



Understanding Omnichannel Customer Experience Through Brand Trust and Its Impact on Shopping Intention: Structured Abstract

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INTRODUCTION

The omnichannel experience has become more relevant since the internet has gained economic impact; taking a broader perspective on channels and how shoppers are influenced and move through channels in their search and buying process (Verhoef & Jeffrey, 2015). An omnichannel experience occurs when a customer orders from multiple platforms (omnichannel retailing) and this order is filled from any location using inventory and other fulfillment assets flexible across channels (omnichannel fulfillment) (Taylor, 2019). The integration of retail processes across different channels aimed to provide a seamless shopping experience (Taylor, 2019). Therefore, one of the main challenges for this business strategy relies on the retail adoption and implementation of new technologies and its impact on the omnichannel experience.

Previous literature indicates there are five omnichannel experience dimensions; connectivity, integration, consistency, flexibility, and personalization (Shi et al., 2020). Even though there are several industries impacted by the development of the omnichannel experience in the market, studies related with this topic mainly focus on retailers whose main activity is the sale of goods (Alexander and Blazquez, 2020; Shi et al., 2020; Shin and Oh, 2017), not services. Hence, this is particularly important to investigate considering that the omnichannel experience in the service industry is growing; specially, the entertainment and arts industry reflects a growing trend of 15% accumulated value from 2015 to 2019, representing 1.5B USD (Euromonitor, 2019). Moreover, the cinema category represents one of the key drivers of this growth, reaching 58.9 million USD (Euromonitor, 2019). On the other hand, to achieve a satisfactory shopping experience throughout different channels, many retailers have evolved the way they interact with the consumer on several touch points like offline channels -brick and mortar-, online channels - e-commerce-, and other traditional direct market channels (Verhoef & Jeffrey, 2015). To bridge the above-mentioned research gap, this study aims to extend the model of omnichannel shopping experience; setting the bases to understand its impact on shopping intention through brand trust for service retailers.

BACKGROUND

Retail organizations are facing many challenges and opportunities, especially in the omnichannel environment (Zhang et al., 2010). Omnichannel takes a broader perspective on how consumers' shopping intention is influenced and moves through channels while looking for a good or service to fulfill its needs (Verhoef et al., 2015). In some empirical studies, participants agreed that moving from individual channels to integrated touchpoints is important, since each point of contact has its own benefits from the consumer's perspective (Larke et al., 2016; Payne et al., 2017; Shi et al., 2020; Verhoef et al, 2015).

Prior research includes studies in fashion (Li et al., 2018; Shen et al.,2018), management (Homburg, Jozić, & Kuehnl, 2017), device quality (Rodrígueztorrico, Cabezudo, & Sanmartín, 2017) and information architecture (Burford & Resmini, 2017), that have been conducted regarding the omnichannel customer experience. However, these studies do not provide enough

evidence of omnichannel experience critical factors (Shi et al., 2020); since these studies are mainly descriptive (Kazancoglu & Aydin, 2018).

Due to the channels among the omnichannel strategy being managed together, the perceived interaction is not with the channel, but with the brand (Piotrowicz and Cuthbertson, 2014). In this sense, effects of omnichannel experience could be measured considering brand perception, brand trust, brand equity, among other brand concepts. For the purpose of this study, we selected brand trust, because previous studies suggest that brand trust is a significant precursor of purchase intention in the omnichannel scenario (Frasquet et al., 2017; Han, 2017; Kim and Jones, 2009). Brand trust is defined as a feeling of security, held by consumers in their interactions with brands and it is based on perceptions that the brand is reliable and trustworthy for the interests and welfare of consumers (Menidjel et al., 2017). Nevertheless, after an extensive literature review, none of them had tested the impact of the dimensions of omnichannel experience on brand trust.

Another key element of this research is the variable shopping intention, that indicates customers' willingness to buy a product or service and it is usually measured by the consumers' motivation to purchase again (Tumer Kabadayi et al., 2017). Thus, brand trust has been established as a precursor of shopping intention. Online customers prefer to make their purchases from websites they trust (P. Jiang and D.B Jones, 2008). This is because trust can reduce buyer uncertainty (A. Angriawan and R. Thakur, 2008).

To further investigate how omnichannel shopping experience impacts the shopping intention, this research proposed that the omnichannel dimensions have a positive impact on brand trust, and, therefore, a positive effect on customer's shopping intention. Thus, we hypothesize:

- H1.** Connectivity positively influences brand trust.
- H2.** Integration positively influences brand trust.
- H3.** Consistency positively influences brand trust.
- H4.** Flexibility positively influences brand trust
- H5.** Personalization positively influences brand trust
- H6.** Brand Trust has a positive relationship with shopping intention.

METHODOLOGY

To carry out the study the cinema industry in Mexico was selected because it follows an omnichannel strategy, allowing its customers to move across different channels: the company website, the company mobile app and the physical movie theater complex. The number of companies within the cinema industry in Mexico is abundant, however, the competitive environment is led by two Mexican giants with a worldwide presence: Cinemex and Cinemex (Vargas-Hernandez & Becerra-Rodriguez, 2019). For that instance, the study carries opinions only of these two brands, represented according to their market share with the following distribution: Cinemex 75% and Cinemex 25% (Vargas-Hernandez & Becerra-Rodriguez, 2019).

In this paper an empirical approach was employed to test the model, through an auto-administered online questionnaire across Mexican territory. A sample of 204 national regular cinema consumers was collected (Catena et al., 2003). Participants were selected using a non-probabilistic, convenience sampling method, with the following criteria: adults, balanced male and female, 46% and 54% respectively, with experience purchasing movie theater tickets both online (web page or mobile app) and physical movie theater complex. Moreover, respondents must have had a debit or credit card in order to track customers' purchase profile, which is an omnichannel requirement. Moreover, respondents must have attended a movie theater at least once a month to ensure accurate responses. The age of the participants was between 19 to 37; since people in this age group is the largest and most influential generation of customers (Calienes et al., 2016), and tend to be the most active in using different channels for shopping (Tyrväinen & Karjaluoto, 2019).

Measures

To assess the fitness of the data within the model, the five dimensions of omnichannel experience were tested by the principal component analysis (PCA) technique and varimax rotation. The KMO and Bartlett spherical tests were performed to assess the predictive validity. The results showed that the KMO value was above 0.70 which means high predictive validity, (Hair et al., 1995). During the process some items with loadings lower than 0.5 and without convergence in a factor were deleted. Moreover, the dimensions, integration and personalization, did not prove convergence at all; therefore, its items were left out of the study. Finally, our items were classified into three factors, which collectively explained 76.18% of variance. Furthermore, the variables brand trust and shopping intention were tested using PCA and in both cases all the items within converge on a single factor.

The results of final exploratory factor analysis, confirmatory factor analysis (CFA), and the final measurement model for our study provides an excellent fit as per the fit statistics ($\chi^2/df = 2.200$; GFI = .851; AGFI = .888; NFI = .919; IFI = .954; CFI = .954; and RMSEA = .077). CFA results indicate that all items are related significantly ($p < .001$) to their hypothesized factors and hence prove the convergent validity criterion. Besides this, all the standardized loadings are greater than 0.5 (Kline, 2015) and the average loadings per factor are greater than 0.7 (Hair et al., 1995).

Constructs have a very good internal consistency. For all the variables, the Cronbach's alpha value is greater than 0.70 thereby proving that the measurement model is reliable (Nunnally et al., 1967). The composite reliability is greater than the desirable value of 0.60 in all the cases (Bagozzi and Yi, 1988). The AVE was calculated and it is greater than 0.50 for all the factors thereby fulfilling the conditions of Fornell and Larcker (1981). Hence, the measurement model satisfies the conditions for reliability and convergent validity.

After the validation of the measurement model, the collected data were taken for analysis through structural equation modeling (SEM) to examine the latent variables relationships with the mediating variable brand trust. Additionally, the relationship between the mediating variable brand trust and the dependent variable shopping intention. AMOS 25.0 was used as a software tool to carry out the analysis of the proposed model.

RESULTS AND DISCUSSION

The results of the SEM showed that the variable brand trust is explained by the set of latent variables. As hypothesized the results revealed that three dimensions: connectivity, consistency and flexibility, were positive and significantly associated with brand trust ($\beta_1=0.551$, $p < 0.000$; $\beta_2=0.437$, $p < 0.001$; $\beta_3=0.699$, $p = 0.000$). These results are similar to the findings from previous literature on physical products (Shi et al., 2020) with one relevant difference, two dimensions failed to produce sufficient validity and therefore were unsuccessful to prove to have a strong relationship within the model.

Consistent with previous studies which define the importance of brand trust as a positive driver of shopping intention (Frasquet et al. 2019) results showed that shopping intention is explained at a high level by the variable brand trust ($\beta_4=.925$, $p < 0.000$). Taken together, results offer evidence that tends to support all hypotheses, except H2 and H4.

CONCLUSIONS AND IMPLICATIONS FOR THEORY AND PRACTICE

The results revealed that three omnichannel dimensions labeled as connectivity, consistency and flexibility, were good predictors associated with brand trust, which further impact customer shopping intention. In contrast, integration and personalization were not significantly associated. Hence, this study offers insights regarding customer experience in the service industry that build on previous omnichannel experience literature (Grewal, 2009; Shi, 2020); particularly on customer shopping experience and how the different dimensions influence the customer behavior towards brand trust and how they impact customers shopping intention.

Implications for Managers

For retail practitioners, our findings suggest that brand trust is a significant determinant when discussing a customer's shopping intention. For the service industry, the results of this study suggest that managers must focus on three dimensions. First, connectivity, that relies on a seamless unification of brick-and-mortar and online channel features, like commodities information and continuous and connected reading content across channels. Second, consistency, across channels; evenness of intangibles, like service level, performance and responsiveness. Third, flexibility; provide flexible options from one channel to the other and continuity when migrating tasks.

Limitations and future research

1. Limited to cinema industry,
2. Future research might include other brand constructs such as brand perception, brand positioning, brand equity, among others.

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