
- Pallant, J. (2010). *SPSS Survival Manua: A Step by Step Guide to data Analysis using SPSS* (4th ed.). Australia: Al len &Unwin.
- Parasuraman, A. (1997). Reflections on gaining competitive advantage through customer value. *Journal of the Academy of Marketing Science*, 25(1), 154–161.
- Parasuraman, A., & Grewal, D. (2000). The Impact of Technology on the Quality-Value-Loyalty Chain: A Research Agenda. *Journal of the Academy of Marketing Science*, 28(1), 168–174.

- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual Model of Service Quality and Its Implications for For Future Research. *Journal of Marketing*, 49(1), 45–50.
- Park, J. Y., Park, K., & Dubinsky, A. J. (2011). Impact of retailer image on private brand attitude: Halo effect and summary construct. *Australian Journal of Psychology*, 63(3), 173–183. <https://doi.org/10.1111/j.1742-9536.2011.00015.x>
- Pearson, B. (2006). Life Is Not a Shopping Cart: Building Brands. *Journal of Consumer Marketing*, 23(7), 385–386.
- Peng, C., & Kim, Y. G. (2014). Application of the Stimuli-Organism-Response (S-O-R) Framework to Online Shopping Behavior. *Journal of Internet Commerce*, 13, 159–176. <https://doi.org/10.1080/15332861.2014.944437>
- Petkus, E. (2004). Enhancing the application of experiential marketing in the arts. *International Journal of Nonprofit and Voluntary Sector Marketing*, 9(1), 49–56. <https://doi.org/10.1002/nvsm.232>
- Petrick, J. F. (2002). Development of a Multi-Dimensional Scale for Measuring the Perceived Value of a Service. *Journal of Leisure Research*, 34(2), 119–134.
- Petrick, J. F. (2002). Experience use history as a segmentation tool to examine golf travellers' satisfaction, perceived value and repurchase intentions. *Journal of Vacation Marketing*, 8(4), 332–342.
- Petrick, J. F. (2004). The Roles of Quality, Value, and Satisfaction in Predicting Cruise Passengers' Behavioral Intentions. *Journal of Travel Research*, 42(4), 397–407. <https://doi.org/10.1177/0047287504263037>
- Pett, M. ., Lackey, N. ., & Sullivan, J. . (2003). Making Sense of Factor Analysis: The use of factor analysis for instrument development in health care research. California: Sage Publications.
- Pine, B. J., & Gilmore, J. (2016). Integrating experiences into your business model: five approaches. *Strategy & Leadership*, 44(1), 3–10. <https://doi.org/10.1108/SL-11-2015-0080>
- Pine, J. B., & Gilmore, J. (1999). *The Experience Economy: Work is Theatre & Every Business a Stage*. Boston MA: Havard Business Press.
- Pine, J. B., & Gilmore, J. H. (1998). Welcome to the Experience Economy. *Havard Business Review*, 97–105.

- Plucker, J. A. (2003). Exploratory and Confirmatory Factor Analysis in Gifted Education: Examples With Self-Concept Data. *Journal for the Education of the Gifted*, 27(1), 20–35.
- Podsakoff, P. ., MacKenzie, S. ., Lee, J.-Y., & Podsakoff, N. . (2003). Common Method Biases in Behavioral Research: A Critical Review of the Literature and Recommended Remedies. *Journal of Applied Psychology*, 88(5), 879–903. <https://doi.org/10.1037/0021-9010.88.5.879>
- Prashar, S., Vijay, T. S., & Parsad, C. (2017). Effects of Online Shopping Values and Website Cues on Purchase Behaviour: A Study Using S–O–R Framework. *The Journal for Decision Makers*, 42(1), 1–18. <https://doi.org/10.1177/0256090916686681>
- Prayag, G., Hosany, S., Muskat, B., & Chiappa, G. D. (2015). Understanding the Relationships between Tourists' Emotional Experiences, Perceived Overall Image, Satisfaction, and Intention to Recommend. *Journal of Travel Research*, 0047287515620567. <https://doi.org/10.1177/0047287515620567>
- Preacher, K. ., & Hayes, A. . (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. *Behavior Research Methods*, 40(3), 879–891. <https://doi.org/10.3758/BRM.40.3.879>
- Preacher, K. ., Rucker, D. D., & Hayes, A. F. (2007). Addressing Moderated Mediation Hypotheses: Theory, Methods, and Prescriptions. *Multivariate Behavioral Research*, 42(1), 185–227.
- Putro, H. B., & Haryanto, B. (2015). Factors Affecting Purchase Intention of Online Shopping in Zalora Indonesia. *British Journal of Economics, Management & Trade*, 9(1), 1–12. <https://doi.org/10.9734/BJEMT/2015/18704>
- Reio, Jr, T. G. (2010). The Threat of Common Method Variance Bias to Theory Building. *Human Resource Development Review*, 9(4), 405– 411.
- Retailing in Kenya. (2016). Euromonitor International.
- Rezende, D. C. de, & Silva, M. A. R. (2014). Eating-out and experiential consumption: a typology of experience providers. *British Food Journal*, 116(1), 91–103. <https://doi.org/10.1108/BFJ-02-2012-0027>
- Rintamäki, T., Kanto, A., Kuusela, H., & Spence, M. T. (2006). Decomposing the value of department store shopping into utilitarian, hedonic and social dimensions: Evidence from Finland. *International Journal of Retail & Distribution Management*, 34(1), 6–24. <https://doi.org/10.1108/09590550610642792>



- Roni, S. M. (2014). Introduction to SPSS.
- Rose, S., Spinks, N., & Canhoto, A. I. (2014). *Management Research: Applying the Principles*. London&New york: Routledge- Taylor& Francis Group.
- Ryu, K., Lee, H., & Kim, W. G. (2012). The influence of the quality of the physical environment, food, and service on restaurant image, customer perceived value, customer satisfaction, and behavioral intentions. *International Journal of Contemporary Hospitality Management*, 24(2), 200–223. <https://doi.org/10.1108/09596111211206141>
- Sabiote-Ortiz, C. M., Frías-Jamilena, D. M., & Castañeda-García, J. A. (2016). Overall Perceived Value of a Tourism Service Delivered via Different Media: A Cross-Cultural Perspective. *Journal of Travel Research*, 15(1), 34– 51. <https://doi.org/10.1177/0047287514535844>
- Same, S. (2014a). Conceptualization of Experience Marketing and Country Branding from a Marketing Management Perspective. Tallin University of Technology, Estonia. Retrieved from [https://www.researchgate.net/profile/Siiri\\_Same2/publications](https://www.researchgate.net/profile/Siiri_Same2/publications)
- Same, S. (2014b). Experience Marketing in Country Branding: Theoretical Developments and an Estonian Case Study. *Research in Economics and Business: Central and Eastern Europe*, 6(1), 65–88.
- Sánchez-Fernández, R., & Iniesta-Bonillo, M. Á. (2007). The concept of perceived value: a systematic review of the research. *Marketing Theory*, 7(4), 427–451. <https://doi.org/10.1177/1470593107083165>
- Saraswat, A., Mammen, T., Aagja, J. P., & Tewari, R. (2010a). Building store brands using store image differentiation. *Journal of Indian Business Research*, 2(3), 166–180. <https://doi.org/10.1108/17554191011069451>
- Saraswat, A., Mammen, T., Aagja, J. P., & Tewari, R. (2010b). Building store brands using store image differentiation. *Journal of Indian Business Research*, 2(3), 166–180. <https://doi.org/10.1108/17554191011069451>
- Sasmita, J., & Suki, N. M. (2015). Young consumers' insights on brand equity: Effects of brand association, brand loyalty, brand awareness, and brand image. *International Journal of Retail & Distribution Management*, 43(3), 276–292. <https://doi.org/10.1108/IJRDM-02-2014-0024>

- Saunders, M., Lewis, P., & Thornhill, A. (2009). *Research Methods for Business Students* (5th ed.). Pearson Education.
- Schmitt, B. (1999). Experiential Marketing. *Journal of Marketing Management*, 15(1–3), 53–67.
- Sector Report: The African Consumer and Retail. (2014). KPMG.
- Sector Report: The African Consumer and Retail. (2015). KPMG. Retrieved from [kpmg.com/africa](http://kpmg.com/africa)
- Seo, Y. (2013). Electronic sports: A new marketing landscape of the experience economy. *Journal of Marketing Management*, 29(13–14), 1542–1560. <https://doi.org/10.1080/0267257X.2013.822906>
- Sezhiyan, D. M., Nambirajan, T., & Kumaran, T. (2010). Segmentation of Shoppers using their Behavioral Patterns Based on Store Images. *Asia Pacific Business Review*, 6(2), 102–110. <https://doi.org/10.1177/097324701000600210>
- Shah, S. I., Shahzad, A., Ahmed, T., & Ahmed, I. (2012). Factors Affecting Pakistan's University Students' Purchase Intention Towards Foreign Apparel Brands. *Management*, 17(1), 1–14.
- Shaharudin, M. R., Mansor, S. W., Hassan, A. A., Omar, M. W., & Harun, E. H. (2011). The relationship between product quality and purchase intention: The case of Malaysia's national motorcycle/scooter manufacturer. *African Journal of Business Management*, 5(20), 8163–8176. <https://doi.org/10.5897/AJBM11.267>
- Sherman, E., Mathur, A., & Smith, R. B. (1997). Store Environment and Consumer Purchase Behavior: Mediating Role of Consumer Emotions. *Psychology & Marketing*, 14, 361–378.
- Sheth, J. N., Newman, B. I., & Gross, B. L. (1991). Why We Buy What We Buy: A Theory of Consumption Values. *Journal of Business Research*, 22(2), 159–170. [https://doi.org/10.1016/0148-2963\(91\)90050-8](https://doi.org/10.1016/0148-2963(91)90050-8)
- Sheth, J. N., & Sisodia, R. S. (1999). Revisting Marketing's Law like Generalizations. *Journal of the Academy of Marketing Science*, 27(1), 71–87.
- Shim, S., Eastlick, M. ., Lotz, S. ., & Warrington, P. (2001). An online prepurchase intention model: the role of intention to search. *Journal of Retailing*, 77, 397–416.
- Siemsen, E., Roth, A., & Oliveira, P. (2010). Common Method Bias in Regression Models With Linear, Quadratic, and Interaction Effects. *Organizational Research Methods*, 13(3), 456–476. <https://doi.org/10.1177/1094428109351241>

- Silva, A. P., Figueiredo, I., Hogg, T., & Sottomayor, M. (2014). Young adults and wine consumption a qualitative application of the theory of planned behavior. *British Food Journal*, 116(5), 832–848. <https://doi.org/10.1108/BFJ-05-2012-0114>
- Son, J., Jin, B., & George, B. (2013). Consumers' purchase intention toward foreign brand goods. *Management Decision*, 51(2), 434–450. <https://doi.org/10.1108/00251741311301902>
- Srinivasan, S. R., & Srivastava, R. K. (2010). Creating the futuristic retail experience through experiential marketing: Is it possible? An exploratory study. *Journal of Retail & Leisure Property*, 9(3), 193–199. <https://doi.org/10.1057/rlp.2010.12>
- Srivastava, R. K. (2008). How experiential marketing can be used to build brands – a case study of two specialty stores. *Innovative Marketing*, 4(2), 70–76.
- Stern, B., Zinkhan, G. M., & Jaju, A. (2001). Marketing Images Construct Definition, Measurement Issues, and Theory Development. *Marketing Theory*, 1(2), 201–224. <https://doi.org/10.1177/147059310100100203>
- Sweeney, J. C., & Soutar, G. N. (2001). Consumer perceived value: The development of a multiple item scale. *Journal of Retailing*, 77, 203–220.
- Tabachnick, B. G., & Fidell, L. S. (2001). *Using multivariate statistics* (4th ed.). Needham Heights MA: Allyn and Bacon. Retrieved from <http://trove.nla.gov.au/work/7185329>
- Taherdoost, H., Sahibuddin, S., & Jalaliyoon, N. (2014). Exploratory Factor Analysis; Concepts and Theory. *Advances in Applied and Pure Mathematics*, 375–382.
- Tavakol, M., & Dennick, R. (2011). Making sense of Cronbach's alpha. *International Journal of Medical Education*, (2), 53–55. <https://doi.org/10.5116/ijme.4dfb.8dfd>
- Taylor, S., & Todd, P. A. (1995). Understanding Information Technology Usage: A Test of Competing Models. *Information Systems Research*, 6(2), 144–176. <https://doi.org/10.1287/isre.6.2.144>
- Thoradeniya, P., Lee, J., Tan, R., & Ferreira, A. (2015). Sustainability reporting and the theory of planned behaviour. *Accounting, Auditing & Accountability Journal*, 28(7), 1099–1137. <https://doi.org/10.1108/AAAJ-08-2013-1449>
- Tih, S., & Lee, K. H. (2013). Perceptions and Predictors of Consumers' Purchase Intentions for Store Brands: Evidence from Malaysia. *Asian Journal of Business and Accounting*, 6(2).

- Tirtiroglu, E., & Elbek, M. (2008). Qualifying Purchase Intentions using Queueing Theory. *Journal of Applied Quantitative Methods*, 3(2), 167–178.
- Vargo, S. L., & Lusch, R. F. (2004). Evolving to a New Dominant Logic for Marketing. *Journal of Marketing*, 68(1), 1–17.
- Vargo, S. L., & Lusch, R. F. (2008). Service-dominant logic: continuing the evolution. *Journal of the Academy of Marketing Science*, 36(1), 1–10. <https://doi.org/10.1007/s11747-007-0069-6>
- Verhoef, P. C., Lemon, K. N., Parasuraman, A., Roggeveen, A., Tsiros, M., & Schlesinger, L. A. (2009). Customer Experience Creation: Determinants, Dynamics and Management Strategies. *Journal of Retailing*, 85(1), 31–41. <https://doi.org/10.1016/j.jretai.2008.11.001>
- Vila-Lo'pez, N., & Rodríguez-Molina, M. (2013). Event-brand transfer in an entertainment service: experiential marketing. *Industrial Management & Data Systems*, 113(5), 712–731. <https://doi.org/10.1108/02635571311324160>
- Wang, L., & Zhou, X.-H. (2003). A Fully Nonparametric Diagnostic Test For Homogeneity of Variances. *The Canadian Journal of Statistics*, 31.
- Wang, W., & Benbasat, I. (2007). Recommendation Agents for Electronic Commerce: Effects of Explanation Facilities on Trusting Beliefs. *Journal of Management Information Systems*, 23(4), 217–246. <https://doi.org/10.2753/MIS0742-1222230410>
- Wei, T. ., Marthandan, G., Chong, A. Y., Ooi, K., & Arumugam, S. (2009). What drives Malaysian m-commerce adoption? An empirical analysis. *Industrial Management & Data Systems*, 109(3), 370–388. <https://doi.org/10.1108/02635570910939399>
- Wong, W. M., & Mo, H. F. (2014). Automobile Purchase Intention of Consumers in a Multiracial Society: A Hierarchical Regression Analysis Model. *Journal of Applied Business and Economics*, 14(1), 110–119.
- Woodruff, R. B. (1997). Customer value: The next source for competitive advantage. *Journal of the Academy of Marketing Science*, 25(1), 139–153.
- Wu, H.-C., Li, M.-Y., & Li, T. (2014a). A Study of Experiential Quality, Experiential Value, Experiential Satisfaction, Theme Park Image, and Revisit Intention. *Journal of Hospitality & Tourism Research*, 1096348014563396. <https://doi.org/10.1177/1096348014563396>

- Wu, H.-C., Li, M.-Y., & Li, T. (2014b). A Study of Experiential Quality, Experiential Value, Experiential Satisfaction, Theme Park Image, and Revisit Intention. *Journal of Hospitality & Tourism Research*, 1096348014563396. <https://doi.org/10.1177/1096348014563396>
- Wu, P. C. S., Yeh, G. Y.-Y., & Hsiao, C.-R. (2011). The effect of store image and service quality on brand image and purchase intention for private label brands. *Australasian Marketing Journal*, 19(1), 30–39. <https://doi.org/10.1016/j.ausmj.2010.11.001>
- Yacob, S., Erida, Rosita, S., Alhadey, H., & Mohameed, A. (2016). The Effect of Experiential Marketing on Customer's Brand Loyalty in Modern Retail Business: A Case Study of Jambi City in Indonesia. *International Journal of Management Sciences and Business Research*, 5(1), 125–135.
- Yang, Z.-Y., & He, L.-Y. (2011). Goal, customer experience and purchase intention in a retail context in China: An empirical study. *African Journal of Business Management*, 5(6), 6738–6746. <https://doi.org/10.5897/AJBM10.1287>
- Yuan, Y.-H. "Erin", & Wu, C. "Kenny". (2008). Relationships Among Experiential Marketing, Experiential Value, and Customer Satisfaction. *Journal of Hospitality & Tourism Research*, 32(3), 387–410. <https://doi.org/10.1177/1096348008317392>
- Zeithaml, V. A. (1988). Consumer Perceptions of Price, Quality, and Value: A Means-End Model and Synthesis of Evidence. *Journal of Marketing*, 52(3), 2–22.
- Žemgulienė, J. (2013). Relative importance of retail store image and consumers characteristics on the perception of value and willingness to pay a premium price. *Regional Formation and Development Studies*, 1(9), 157–165.
- Zikmund, W. ., Babin, B. J., Carr, J. ., & Griffin, M. (2009). *Business Research Methods*. Southwestern College Publication.

## **APPENDIX I: MOI UNIVERSITY INTRODUCTORY LETTER FOR RESEARCH**



**MOI UNIVERSITY**  
**SCHOOL OF BUSINESS AND ECONOMICS**

Tel: (020) 2211206  
Fax No: (020) 220247  
Telex No. 35047 MOIVARSITY

P. o. Box 63056  
Nairobi  
KENYA

Ref: MU/SBE/ACD//2/RES/PHD

10<sup>th</sup> November, 2016

**TO WHOM IT MAY CONCERN**

Dear Sir/Madam,

**RE: CLEMENT GICHUNGE NKAABU**  
**REG/NO:SBE/D/007/16**

This is to confirm that the above named is a bonafide student of Moi University registered for Doctor of Philosophy in Business Management.

In partial fulfillment for the award of the PhD degree, students are expected to learn to apply theories using the latest tools, techniques and practice making real-world business decisions to help solve a wide range of problems. In this regard they are expected to carry out a ***Thesis*** on current issues affecting business and society.

His Thesis topic is on ***"Effect of Experiential Marketing on Purchase Intention: A moderated Mediation of Store Image and Perceived Value among selected Supermarkets in Kenya."***

This is to request you to assist him with information from your organization. All the information provided will be used for academic purposes only.

Any assistance given to him will be highly appreciated.

Yours faithfully,

MOI UNIVERSITY  
NAIROBI SATELLITE CAMPUS  
11 NOV 2016  
SCHOOL OF BUSINESS & ECONOMICS  
**DR. ROBERT ODUNGA**

**FOR: DEAN, SCHOOL OF BUSINESS AND ECONOMICS.**

**APPENDIX II: RESEARCH PERMIT FROM NACOSTI**

## Cover letter

November, 2016

Dear participant.

I am a doctor of business management candidate at Moi University. This program of study requires that I undertake research in the area of Marketing Management. The topic of my research study is **“Effect of Experiential Marketing on Purchase Intention: A Moderation Mediation of Store Image and Perceived Value among Selected Supermarkets in Kenya”**.

Completion of this questionnaire is voluntary. Data collected will be anonymous and will be handled with utmost confidentiality. The collection of this data has been authorized by my university- Moi University implying that all ethical issues have been taken into account.

Kindly read it carefully and answer all the questions honestly to the best of your knowledge. In case of any enquiries; feel free to contact me through the address given here below.

Thank you for your time and effort in responding to the questionnaire.

Yours faithfully,

Clement Nkaabu

**Email: [clemnkaabu@gmail.com](mailto:clemnkaabu@gmail.com)**

**Telephone: +254722885457.**

#### **APPENDIX 4: RESEARCH QUESTIONNAIRE**

In the section below, you are kindly requested to indicate your age category, gender, level of education and frequency of visits by ticking on the provided boxes as appropriate.



**Age: what is your age category?**

Below 20 Years ☐ 20-29 Years ☐ 30-39 Years ☐ 40-49 Years ☐ Above 50 Years ☐

**Gender: what is your gender?**

Female ☐ Male ☐

**Level of education: what is your level of education?**

☐ Secondary and below ☐ Diploma ☐ Degree ☐ Masters ☐

Doctorate

**How often do you visit this supermarket?**

Every day ☐ once a week ☐ More than 4 times a month ☐

**SECTION B:**

This section seeks to get your views on various aspects related to the study objectives.

You are requested to read keenly before indicating your response. Tick the appropriate box or correct response on the basis of the following scale.

**Key:** 1=Strongly Disagree; 2= Disagree; 3= Neutral; 4= Agree; 5= Strongly Agree

**Purchase intention.**

To what extent do you agree or disagree with the following statements?	1	2	3	4	5
	Strongly				Strongly

	disagree				agree
I plan to visit this supermarket again					
I hope that I can always shop at this supermarket					
I want to shop in this supermarket if there is any chance					
If I go shopping, I will always not forget to shop in this supermarket					
I will recommend this supermarket to my friends					

### Experiential marketing

<b>To what extent do you agree or disagree with the following statements?</b>	1 Strongly disagree	2	3	4	5 Strongly agree
The shopping process arouses my strong sensations					
The shopping trip brings me great interest					
The shopping encounter is very attractive					
The shopping trip is quite worthwhile.					
The shopping encounter can promote my relationships with others, my feelings, and friendship					
By shopping in this supermarket, I can get recognition					

By shopping in this supermarket, I can find a sense of belonging					
By shopping in this supermarket, I can position my social status					

<b>How do you rate you shopping experience</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
The shopping experience has left me	Very Depressed				Very contented
The shopping experience has left me	Very unhappy				Very happy
The shopping experience has left me	Very unsatisfied				Very satisfied
The shopping experience has left me	Very annoyed				Very pleased
The shopping experience has left me	Very bored				Very relaxed.
The shopping experience has left me	Highly despairing				Highly hopeful

### Perceived Value

<b>To what extent do you agree or disagree with the following statements?</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	Strongly				Strongly

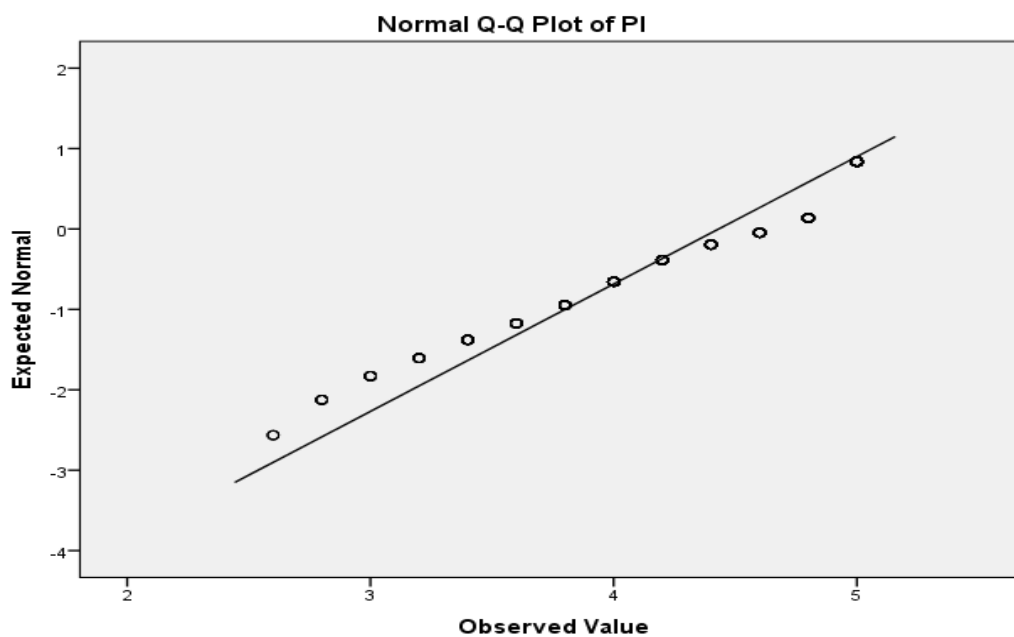
	disagree				agree
I saved money when I shopped here					
I made inexpensive purchases					
I got my purchases done cheaper than if I had made them elsewhere					
I was able to get everything I needed under one roof					
I was able to shop without disruptive queuing or other delays					
I was able to make my purchases conveniently					
Patronizing this supermarket fits the impression that I want to give to others					
I am eager to tell my friends/acquaintances about this shopping trip					
I feel that I belong to the customer segment of this supermarket					
I found products that are consistent with my style					
I felt like a smart shopper, because I made successful purchases					
This shopping trip gave me something that is personally important or pleasing to me					
I enjoyed this shopping trip itself, not just because I was able to get my purchases done					

I was having fun					
In my opinion, shopping around was a pleasant way to spend leisure time					
I felt adventurous and wanted to visit different sections in order to find interesting products					
I was looking for insights and new ideas to buy					
I wanted to explore/touch/try different products while shopping					

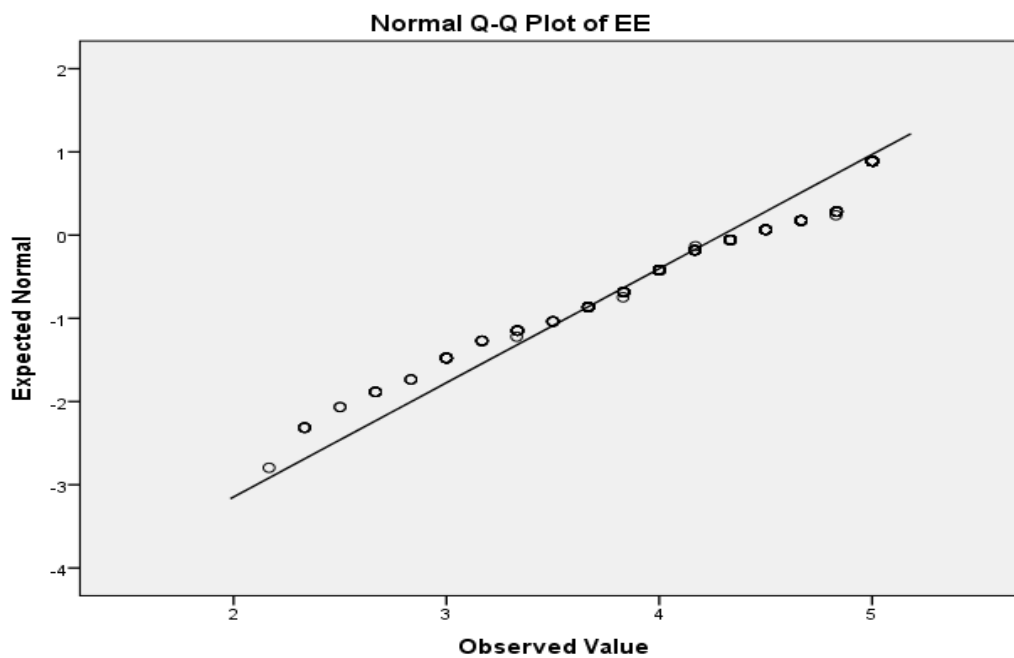
### Store Image

<b>To what extent do you agree or disagree with the following statements?</b>	<b>1</b> Strongly disagree	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b> Strongly agree
This supermarket is a pleasant place to shop					
The customer has an attractive shopping experience in this supermarket					
This supermarket offers good overall service					
This supermarket has helpful personnel					
This supermarket has knowledgeable personnel					

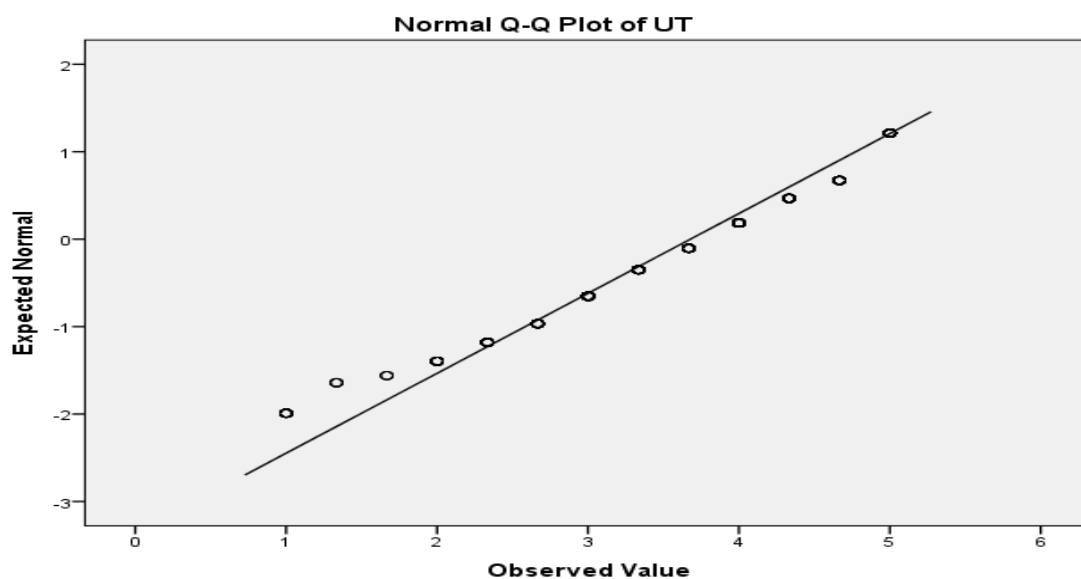
**Thank you very much.**

**APPENDIX 5: Q-Q PLOTS FOR THE STUDY VARIABLES**

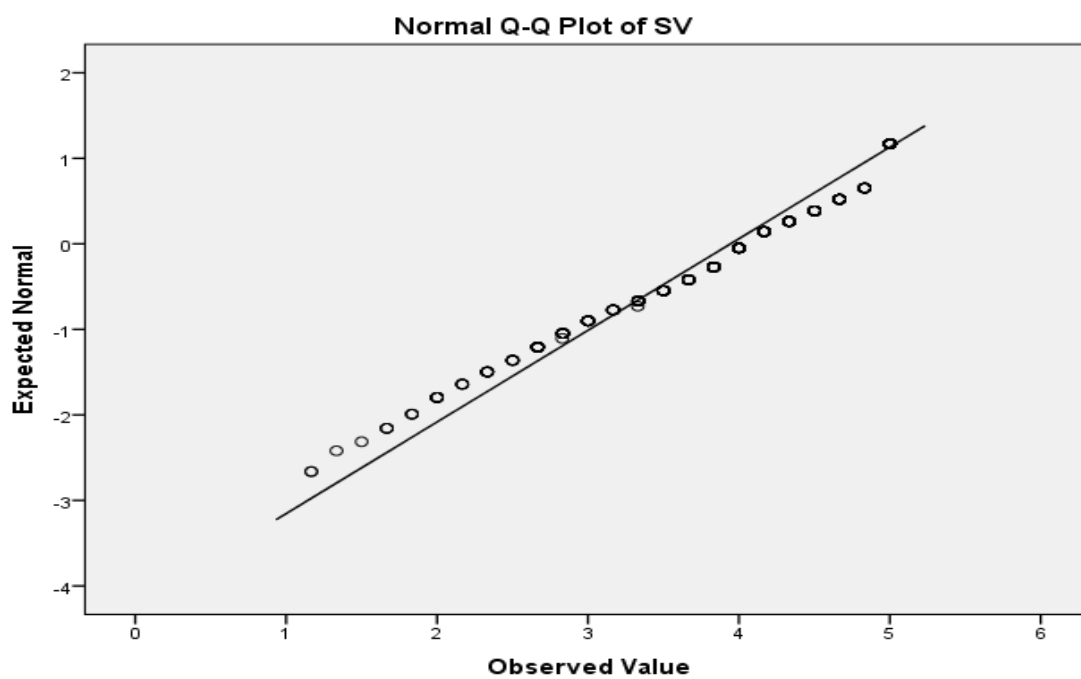
Normal Q-Q plot for Purchase Intention.



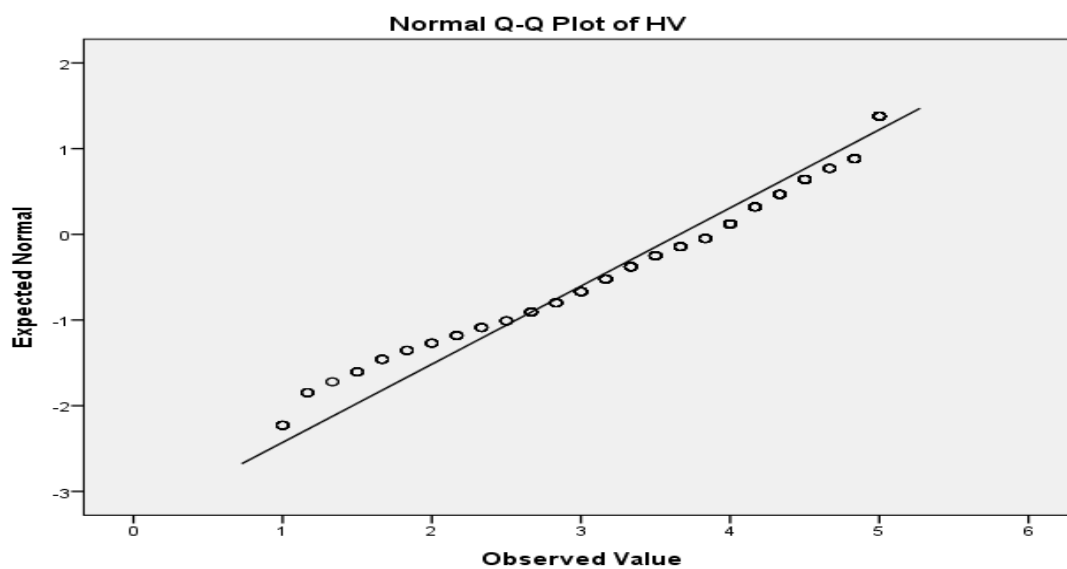
Normal Q-Q plot for Emotional Experience



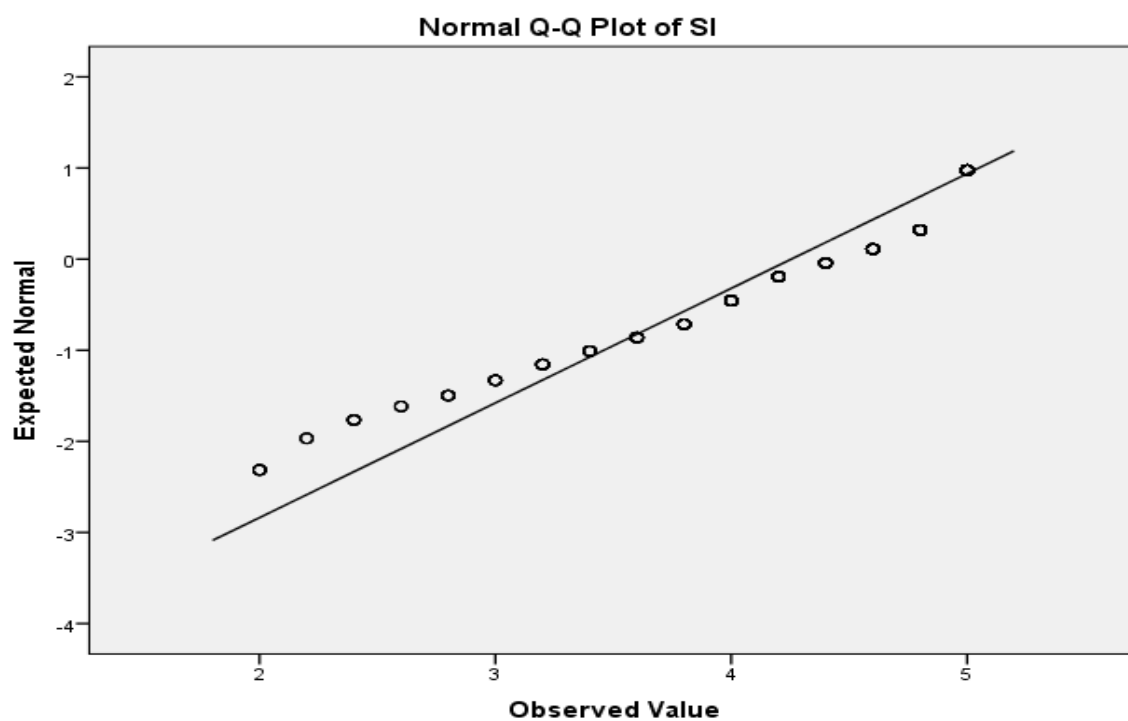
**Normal Q-Q plot for Utilitarian Value**



**Normal Q-Q plot for Social Value**



**Normal Q-Q plot for Hedonic Value**



**Normal Q-Q plot for Store Image**



# **APPENDIX 6: RESULTS FOR COMMON METHOD VARIANCE**

<b>Total Variance Explained</b>						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	19.008	45.257	45.257	19.008	45.257	45.257
2	2.780	6.620	51.877			
3	2.360	5.620	57.497			
4	2.162	5.148	62.645			
5	1.538	3.662	66.307			
6	1.203	2.863	69.171			
7	1.078	2.567	71.738			
8	.885	2.107	73.845			
9	.815	1.941	75.786			
10	.741	1.764	77.549			
11	.701	1.670	79.219			
12	.596	1.419	80.639			
13	.546	1.299	81.938			
14	.533	1.268	83.206			
15	.487	1.159	84.365			
16	.450	1.072	85.437			
17	.427	1.017	86.455			
18	.416	.991	87.446			
19	.380	.905	88.351			
20	.354	.843	89.195			
21	.346	.823	90.018			
22	.318	.756	90.774			
23	.298	.711	91.485			
24	.275	.654	92.139			
25	.261	.622	92.761			
26	.247	.588	93.350			
27	.241	.575	93.924			
28	.233	.555	94.479			
29	.228	.543	95.022			
30	.224	.532	95.554			
31	.206	.491	96.045			
32	.203	.482	96.528			
33	.192	.457	96.984			

34	.174	.414	97.398			
35	.170	.405	97.803			
36	.161	.382	98.186			
37	.155	.370	98.556			
38	.150	.358	98.914			
39	.128	.305	99.218			
40	.118	.282	99.500			
41	.116	.276	99.776			
42	.094	.224	100.000			

Extraction Method: Principal Component Analysis.

### APPENDIX 7: OUTPUTS FOR CORRELATIONS

		PI	SESO	EE	UT	SV	HV	SI
PI	Pearson Correlation	1	.585**	.468**	.513**	.581**	.468**	.584*
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000
	N	386	386	386	386	386	386	386
SESO	Pearson Correlation	.585**	1	.544**	.430**	.616**	.599**	.528*
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000
	N	386	386	386	386	386	386	386
EE	Pearson Correlation	.468**	.544**	1	.442**	.594**	.535**	.541*
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000
	N	386	386	386	386	386	386	386
UT	Pearson Correlation	.513**	.430**	.442**	1	.673**	.495**	.613*
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000
	N	386	386	386	386	386	386	386
SV	Pearson Correlation	.581**	.616**	.594**	.673**	1	.701**	.678*
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000
	N	386	386	386	386	386	386	386
HV	Pearson Correlation	.468**	.599**	.535**	.495**	.701**	1	.630*
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000
	N	386	386	386	386	386	386	386
SI	Pearson Correlation	.584**	.528**	.541**	.613**	.678**	.630**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	386	386	386	386	386	386	386

\*\*, Correlation is significant at the 0.01 level (2-tailed).

## APPENDIX 8: OUTPUTS FOR REGRESSIONS

### 1. SESO AND UT VALUE

Run MATRIX procedure:

\*\*\*\*\* PROCESS Procedure for SPSS Release 2.16.1 \*\*\*\*\*

Written by Andrew F. Hayes, Ph.D. [www.afhayes.com](http://www.afhayes.com)  
Documentation available in Hayes (2013). [www.guilford.com/p/hayes3](http://www.guilford.com/p/hayes3)

\*\*\*\*\*

\*\*

Model = 7

Y = PI

X = SESO

M = UT

W = SI

Sample size

386

\*\*\*\*\*

Outcome: UT

Model Summary

R	R-sq	MSE	F	df1	df2	p
.6261	.3920	.7082	82.0972	3.0000	382.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
Constant	4.1198	.0481	85.6433	.0000	4.0252	4.2143
SESO	.1557	.0499	3.1205	.0019	.0576	.2538
SI	.6459	.0621	10.3980	.0000	.5237	.7680
int_1	-.0123	.0465	-.2638	.7921	-.1036	.0791

Product terms key:

int\_1 SESO X SI

\*\*\*\*\*

Outcome: PI

## Model Summary

R	R-sq	MSE	F	df1	df2	p
.6526	.4259	.3733	142.0592	2.0000	383.0000	.0000

## Model

	coeff	se	t	p	LLCI	ULCI
constant	3.3122	.1356	24.4253	.0000	3.0456	3.5788
UT	.2401	.0321	7.4840	.0000	.1770	.3032
SESO	.3547	.0341	10.4171	.0000	.2878	.4217

\*\*\*\*\* DIRECT AND INDIRECT EFFECTS  
\*\*\*\*\*

## Direct effect of X on Y

Effect	SE	t	p	LLCI	ULCI
.3547	.0341	10.4171	.0000	.2878	.4217

Conditional indirect effect(s) of X on Y at values of the moderator(s):

## Mediator

	SI	Effect	Boot SE	BootLLCI	BootULCI
UT	-.8831	.0400	.0221	.0036	.0903
UT	.0000	.0374	.0173	.0106	.0799
UT	.7959	.0350	.0194	.0052	.0856

Values for quantitative moderators are the mean and plus/minus one SD from mean.

Values for dichotomous moderators are the two values of the moderator.

NOTE: For at least one moderator in the conditional effects table above, one SD above the mean was replaced with the maximum because one SD above the mean is outside of the range of the data.

\*\*\*\*\* INDEX OF MODERATED MEDIATION  
\*\*\*\*\*

## Mediator

	Index	SE(Boot)	BootLLCI	BootULCI
UT	-.0029	.0137	-.0322	.0237

\*\*\*\*\* ANALYSIS NOTES AND WARNINGS  
\*\*\*\*\*

Number of bootstrap samples for bias corrected bootstrap confidence intervals:  
5000

Level of confidence for all confidence intervals in output:  
95.00

NOTE: The following variables were mean centered prior to analysis:  
SESO SI

----- END MATRIX -----

## 2. SESO AND SV

Run MATRIX procedure:

\*\*\*\*\* PROCESS Procedure for SPSS Release 2.16.1 \*\*\*\*\*

Written by Andrew F. Hayes, Ph.D. [www.afhayes.com](http://www.afhayes.com)  
Documentation available in Hayes (2013). [www.guilford.com/p/hayes3](http://www.guilford.com/p/hayes3)

\*\*\*\*\*

Model = 7  
Y = PI  
X = SESO  
M = SV  
W = SI

Sample size  
386

\*\*\*\*\*

Outcome: SV

### Model Summary

R	R-sq	MSE	F	df1	df2	p
.7475	.5588	.4056	161.2870	3.0000	382.0000	.0000

### Model

	coeff	se	t	p	LLCI	ULCI
constant	3.8949	.0364	106.9963	.0000	3.8233	3.9665
SESO	.3399	.0378	9.0015	.0000	.2656	.4141
SI	.5722	.0470	12.1726	.0000	.4798	.6646
int_1	.0819	.0352	2.3296	.0203	.0128	.1510

Product terms key:

int\_1 SESO X SI

\*\*\*\*\*

Outcome: PI

#### Model Summary

R	R-sq	MSE	F	df1	df2	p
.6483	.4203	.3770	138.8335	2.0000	383.0000	.0000

#### Model

	coeff	se	t	p	LLCI	ULCI
constant	3.1226	.1666	18.7437	.0000	2.7951	3.4502
SV	.2993	.0416	7.1948	.0000	.2175	.3811
SESO	.2904	.0392	7.4035	.0000	.2133	.3676

#### \*\*\*\*\* DIRECT AND INDIRECT EFFECTS

\*\*\*\*\*

#### Direct effect of X on Y

Effect	SE	t	p	LLCI	ULCI
.2904	.0392	7.4035	.0000	.2133	.3676

Conditional indirect effect(s) of X on Y at values of the moderator(s):

#### Mediator

	SI	Effect	Boot SE	BootLLCI	BootULCI
SV	-.8831	.0801	.0256	.0393	.1404
SV	.0000	.1017	.0265	.0576	.1631
SV	.7959	.1212	.0306	.0707	.1922

Values for quantitative moderators are the mean and plus/minus one SD from mean.

Values for dichotomous moderators are the two values of the moderator.

NOTE: For at least one moderator in the conditional effects table above, one SD above the mean was replaced with the maximum because one SD above the mean is outside of the range of the data.

#### \*\*\*\*\* INDEX OF MODERATED MEDIATION

\*\*\*\*\*

#### Mediator

	Index	SE(Boot)	BootLLCI	BootULCI
SV	.0245	.0119	.0045	.0516

\*\*\*\*\* ANALYSIS NOTES AND WARNINGS  
\*\*\*\*\*

Number of bootstrap samples for bias corrected bootstrap confidence intervals:  
5000

Level of confidence for all confidence intervals in output:  
95.00

NOTE: The following variables were mean centered prior to analysis:  
SESO SI

----- END MATRIX -----

### 3. SESO AND HV

Run MATRIX procedure:

\*\*\*\*\* PROCESS Procedure for SPSS Release 2.16.1 \*\*\*\*\*

Written by Andrew F. Hayes, Ph.D. [www.afhayes.com](http://www.afhayes.com)  
Documentation available in Hayes (2013). [www.guilford.com/p/hayes3](http://www.guilford.com/p/hayes3)

\*\*\*\*\*

Model = 7  
Y = PI  
X = SESO  
M = HV  
W = SI

Sample size  
386

\*\*\*\*\*

\*\*

Outcome: HV

Model Summary

R	R-sq	MSE	F	df1	df2	p
.7042	.4959	.6106	125.2505	3.0000	382.0000	.0000

Model

coeff	se	t	p	LLCI	ULCI
-------	----	---	---	------	------



constant	3.6523	.0447	81.7746	.0000	3.5645	3.7402
SESO	.4008	.0463	8.6520	.0000	.3097	.4919
SI	.5499	.0577	9.5346	.0000	.4365	.6633
int_1	.0194	.0431	.4499	.6531	-.0654	.1042

Product terms key:

int\_1   SESO      X   SI

\*\*\*\*\*

Outcome: PI

#### Model Summary

R	R-sq	MSE	F	df1	df2	p
.6029	.3635	.4139	109.3547	2.0000	383.0000	.0000

#### Model

	coeff	se	t	p	LLCI	ULCI
constant	3.8073	.1407	27.0625	.0000	3.5307	4.0839
HV	.1346	.0374	3.6009	.0004	.0611	.2080
SESO	.3771	.0404	9.3229	.0000	.2975	.4566

#### \*\*\*\*\* DIRECT AND INDIRECT EFFECTS

\*\*\*\*\*

#### Direct effect of X on Y

Effect	SE	t	p	LLCI	ULCI
.3771	.0404	9.3229	.0000	.2975	.4566

Conditional indirect effect(s) of X on Y at values of the moderator(s):

#### Mediator

	SI	Effect	Boot SE	BootLLCI	BootULCI
HV	-.8831	.0516	.0197	.0206	.1006
HV	.0000	.0539	.0192	.0223	.0991
HV	.7959	.0560	.0201	.0232	.1026

Values for quantitative moderators are the mean and plus/minus one SD from mean.

Values for dichotomous moderators are the two values of the moderator.

NOTE: For at least one moderator in the conditional effects table above, one SD above the mean was replaced with the maximum because one SD above the mean is outside of the range of the data.

\*\*\*\*\* INDEX OF MODERATED MEDIATION  
\*\*\*\*\*

Mediator	Index	SE(Boot)	BootLLCI	BootULCI
HV	.0026	.0063	-.0101	.0159

\*\*\*\*\* ANALYSIS NOTES AND WARNINGS  
\*\*\*\*\*

Number of bootstrap samples for bias corrected bootstrap confidence intervals:  
5000

Level of confidence for all confidence intervals in output:  
95.00

NOTE: The following variables were mean centered prior to analysis:  
SESO SI

----- END MATRIX -----

#### 4. EE AND UT

Run MATRIX procedure:

\*\*\*\*\* PROCESS Procedure for SPSS Release 2.16.1 \*\*\*\*\*

Written by Andrew F. Hayes, Ph.D. [www.afhayes.com](http://www.afhayes.com)  
Documentation available in Hayes (2013). [www.guilford.com/p/hayes3](http://www.guilford.com/p/hayes3)

\*\*\*\*\*

Model = 7  
Y = PI  
X = EE  
M = UT  
W = SI

Sample size  
386

\*\*\*\*\*

Outcome: UT

Model Summary						
R	R-sq	MSE	F	df1	df2	p

.6381 .4072 .6906 87.4634 3.0000 382.0000 .0000

#### Model

	coeff	se	t	p	LLCI	ULCI
constant	4.0447	.0484	83.6409	.0000	3.9496	4.1398
EE	.2456	.0630	3.9002	.0001	.1218	.3694
SI	.6998	.0601	11.6502	.0000	.5817	.8180
int_1	.1778	.0601	2.9564	.0033	.0595	.2960

#### Product terms key:

int\_1 EE X SI

\*\*\*\*\*

#### Outcome: PI

#### Model Summary

R	R-sq	MSE	F	df1	df2	p
.5794	.3357	.4320	96.7518	2.0000	383.0000	.0000

#### Model

	coeff	se	t	p	LLCI	ULCI
constant	3.1295	.1468	21.3187	.0000	2.8408	3.4181
UT	.2845	.0347	8.1896	.0000	.2162	.3528
EE	.2948	.0456	6.4617	.0000	.2051	.3845

#### \*\*\*\*\* DIRECT AND INDIRECT EFFECTS

\*\*\*\*\*

#### Direct effect of X on Y

Effect	SE	t	p	LLCI	ULCI
.2948	.0456	6.4617	.0000	.2051	.3845

#### Conditional indirect effect(s) of X on Y at values of the moderator(s):

#### Mediator

	SI	Effect	Boot SE	BootLLCI	BootULCI
UT	-.8831	.0252	.0310	-.0281	.0932
UT	.0000	.0699	.0278	.0254	.1372
UT	.7959	.1101	.0385	.0495	.2062

Values for quantitative moderators are the mean and plus/minus one SD from mean.  
Values for dichotomous moderators are the two values of the moderator.

NOTE: For at least one moderator in the conditional effects table above, one SD above the mean was replaced with the maximum because one SD above the mean is outside of the range of the data.

\*\*\*\*\* INDEX OF MODERATED MEDIATION  
\*\*\*\*\*

Mediator	Index	SE(Boot)	BootLLCI	BootULCI
UT	.0506	.0257	.0045	.1075

\*\*\*\*\* ANALYSIS NOTES AND WARNINGS  
\*\*\*\*\*

Number of bootstrap samples for bias corrected bootstrap confidence intervals:  
5000

Level of confidence for all confidence intervals in output:  
95.00

NOTE: The following variables were mean centered prior to analysis:  
EE SI

----- END MATRIX -----

## 5. EE AND SV

Run MATRIX procedure:

\*\*\*\*\* PROCESS Procedure for SPSS Release 2.16.1 \*\*\*\*\*

Written by Andrew F. Hayes, Ph.D. [www.afhayes.com](http://www.afhayes.com)  
Documentation available in Hayes (2013). [www.guilford.com/p/hayes3](http://www.guilford.com/p/hayes3)

\*\*\*\*\*

Model = 7

Y = PI

X = EE

M = SV

W = SI

Sample size  
386

\*\*\*\*\*

Outcome: SV

Model Summary

R	R-sq	MSE	F	df1	df2	p
.7396	.5470	.4165	153.7320	3.0000	382.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	3.8714	.0376	103.0848	.0000	3.7975	3.9452
EE	.4102	.0489	8.3876	.0000	.3140	.5064
SI	.5965	.0467	12.7851	.0000	.5047	.6882
int_1	.1594	.0467	3.4129	.0007	.0676	.2512

Product terms key:

int\_1 EE X SI

\*\*\*\*\*

Outcome: PI

Model Summary

R	R-sq	MSE	F	df1	df2	p
.6007	.3609	.4156	108.1182	2.0000	383.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	2.7511	.1714	16.0552	.0000	2.4142	3.0880
SV	.3938	.0428	9.2096	.0000	.3097	.4778
EE	.1873	.0499	3.7553	.0002	.0892	.2854

\*\*\*\*\* DIRECT AND INDIRECT EFFECTS

\*\*\*\*\*

Direct effect of X on Y

Effect	SE	t	p	LLCI	ULCI
.1873	.0499	3.7553	.0002	.0892	.2854

Conditional indirect effect(s) of X on Y at values of the moderator(s):

Mediator

	SI	Effect	Boot SE	BootLLCI	BootULCI
SV	-.8831	.1061	.0288	.0576	.1710
SV	.0000	.1615	.0312	.1069	.2298

SV .7959 .2115 .0410 .1404 .3031

Values for quantitative moderators are the mean and plus/minus one SD from mean.  
Values for dichotomous moderators are the two values of the moderator.

NOTE: For at least one moderator in the conditional effects table above, one SD above the mean was replaced with the maximum because one SD above the mean is outside of the range of the data.

\*\*\*\*\* INDEX OF MODERATED MEDIATION  
\*\*\*\*\*

Mediator

	Index	SE(Boot)	BootLLCI	BootULCI
SV	.0628	.0207	.0282	.1099

\*\*\*\*\* ANALYSIS NOTES AND WARNINGS  
\*\*\*\*\*

Number of bootstrap samples for bias corrected bootstrap confidence intervals:  
5000

Level of confidence for all confidence intervals in output:  
95.00

NOTE: The following variables were mean centered prior to analysis:  
EE SI

----- END MATRIX -----

## 6. EE AND HV

Run MATRIX procedure:

\*\*\*\*\* PROCESS Procedure for SPSS Release 2.16.1 \*\*\*\*\*

Written by Andrew F. Hayes, Ph.D. [www.afhayes.com](http://www.afhayes.com)  
Documentation available in Hayes (2013). [www.guilford.com/p/hayes3](http://www.guilford.com/p/hayes3)

\*\*\*\*\*  
\*\*

Model = 7

Y = PI

X = EE

M = HV

W = SI

Sample size

386

\*\*\*\*\*

Outcome: HV

Model Summary

R	R-sq	MSE	F	df1	df2	p
.6716	.4511	.6648	104.6322	3.0000	382.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	3.6462	.0474	76.8452	.0000	3.5529	3.7395
EE	.3766	.0618	6.0955	.0000	.2552	.4981
SI	.6102	.0589	10.3527	.0000	.4943	.7261
int_1	.0392	.0590	.6639	.5071	-.0768	.1552

Product terms key:

int\_1 EE X SI

\*\*\*\*\*

Outcome: PI

Model Summary

R	R-sq	MSE	F	df1	df2	p
.5344	.2856	.4646	76.5421	2.0000	383.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	3.4816	.1417	24.5781	.0000	3.2030	3.7601
HV	.2235	.0375	5.9594	.0000	.1498	.2973
EE	.3000	.0502	5.9721	.0000	.2012	.3987

\*\*\*\*\* DIRECT AND INDIRECT EFFECTS

\*\*\*\*\*

Direct effect of X on Y

Effect	SE	t	p	LLCI	ULCI
.3000	.0502	5.9721	.0000	.2012	.3987

Conditional indirect effect(s) of X on Y at values of the moderator(s):

Mediator	SI	Effect	Boot SE	BootLLCI	BootULCI
HV	-.8831	.0765	.0232	.0391	.1308
HV	.0000	.0842	.0216	.0491	.1353
HV	.7959	.0912	.0252	.0499	.1526

Values for quantitative moderators are the mean and plus/minus one SD from mean.  
 Values for dichotomous moderators are the two values of the moderator.

NOTE: For at least one moderator in the conditional effects table above, one SD above the mean was replaced with the maximum because one SD above the mean is outside of the range of the data.

\*\*\*\*\* INDEX OF MODERATED MEDIATION  
 \*\*\*\*\*

Mediator	Index	SE(Boot)	BootLLCI	BootULCI
HV	.0088	.0133	-.0176	.0360

\*\*\*\*\* ANALYSIS NOTES AND WARNINGS  
 \*\*\*\*\*

Number of bootstrap samples for bias corrected bootstrap confidence intervals:  
 5000

Level of confidence for all confidence intervals in output:  
 95.00

NOTE: The following variables were mean centered prior to analysis:  
 EE SI

----- END MATRIX -----