

COMMUNICATION AND BRAND KNOWLEDGE AS DETERMINANTS OF RETAIL SERVICE BRAND LOYALTY- AN EMPIRICAL TEST IN A MULTIPLE RETAIL SERVICE BRAND CONTEXT

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ABSTRACT

The power of a brand lies in the minds of consumers, and the added value enjoyed by a retailer as a result of the role played by its brand - in the thoughts, words, and actions of consumers - is known as retail service brand equity. The study examined retail service retail service competing brand model of the influence of competition on brand equity formation process in consumers' consideration set. Among the responses were refusals and unusable responses, resulting in 173 and 91 usable responses in convenience and cosmeceutical store, respectively. And the data was examined through PLS (Partial Least Square) structural equation analysis to test the hypotheses.

Planned communication brought negative influence on brand loyalty to a competitor brand in retail format of convenience store. In the retail format of cosmeceutical store, only when strong brand knowledge was established in the minds of consumers and they identify with the brand value of the retail service store, they reduce their loyalty with a competitor brand.

INTRODUCTION

The power of a brand lies in the minds of consumers, and the added value enjoyed by a retailer as a result of the role played by its brand - in the thoughts, words, and actions of consumers - is known as retail service brand equity. A strong retail service brand can generate a range of benefits, including: (i) the ability to leverage a retailer's name by launching a private label (Ailawadi and Keller, 2004); (ii) increased revenue and profitability, relative to competitors (Woodside and Walser, 2007); (iii) value to investors who seek to extract financial value from the brand name (Ailawadi, Lehmann, and Neslin, 2001); and (iv) perceptions of reduced cost and risk among customers (Berry, 2000; Lee, Hui and Hsu, 2007).

Consequently, a better understanding of retail service branding, such Starbucks and Mcdonald's strategy is essential for retailers and researchers alike. In recent years, retailers facing an increasingly competitive marketplace are finding it more difficult to distinguish their stores from others (Baker, Grewal and

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Parasuraman, 1994), in a challenging market environment with increasingly demanding consumers (Pappu and Quester, 2006).

The competing effects that exist between retail service brands is an important phenomenon in the branding process. A strong retail service brand can be communicated to establish, maintain and enhance relationships with consumers (Hartman and Spiro, 2005; Kim et al., 2008). Previous studies have acknowledged the influence of competition in explaining loyalty intentions and behaviors (Laroche and Sadokierski, 1994; Laroche and Toffoli, 1999; Laroche et al., 2005; Libai et al., 2009), but relatively few studies actually have incorporated the viewpoint of dynamic competition in a formal way (Laroche and Sadokierski, 1994; Laroche et al., 2005; Tversly, 1969; Woodside and Cloket, 1974;), especially with respect to retail service brands. The motivation of the present study, therefore, concentrates on competing retail service brands to present a real marketing phenomenon that can always be ignored, and to explore competitive comparisons in consumers' brand-choice process.

This paper attempts to analyze and understand the process through which consumers become loyal to a retail service brand. First, the paper identifies the key constructs that play a role in the basic consumer-brand relationship. Next, the theoretical foundation established in the first section is used to build a conceptual framework and specific hypotheses. The methodology used to examine this framework is described. Lastly, results of the research are reported and discussed. The paper closes with a discussion of the findings and its implications for the brand manager, researcher and the opportunities that remain for further research.

CONCEPTUAL BACKGROUND AND HYPOTHESIS PLANNED AND UNPLANNED COMMUNICATION

As Berry (2000) mentions communications should not focus solely on corporate communication. Scholars should focus on both planned communications by a marketer and unplanned communications from consumers. Planned communications (also means retail mix) refer to the marketing activities undertaken by the marketer, such as advertising, atmosphere and promotion. On the other hand, unplanned communications are communications that are not controlled by the marketer, such as word-of-mouth communications and non-paid publicity.

Although a variety of stakeholders was the object to communicate to send retail service brand messages, consumers were primary target. The planned communication includes all the decision variables that retailers use to satisfy consumer needs and influence their purchase decisions, including location, merchandise assortment, store design and display, advertising, pricing, and customer service (Levy and Weitz, 2007).

At customer level of communication, retailer is not a sender of message, consumers receive message through themselves or reference groups. Although the planned communication regards as a major source of retail service brand, several studies recognized the effect of friend/family recommendation and non-paid publicity as the other strength to build brand value (Berry, 2000; Bansal and Voyer, 2000). Within the services context, the property of intangibility make consumers not understand a service fully before its consumption, the word-of-mouth information from an experienced source, therefore, may reduce anxiety, and uncertainty (Bristor, 1990). In addition, the non-paid publicity is another credible source for consumers. From agency theory perspective, corporate social responsibility is a misuse of corporate resources that would be better spent on valued-added internal projects or returned to shareholders. From marketing perspectives, although the corporate involve in social responsibility was expense, they may gain consumers' awareness and form their impressions about a brand and positive store and brand evaluations, brand choice consequently (Brown and Dacin, 1997; Sen and Bhattacharya, 2001; Klein and Dawar, 2004). Therefore, the study incorporated friend/family recommendation and corporate social responsibility as unplanned communication, and regard unplanned communication as the other important source of brand equity.

COMPETITIVE EFFECT

Consumers receive many retail service brand messages. Some brands send a strong message and invoke vivid awareness in consumers' minds; whereas others have little impact. Laroche (2002) noted that competition among retail service brands is present at all stages in the consumer decision-making process, and Keller (1993) contended that the process is continuous and sequential during the formation of loyalty intentions. However, several authors have pointed out that consumers focus on comparisons of only a few brands to reduce cognitive complexity (Bettman, 1979; Lussier and Olshavsky, 1979; Brisoux and Laroche, 1980).

A competitive situation thus exists among retail service brands in the consumer's consideration set (Huber, Payne and Puto., 1982; Huber and Puto, 1983; Kardes, Herr and Marlino, 1989; Laroche and Sadokierski, 1994; Laroche, 2002; Laroche et al., 2005). Given two different retail service brands in a retail landscape, the consumer is more likely to choose the brand that is communicated well and perceived to have greater retail service brand equity than the competing brand (Laroche et al., 2005; Libai et al., 2009).

Processed among all salient store attributes, consumers generally hold brand image and awareness and brand loyalty toward retail service brands within their consideration set (Macdonald and Sharp, 2003). A *consideration set* is that set of brands that are considered at a prior stage in the choice process, often portrayed as having its origins in the retrieval of information from memory (Biehal and Chakravarti 1986; Nedungadi, 1990; Lehmann and Pan, 1994). A consideration set also is a relatively effortless process aimed at simplifying the more burdensome final task of choosing (Bettman, 1979; Huber and Kline, 1991; Johnson and Payne, 1985). Thus, brands in the consideration set tend to satisfy the minimum needs of the consumer for the intended use (Lehmann and Pan, 1994). Furthermore, those alternatives that obviously is not acceptable or not worth considering are excluded from further consideration in the choice process (Chakravarti and Janiszewski, 2003).

Generally speaking, consumers select a brand through several steps in the choice process: (i) consumers access previous experiences and available information with some retail service brands to form attributes that the retailer communicates about a focal brand; (ii) consumers evaluate these store attributes *vis-à-vis* the focal brand to form an image and awareness toward the brand, while considering other stores' attributes, like competing brands; (iii) in the decision-making process, consumers only pursue the retail service brands in their consideration set; and (iv) consumers access their image and awareness of the focal retail service brand to form purchase loyalty, while considering brand image and brand awareness, *vis-à-vis* competing retail service brands within the consideration set.

HYPOTHESES DEVELOPMENT

Relationship between Communication and Retail Service Brand Knowledge

Several scholars have noted that a retailer's planned communication of the store attribute, retail mix, plays an important role in the construction of retail service brand equity (Becker-Olsen and Hill, 2006; Berry, 2000; de Chernatony, Cottan, Segal-Horn, 2006; Duncan and Moriarty, 1998; Sjödin and Törn, 2006). *Planned communication* can make positive brand evaluations readily accessible in the memory of a consumer (Farquhar, 1989); but Herr and Fazio (1992) noted that favorable brand evaluations only guide perceptions and behavior if those evaluations can be instantly invoked. Planned communication can create overall brand image and awareness of the retail service brand and increase the probability that the brand is included in a given consumer's consideration set (Cobb-Walgren et al. 1995).

The contention that a consumer's perception equity toward a particular brand depends on the retailer's communication strategy of that brand and her/his perceptions of the competing brands finds support in numerous studies (Kapoor and Heslop, 2009; Laroche et al. 2005; Laroche and Toffoli 1999). Woodside and Clokey (1974) were the first to propose that a consumer's beliefs toward competing brands partially impact her/his perception toward a focal brand and in turn determine her/his intention to buy that brand. The study, therefore, argued that evaluations of the focal brand through focal brand planned communication might affect the consumer's brand knowledge and loyalty toward that brand, while resulting of reduce amount of purchase toward competing brands. For example, consumers will shop to a focal brand instead of competing brands because of sales promotion. No brand message exists in a vacuum: it competes with other brands. Thus, that one consumer's general perceptions of other communication messages may have effects on her/his brand image and awareness toward the focal brand. Therefore,

- H₁: Consumers' perceptions of effective and appropriate planned communication regarding a focal retail service brand have a positive impact upon their brand knowledge and brand loyalty of the focal brand; and a negative impact on brand loyalty upon their competing brands.

Unplanned communication means information customers received about retailer service brand that essentially is uncontrolled by the retailer. Friend/family recommendation and non-paid social responsibility are the most common channels that consumers can receive the messages of retail service brand (Berry, 2000; Grace and O'Cass, 2005). Although consumers may have brand knowledge and loyalty from retailer's planned communication, from friends/family of publicity (unplanned communication) was the other important source to receive brand message (Berry, 2000).

In the competitive retail landscape, the consumption advantages that he/she will acquire, such as more convenience, saving more time or money, will influence consumers' conversion behavior among stores. If consumers can not perceive the benefit instantly, they will change their attitude instead of purchase behavior. Therefore, unplanned communication of retail service brand will strengthen their brand knowledge and brand loyalty of focal brand and decrease brand knowledge of competing brand. The related hypothesis is:

- H₂: Consumers' perceptions of effective and appropriate unplanned communication regarding a focal retail service brand have a positive impact upon their brand knowledge and brand loyalty of the focal brand; and a negative impact upon their competing brands.

Relationship between Retail Service Brand Knowledge and Brand Loyalty

Consumer perceptions of retail service brand equity represent a key factor in their loyalty intentions (Keller, 1993). Bowen and Shoemaker (1998) noted that loyal consumers make more frequent purchases than non-loyal consumers, because of specific associations with brand image of retail service brand. Brand knowledge, brand awareness and brand image, plays a crucial role in determining the consideration set to which a consumer pays serious attention when making a purchase (Howard and Sheth, 1969; Narayana and Markin, 1975). High levels of brand knowledge increase the probability of the retail service brand being chosen, generate greater consumer retail service brand loyalty, and reduce vulnerability to competitive marketing actions (Keller, 1993; Hartman and Spiro, 2005).

Laroche and colleagues (2005) have proposed a model of intentions in which different brands compete, in accordance with their overall brand evaluations, to determine a consumer's intention to choose a specific brand (Kapoor and Heslop, 2009; Teng and Laroche, 2007; Janakiraman et al., 2009). According to the model, a consumer's intention to buy a focal retail service brand is determined not only by her/his formed knowledge with respect to the focal retail service brand, but also by her/his perceived equity with respect to other retail service brand brands (Berry, 2000). Therefore, a consumer's choosing behavior of a retail store depends upon their level of brand knowledge. The following hypothesis is generated:

- H₃: Consumers' positive brand knowledge of a focal retail service brand have a positive impact upon their brand loyalty, with respect to the focal retail service brand; and a negative impact upon their brand loyalty, with respect to competing retail service brands.

METHOD

Sample Retrieval

The survey questionnaire was requested executive of stores to invite 1,000 and 300 consumers to fulfill in the convenience store and cosmeceutical store. To avoid demand effects, lengths were taken to make sure that participants did not know the researcher personally. In total, 482 responses of convenience and 130 responses of cosmeceutical store were returned for a 48.2%, 43.3% response rate. The respondents who indicated only the first two popular brands in the consideration set measure were included in the analyses for the two-retail service brand case. Among the responses were refusals and unusable responses, resulting in 173 and 91 usable responses in convenience and cosmeceutical store, respectively, see Table 1.

Table 2 summarizes the sample profile of retail service competitive brands questionnaire. More than half of the customers who responded was female (64.7% in convenience store, 84.4% in cosmeceutical store), most were range from 18 to 25 years of age (52.3%) in cosmeceutical store and 18 to 30 years old in convenience store. Those who had a collage degree were 61%(convenience store) and 79.3%(cosmeceutical store). And the disposal income per month is NT\$10, 000 to 30,000 near to 60% in these two retail formats.

Table 1: Returned questionnaires and response rate (competitive questionnaire)

	Type of questionnaires	Extend number	Response number	Response rate	Valid number	Valid response rate
Convenience store	Competitive questionnaires	1,000	482	48.2%	173	17.3%
Cosmeceutical store	Competitive questionnaires	300	130	43.3%	91	30.3%

Table 2: Demographic profile of consumers

	Competitive retail service brands of convenience store (n=173)		Competitive retail service brands of cosmeceutical store (n=91)	
	Frequency	%	Frequency	%
Gender				
Male	59	35.3	14	15.6
Female	108	64.7	76	84.4
Age				
Under 17	1	0.6	4	4.5
18~25	53	31.5	46	52.3
26~30	62	36.9	26	29.5
31~40	41	24.4	10	11.4
41~50	10	6	2	2.3
Above 51	1	0.6	0	0
Education				
High school	2	1.3	0	0

Senior high school	53	33.3	13	14.9
University	97	61	69	79.3
Graduate school	7	4.4	5	5.7
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Disposable income*				
Under 10,000	53	30.8	22	24.2
10,001~20,000	61	35.5	33	36.3
20,001~30,000	37	21.5	24	26.4
30,001~40,000	13	7.6	5	5.5
40,001~50,000	5	2.9	6	6.6
50,001~60,000	1	0.6	1	1.1
60,001~70,000	0	0	0	0
Above 70,001	2	1.2	0	0

Note: *means income given in New Taiwan dollars [NTD\$]; exchange rate as of April 15, 2009: US\$1=NTD\$33.97.

MEASUREMENT AND OPERATIONALIZATION

Questionnaires incorporating seven-point Likert-type response scales were used to measure responses relating to planned communication (access, employee services, store atmosphere, price, and merchandise atmosphere). The construct of ‘access’ was measured using strongly agree/strongly disagree scales borrowed from Raajpoot, Sharma and Chebat (2007). The employee services measurement tool was adapted from the five items developed by Samli, Kelly and Hunt (1998) and Hu and Jasper (2007). Advertising was measured with both sets of five items adapted by Kelly and Stephenson (1967) with seven point semantic differential scales. Likert scales taken from Sharm and Stafford (2000) and Berry (1968) were used to measure store atmosphere, incorporating four items. Price was operationalized using two items, adapted from Sweeney and Soutar (2001) and one was developed by author; and the construct of merchandise assortment was measured with three items taken from Samli, Kelly and Hunt (1998) and Kunkel and Berry (1968).

Questionnaires incorporating five-point scales were used to measure responses relating to unplanned communication. The construct of social responsibility was measured using five indicators taken from Bansal and Voyer (2000); and the study also used six self-report measures to capture friends/family recommendation, adapted from Bansal and Voyer (2000). Retail service brand knowledge includes two dimensions: brand image and brand awareness. Brand image was measured using seven semantic differential scales taken from Hu and Jasper (2007) and Zimmer and Golden (1988). The brand awareness measure was adapted from the five scales developed by Yoo, Donthu and Lee (2000) and Arnett, Laverie and Meiers (2003), using five-point Likert-type response scales. The construct of advocacy loyalty was measured using three indicators taken from Zeithanl, Berry and Parasuraman (1996); and the study used four self-report behavior measures to capture true behavior loyalty, adapted from Arnett, Laverie and Meiers (2003).

CONSIDERATION SET

In the competitive retail service brands questionnaire, the consideration of retail service brands was measured by the following two questions: (1) if you were to select a convenience store/cosmeceutical store, which one would be?, and (2) suppose, for whatever reason, your choice in the question above was not available, indicate the other convenience stores/cosmeceutical store which you would consider selection.

ASSESSING THE MEASUREMENT MODEL

The study chose partial least squares (PLS) structural equation analysis to test the hypotheses. PLS is a structural equation modeling technique that simultaneously assesses the reliability and validity of the measures of theoretical constructs and estimates the relationships among these constructs (Wold, 1980).

The adequacy of the measurement model is determined by examining internal consistency and convergent and discriminant validities (Hulland, 1999). Internal consistency is assessed by examining the loadings of the measures with their respective constructs. A generally accepted rule of thumb is to accept items with loadings of 0.5 or above, which suggests that the exists more shared variance between the construct and its measures than error variance (Barclay, Thompson and Higgin, 1995). In Table 3, the loading value in both retail service brand A and retail service brand B was shown have good results (all above 0.5). An internal consistency of component reliability is developed by Fornell and Larcker (1981). It is similar to Cronbach's alpha (Barclay et al., 1995), and can be similarly interpreted. As the composite reliability coefficients in Table 3 range from 0.73 to 0.87, in all cases, are appreciably higher than the recommended value of 0.7 (Bagozzi and Yi, 1998) and the value of AVE for each construct is larger than 0.5. Therefore, all measures of reliability exceed, and thus are deemed to be reliable.

In Table 4, the square root of each construct's average variance extracted (AVE) is larger than its correlations with other constructs demonstrated the discriminant validity. Thus, the constructs in sample of retail service brand A or retail service brand B were both well defined (Bagozzi and Yi, 1988; Gerbing and Anderson, 1988).

Table 3: Measurement items and CFA results

Items	Retail service brand A			Retail service brand B		
	Standard Loading	Composite Reliability	Average Variance Extracted	Standard Loading	Composite Reliability	Average Variance Extracted
Planned communication						
CON	0.57			0.47		
ES	0.68			0.64		
AD	0.88	0.88	0.55	0.88	0.84	0.48
SA	0.57			0.66		
P	0.79			0.75		
MA	0.88			0.66		
Unplanned Communication						
SR	0.92			0.72		
FR	0.66	0.78	0.65	0.80	0.73	0.58
Brand knowledge						
BI	0.88			0.89		
BA	0.80	0.83	0.71	0.80	0.84	0.72
Brand loyalty						
AL	0.90			0.90		
RL	0.88	0.88	0.79	0.86	0.87	0.78

Table 4: Descriptive statistics, correlation matrix and average variance extracted

	Mean	Standard deviation	1	2	3	4
Retail service brand A						
1. Planned communication	4.08	0.28	.74			
2. Unplanned Communication	3.59	0.29	.44**	.81		
3. Brand knowledge	4.66	0.36	.72**	.40**	.84	
4. Brand loyalty	3.60	0.30	.58**	.44**	.61**	.89
Retail service brand B						
1. Planned communication	4.28	0.34	.70			
2. Unplanned Communication	3.87	0.34	.58**	.76		
3. Brand knowledge	5.09	0.37	.69**	.50**	.85	
4. Brand loyalty	3.89	0.37	.69**	.61**	.67**	.88

ANALYSIS AND RESULTS

Hypotheses and Model Testing

The explanatory power of the structural model is evaluated by looking at the R^2 value in the final dependent construct. Because the study measure retail service brand equity in two retail formats. The study first represents results for retail service competitive brands in convenience store. Next, the study represents results for retail service competitive brands in cosmeceutical store. To examine the specific hypotheses, the study assessed the t-statistics for the standardized path coefficients and calculated p-value based on a two-tail test.

Table 5, Figure 1 and Figure 2 outlines the results of the retail service competitive brands in convenience store model. If consumers select a retail service brand in convenience store as a priority, the brand is focal brand (FB) in consumer' mind, the second choice of retail service brand is competing brand (CB). No matter in convenience store or cosmeceutical store, the estimates of the structural parameters show that the planned communication of the focal brand positively impacts her or his brand knowledge and brand loyalty toward that brand. Although one would expect the planned communication of the focal brand to negatively influence her or his brand loyalty toward the competing brand, the competitive relationship were significant in convenience store but not in cosmeceutical store. Hence, the results of H_1 were supported in convenience store, but partial supported in cosmeceutical store.

Figure 1: Retail service brand competing model in convenience stores

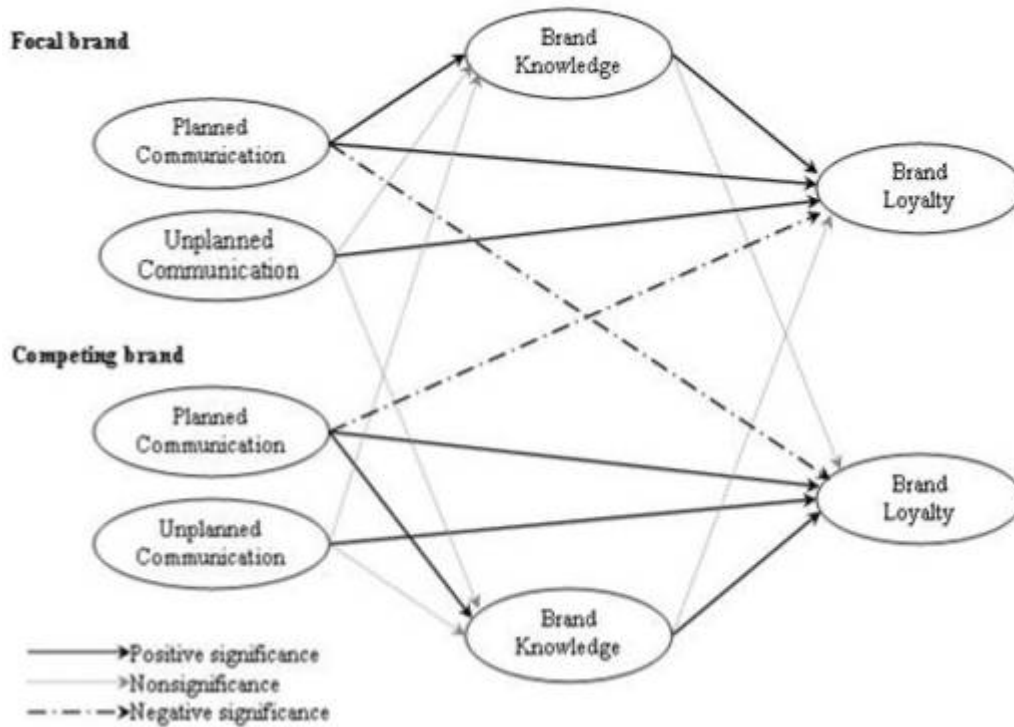
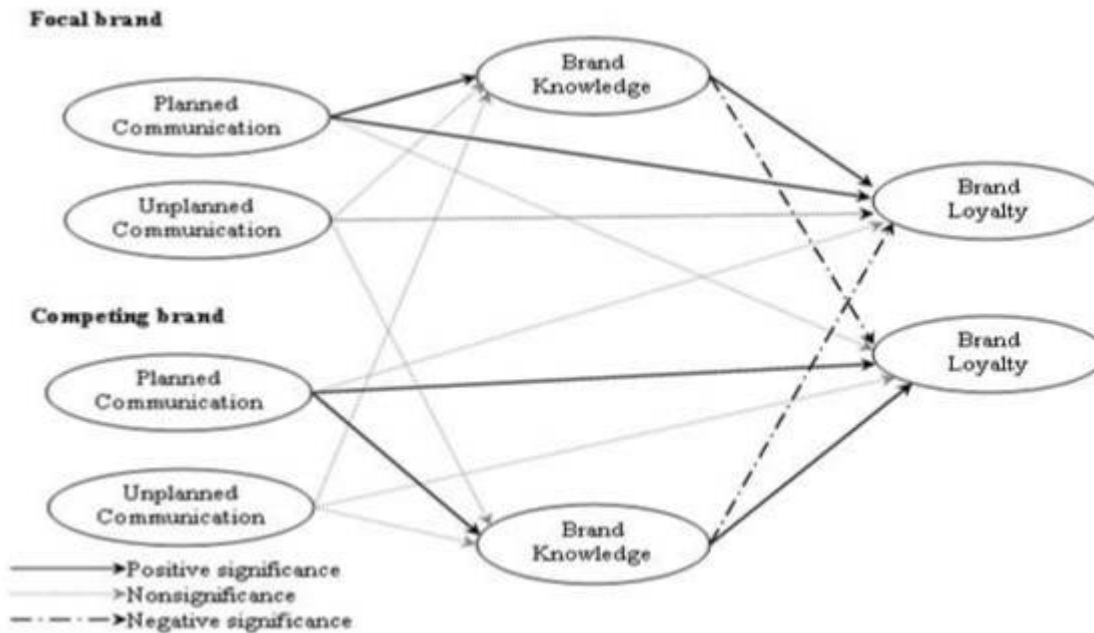


Figure 2: Retail service brand competing model in cosmeceutical stores



In convenience store, brand loyalty in the focal brand increased while she or he received unplanned communication of the same brand increases. On the contrary, the brand knowledge did not decrease while she or he received unplanned communication of the focal brand increases. Therefore, H₂ was partially supported in convenience store. In cosmeceutical store, there is no significant effect between unplanned communication of focal brand and brand knowledge both focal brand and competing brand, brand loyalty of focal brand. Thus, H₂ was not supported in cosmeceutical store.

No matter in convenience store or cosmeceutical store, as expected individual's brand loyalty vis-à-vis the focal brand is positively influenced by her or his brand knowledge toward in that brand. However, a consumer's brand knowledge in one brand negatively influences her or his brand loyalty toward the competing brand is happened in cosmeceutical store. The results partially support H₃ in convenience store and support H₃ in cosmeceutical store.

Table 5: The results of retail service brand competing model

		Constructs		Expected direction	Path coefficient	t-value	Results
		From	To				
Convenience store	H ₁	Planned communication (FB)	→ Brand knowledge (FB)	+	0.76	14.07***	Supported
			→ Brand loyalty (FB)	+	0.61	6.21***	
		Planned communication (CB)	→ Brand loyalty (CB)	-	-0.13	-1.84*	
			→ Brand knowledge (CB)	+	0.72	14.30***	
		Unplanned communication (FB)	→ Brand loyalty (CB)	+	0.44	4.37***	
			→ Brand loyalty (FB)	-	-0.11	-1.86*	
	H ₂	Unplanned communication (FB)	→ Brand knowledge (FB)	+	0.06	1.53	Partial
			→ Brand loyalty (FB)	+	0.09	1.67*	
		Unplanned communication (FB)	→ Brand knowledge (CB)	-	-0.07	-1.56	
			→ Brand loyalty (CB)	+	0.06	1.08	
		Unplanned communication (FB)	→ Brand loyalty (FB)	+	0.24	2.90**	
			→ Brand knowledge (CB)	-	-0.07	-1.56	
H ₃	Brand knowledge (FB)	→ Brand loyalty (FB)	+	0.18	1.98**	Partial	
		→ Brand loyalty (CB)	-	-0.03	0.77		
	Brand knowledge (CB)	→ Brand loyalty (CB)	+	0.22	2.54**		
		→ Brand loyalty (FB)	-	0.05	0.93		
Cosmeceutical store	H ₁	Planned communication (FB)	→ Brand knowledge (FB)	+	0.73	12.53***	Partial
			→ Brand loyalty (FB)	+	0.50	3.39***	
		Planned communication (CB)	→ Brand loyalty (CB)	-	0.04	0.36	
			→ Brand knowledge (CB)	+	0.85	15.31***	
		Unplanned communication (FB)	→ Brand loyalty (CB)	+	0.37	1.78*	
			→ Brand loyalty (FB)	-	0.04	0.37	
	H ₂	Unplanned communication (FB)	→ Brand knowledge (FB)	+	0.08	1.23	Not supported
			→ Brand loyalty (FB)	+	0.09	1.37	
		Unplanned communication (FB)	→ Brand knowledge (CB)	-	-0.07	-1.32	
			→ Brand loyalty (CB)	+	0.06	1.04	
		Unplanned communication (FB)	→ Brand loyalty (FB)	+	0.13	1.12	
			→ Brand knowledge (CB)	-	0.04	0.69	
H ₃	Brand knowledge (FB)	→ Brand loyalty (FB)	+	0.73	12.53***	Supported	
		→ Brand loyalty (CB)	-	-0.22	-1.77*		
	Brand knowledge (CB)	→ Brand loyalty (CB)	+	0.26	1.73*		
		→ Brand loyalty (FB)	-	-0.22	-1.65*		

Note: ***p<0.01, **p<0.05, *p<0.1; value in parentheses are t-value.

DISCUSSION AND IMPLICATIONS

Brand has always been regarded as an important asset of an enterprise, and retailers do everything they can to convey the meaning of their stores to consumers. In spite of this effort, in the free market environment, free competition between businesses has made such 'noises' a challenge for marketers who are trying to communicate with consumers. As a consequence, this study, different from former investigation of only a static environment in related studies of retail service brands, has included in its model the factor of dynamic competitive environment. The results show that competition between retail service brands does exist and the effects of loyalty behavior vary in different contexts. This finding enriches the results of related studies in the past and helps verify the theory of dynamic competition on the market. Simultaneously, the consumer choice between retail service brands and an accumulation of brand knowledge also becomes clearer.

Competition affects between brands only when they appear in the consumer consideration set. With the convenience store chain, the questionnaires filled by inquiring consumers on the focal and competing retail service brands under their consideration set revealed the top or second choice. Planned communication from a convenience store would have positive influence on consumer brand knowledge and in turn have a positive effect on consumer brand loyalty. Other than that, planned communication can influence consumer brand loyalty both positively and directly.

Interestingly enough, planned communication brought a negative influence on brand loyalty to a competing brand. In other words, whether the retail service brand was the first or second choice of a convenience store, the planned communication of a retail service brand would determine consumer switching behavior between brands. This finding may be attributed to the fact that the objective of a retail service brand is to meet the immediate needs of consumers. As long as the commodities a store provides are acceptable to consumers, consumer shopping behavior is directly affected. Nevertheless, when a certain product is available only at a certain convenience store or when there is a differentiated promotion in progress, consumers will be attracted to that convenience store to make purchases and the likelihood of their shopping with a competitor store is also then reduced. Therefore, for convenience store chains, convenience, unique merchandise items of merchandise and attractive promotions are factors that can affect consumers' choice of retail service brands.

The questionnaire filled in by inquiring consumers about the top and second choices of cosmeceutical brands in their minds (focal or competing brand choice), planned communication would have a positive affect on consumers' brand knowledge and in turn their brand loyalty. Likewise, planned communication could also have direct, positive influence on consumers' brand loyalty.

Different from the convenience store chain, however, the cosmeceutical brand was unable to reduce consumer shopping for a competing brand through planned communication. Only when strong brand recognition was established in the minds of consumers and they identified with the brand value of the retail service store, would they reduce their shopping of a competing brand. Therefore, for cosmeceutical brands, brand knowledge build-up is even more important. This aspect may be because their products deal with the health and safety of consumers; consumers, therefore, are more likely to develop strong reliance on such products. Once they have a good impression of a certain brand and are able to distinguish it from its competitors, their loyalty to the brand they trust and their rejection/refusal of other brands will naturally develop and be sustained.

In interpreting the results of this study, one must consider also its limitations: First, consumer-brand relationships evolve over time. Collecting cross-sectional data that only represent a snapshot of reality has limited usefulness for explaining or changing the process. In particular, in those markets where service context is rapidly changing, consumer-organization exchange relationships will become more dynamic and might be better captured using longitudinal data. It would be desirable for researchers to implement specific longitudinal research designs in future research on consumer-brand relationships to acquire such data. Furthermore, the scope of the study examined the framework of retail service brand equity building convenience chain and cosmeceutical chain in Taiwan. Future investigations can be examined in other countries to explore the culture

effect and others retail formats, such as fast-food retail format and haircut retail format to generalize the findings.

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