The Influence of Store Environment on Service Brand Personality and Repurchase Intention

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(Abbreviation)

The study examines how the environmental factors of a store influence service brand personality and repurchase intention in the service environment. The service industry has been experiencing intensified competition with the industry’s continuous growth and the influence from rapid technological advancement. Under the circumstances, it has become ever more important for the brand competitiveness to be distinctively recognized against competition. A brand needs to be distinguished and differentiated from competing companies because they are all engaged in the similar environment of the service industry. The differentiation of brand achievement has become increasingly important to highlight certain brand functions to include emotional, self-expressive, and symbolic functions since the importance of such functions has been further emphasized in promoting consumption activities.

That is the recent role of brand personality that has been emphasized in the service industry. In other words, customers now freely and actively express their personalities or egos in consumption activities, taking an important role in construction of a brand asset. Hence, the study suggests that it is necessary to disperse the recognition and acknowledgement that the maintenance of the existing customers contributes more to boost repurchase intention when it is compared to the efforts to create new customers, particularly in the service industry.

Meanwhile, the store itself can offer a unique environment that may influence the consumer’s purchase decision. Consumers interact with store environments in the process of virtually, all household purchase they make (Sarel 1981). Thus, store environments may encourage customers to purchase. The roles that store environments play are to

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provide informational cues to customers about the store and goods and communicate messages to stimulate consumers' emotions. The store environments differentiate the store from competing stores and build a unique service brand personality.

However, the existing studies related to brand in the service industry mostly concentrated on the relationship between the quality of service and customer satisfaction, and they are mostly generalized while the connective studies focused on brand personality. Such approaches show limitations and are insufficient to investigate on the relationship between store environment and brand personality in the service industry.

Accordingly, the study intends to identify the level of contribution to the establishment of brand personality made by the store's physical environments that influence on the specific brand characteristics depending on the type of service. The study also intends to identify what kind of relationships with brand personality exists with brand personality while being influenced by store environments. In addition, the study intends to make meaningful suggestions to better direct marketing efforts by identifying whether a brand personality makes a positive influence to induce an intention for repurchase.

For this study, the service industry is classified into four categories based on to the characteristics of service: experimental-emotional service, emotional-credible service, credible-functional service, and functional-experimental service. The type of business with the most frequent customer contact is determined for each service type and the enterprise with the highest brand value in each service sector based on the report made by the Korea Management Association. They are designated as the representative of each category. The selected representatives are a fast-food store (experimental-emotional service), a cinema house (emotional-credible service), a bank (credible-functional service), and discount store (functional-experimental service).

The survey was conducted for the four selected brands to represent each service category among consumers who are experienced users of the designated stores in Seoul Metropolitan City and Gyeonggi province via written questionnaires in order to verify the suggested assumptions in the study. In particular, the survey adopted 15 scales, which represent each characteristic factor, among the 42 unique characteristics developed by Jennifer Aaker (1997) to assess the brand personality of each service brand. SPSS for Windows Release 12.0 and LISREL were used in the analysis of data verification.

The methodology of the structural equation model was used for the study and the pivotal findings are as follows.
1) The environmental factors were classified as design factors, ambient factors, and