

## DOES CUSTOMER EQUITY STIMULATE THE LOYALTY OF SMARTPHONE USERS?

**Andesna Nanda, Armanu Thayib, Risna Wijayanti, Rofiaty**

<sup>1</sup>Ph.D Candidates, Economic and Business Faculty, Brawijaya University

<sup>2,3,4</sup>Economic and Business Faculty, Brawijaya University

### **Abstract:**

The phenomenon of intense competition becomes a strong basis for seeing disloyalty or not achieving full loyalty to the industry. This study aims to test the Customer Experience and Customer Technological Delight of Loyalty with Customer Equity as a mediator. This research is a study with a quantitative approach, which uses the SmartPLS-3 statistical test tool. The number of samples used in this study was 300 samples. The results showed that Customer Equity successfully mediated the relationship between Customer Experience, Customer Technological Delight on Loyalty. On the other hand, Customer Experience cannot directly influence Loyalty. In the concept of customer equity, companies must utilize the resources of consumers to create shared value. This concept is also known as the theory of Service-Dominant Logic (SD Logic). The SD logic is relationship equity as the tendency or intention of consumers to go beyond the objective or subjective assessment of a brand and maintain a good relationship with a brand. Thus, it takes cost and effort to maintain the equity of a good relationship to contribute to consumer loyalty.

### **INTRODUCTION**

Economic and technological developments in the past three decades have made rapid changes in the global market and the level of business competition. Nowadays, with the development of technology, consumers find information about products and services very easy to find. This condition makes consumers more selective in choosing goods and services. The selection of the highest class smartphone as the object of research is based on the phenomenon of competition that has occurred in the last 10 years to fight for the market share of the highest class smartphone has been so tight, and almost none of the highest class smartphone manufacturers can consistently maintain its position. In recent years, Apple's popular brand has dominated the highest-class smartphone market share and cannot avoid the effects of this increasingly fierce competition (Gartner.com). 2020 has been a difficult year for Apple and its flagship product, the iPhone, where its competitors have always beaten iPhone sales. The phenomenon of intense competition in the highest class smartphone class that occurs is a strong basis for seeing disloyalty or not achieving full loyalty to the highest class smartphone class. The behavioral perspective explains that loyalty is a way of behaving; repeated purchases indicate that. The attitudinal perspective explains that loyalty is a personal attitude and emotion towards a product or service. The attitudinal approach also states that although consumers do not make repeat purchases, they will still recommend and inform other consumers about the products and services they have used (Baloglu, 2002).

In addition to the behavioral and attitudinal approaches, a composite loyalty approach simultaneously combines the behavioral and attitudinal loyalty approaches (Jacoby and Chestnut, 1978). Day (1976) suggests that to be truly loyal, a consumer must buy a brand while having positive attitudes and emotions towards the brand. This composite approach has been used several times in the context of leisure (Backman and Crompton, 1991; Pritchard and Howard, 1997). Oliver (1999) further explains the definition of loyalty as a consumer's commitment to stay consciously to re-subscribe or repurchase a product or service consistently in the future, even though situational influences and marketing efforts have the potential to cause behavior change. This study uses a composite loyalty concept approach as a combination of behavioral concepts in the form of purchase intentions and attitudinal to clarify the construction of loyalty to the fullest (Chaudhuri and Holbrook, 2001). Several previous studies have researched loyalty antecedents, including satisfaction, perceived value, and service quality in retail areas such as supermarkets which resulted in confirmation of several loyalty antecedents such as perceptions of price comparisons, perceptions of price discounts, perceptions of product quality, perceptions of on service quality and customer satisfaction (Noyan and Simsek, 2014). However, previous studies on the factors that affect loyalty still do not show conclusiveness on the variables that affect loyalty. The problem of loyalty is closely related to the existence of intense competition and requires a competitive advantage to bring up superior performance (Barney, 1991; Porter, 1985).

Schmitt (1999) further developed the results of theoretical and empirical studies that support the influence of customer experience on loyalty by showing several types of customer experience, namely (1) Sensory experiences by attracting the five senses of consumers to create sensory experiences, through sound, sight and touch, (2) Affective experiences attract consumers' emotions and feelings intending to create positive affective experiences for consumers to cause emotions of joy and happiness, (3) Cognitive experiences attract consumers' intellectuals intending to create cognitive experiences and problem-solving experiences that will make consumers creatively connected, (4) Physical & behavioral experiences enrich the consumer experience with the target consumer's physical experience, and (5) Social Identity experiences. Thus, it can be concluded that consumers also need products, communication and marketing programs that can provide their own experiences, which will ultimately be able to make consumers rationally and emotionally loyal to these products.

Research conducted by Tsaour et al. (2007) in the zoo context supports the influence of customer experience on loyalty that customer experience affects the emotional aspect which then this emotional aspect then affects behavioral loyalty as explained by Baloglu (2002). Lemon and Verhoef's (2016) empirical research shows the same result that customer experience has a positive effect on loyalty. It is due to the development of consumer multi-touch points that have become potential points for integrating various business functions, including information technology, service operations, logistics, marketing, human resources, and even external partners, to create and provide a positive customer experience. With the increasing number of consumer multi-touch points, the opportunity to create a strong positive experience in the customer journey will result in long-term loyalty. Srivastava and Kaul's research (2016) explains that in the retail context, customer experience has a positive effect on attitudinal loyalty and behavioral loyalty, according to the concept proposed by Baloglu (2002).

Recent empirical research conducted by Tyrväinen et al. (2020) strengthen the results of Schmitt's (1999) research that customer experience has a positive effect on loyalty in the on the retail industry, by providing consumers with a good experience emotionally and cognitively, which will serve as the basis for loyalty in the form of repeat purchases and word of mouth. The results of the study of Schlesinger et al. (2020) in the context of tourism explain that customer experience in the form of quality of service experience provides empirical support for a direct influence on loyalty.

The concept of customer equity itself consists of value equity, brand equity and relationship equity (Rust et al. 2004). Value equity represents an objective assessment of a brand, namely price, quality and convenience, brand equity represents a subjective assessment of a brand, namely in terms of brand awareness and behavior towards the brand and relationship equity expresses the tendency of consumers to stay in touch with a brand beyond the objective assessment and subjective brand. In the context of the casino industry, the results of Wong's research (2013) define that service experience equity is part of the emotional and functional aspects of consumers in interacting with service providers. Wong's (2013) research explains the relationship between customer experience and customer equity, namely, there are 4 drivers of service experience, namely service environment, employee service, service convenience and hedonic service. This study concludes that brand equity (one of customer equity drivers) can mediate service experience, relationship equity, and loyalty. The results of Wong's (2013) research are supported by the experiential marketing concept proposed by Schmitt (1999), which states that consumers can act based on emotions and at the same time be rational. The results of Wong's (2013) research also strengthen the concept put forward by Holbrook and Hirschman (1982), which states that a holistic experience will provide rational and emotional aspects to consumers at the same time. Lee and Park's research (2019) results in the context of upscale hotels support that customer equity acts as a mediator between customer experience and loyalty. Based on the results of these studies, there is a relationship between customer experience and customer equity, so that customer equity is predicted as a mediator variable that will affect the relationship between customer experience and loyalty.

Research Results Kim et al. (2015) in the hospitality industry also supports a positive relationship between customer delight and loyalty. Research results from Ali et al. (2016) also support the relationship between customer delight and loyalty in the context of Malaysian theme parks with the explanation that park managers need to pay attention to maintaining a good physical environment, managing human resources well to ensure their consumers receive a pleasant experience. However, different results are shown by the results of research conducted by Loureiro (2010) in the context of rural tourism, which shows that the customer delight model introduced by Oliver et al. (1997) did not show positive results on loyalty. The results of Bowden's research (2011) for the restaurant industry show that customer delight does not have a positive effect on loyalty and this study also shows that customer satisfaction has more influence on loyalty than customer delight. Based on the relationship between the results of previous empirical research between customer experience and customer delight above, to achieve loyalty, the variables of customer experience and customer delight show mixed results. Therefore, given the inconsistency of the results of the empirical relationship as a research gap, this study will provide a mediator variable, namely customer equity, to test the research model framework that will be used to answer the problem formulation.

In addition to providing the mediator variable customer equity, this study also develops the basic concept of customer delight into customer technological delight by considering that customer delight is when products and services can exceed consumer expectations (Oliver et al. 1997) and the concept of Hoolbrook & Hirschman (1982), which suggests that the concept of hedonic consumption is consumer behavior related to multisensory, fantasy and emotional aspects of the product experience. Hoobrok and Hirschman (1982) define the term multisensory as the reception of experiences in various sensory modalities, including tastes, sounds, smells, tactile impressions and visual images. Individuals respond to multisensory impressions of external stimuli by encoding these sensory inputs and react by generating multisensory images within themselves.

Another rationale for developing the concept of customer delight into customer technological delight is to consider that the object of this research is the highest class smartphone with the highest level of technology, which will be the basis for the experience and reasons for hedonic consumption as described by Hoobrok and Hirschman (1982). Furthermore, the development of the concept of customer delight into customer technological delight is also based on the fact that currently, there has been an increase in the use of technology, and technology has also become the main catalyst for companies to innovate in terms of service offerings (Vargo and Lusch, 2008). Thus, technology can increase the competitive advantage to provide superior service to consumers (Vargo and Lusch, 2004).

The concept of customer equity itself consists of value equity, brand equity and relationship equity (Rust et al. 2004). Value equity represents an objective assessment of a brand, namely price, quality and convenience, brand equity represents a subjective assessment of a brand, namely in terms of brand awareness and behavior towards the brand and relationship equity expresses the tendency of consumers to stay in touch with a brand beyond the objective assessment and subjective brand. The novelty of this research is on a construct model that analyzes the relationship between customer experience and the variable customer technological delight on the loyalty of the highest class smartphone users and indicators developed and adapted to the research context, which were developed from indicators of previous empirical research. Based on the background of the problems that have been stated, the research aims to be able to find out customer experience, technology satisfaction has an effect on loyalty and in moderating customer equity.

## **LITERATURE REVIEW**

Using the conceptual theory of S-D Logic, this study analyzes several factors that are the propositions of the S-D logic concept, namely experience and perception. This experience preposition will then be analyzed to become one of the loyalty stimuli, namely customer experience in using the product. To strengthen the rationality of customer experience apart from S-D Logic theory, the selection of customer experience variables is because customer experience is not just a physical identity giver but also an intangible value that can affect consumers towards a product (Hwang and Seo, 2016). Furthermore, Schmitt (1999) also compares traditional marketing with a new marketing approach called Experiential Marketing, which is different from the traditional marketing concept, which views consumers as rational and makes decisions based on functional features and benefits. Thus, consumers need products, communications and marketing programs that can touch emotions and provide stimulation to

the minds of consumers. Furthermore, consumers also need products that are accompanied by communication and marketing programs that are attractive and able to blend with the consumer's lifestyle.

Research by Tsaour et al. (2007) in the zoo context provides support that customer experience affects the emotional aspect, which then this emotional aspect then affects behavioral loyalty as explained by Baloglu (2002). Furthermore, lemon and Verhoef's (2016) empirical research shows the same result that customer experience has a positive effect on loyalty due to the development of consumer multi-touch points which are potential points for integrating various business functions. Furthermore, Srivastava and Kaul's research (2016) explains that in the context of retail, customer experience has a positive effect on attitudinal and behavioral loyalty, according to the concept proposed by Baloglu (2002). This study also strengthens previous studies regarding the importance of the influence of attitudinal loyalty and behavioral loyalty. Finally, Tyrväinen et al. (2020) strengthen the results of Schmitt's (1999) research that customer experience has a positive effect on loyalty in the on retail industry by providing consumers with a good emotional and cognitive experience, which will serve as the basis for taking loyalty in the form of repeat purchases and word of mouth.

H1. customer experience has associate with loyalty

To develop and maintain loyalty, companies must achieve more than customer satisfaction, for that companies must delight their customers. Empirical research conducted by Oliver et al. (1997) suggested that the concept of customer delight can be defined as a positive emotional state that occurs when consumers feel that a product can provide results beyond consumer expectations. Research results Oliver et al. (1997) explained that in the context of park visitors, ticket purchases and symphony concerts, delight affects loyalty. The results of Finn's (2005) research also support the relationship between customer delight and loyalty in the context of website visits. Furthermore, the results of research by Chitturi and Rangunathan (2008) in the context of cellular phone products, strengthen the results of previous studies that products that successfully meet the hedonic needs of consumers will increase customer delight and have a positive effect on loyalty. The results of Torres and Kline (2013) in the context of hospitality also support a positive relationship between customer delight and loyalty as the highest level of experience that reflects a level of passion that exceeds consumer satisfaction and has a direct relationship with purchase intentions and repeat visits from consumers which is an antecedent that can predict loyalty. Research Results Kim et al. (2015) in the hospitality industry also supports a positive relationship between customer delight and loyalty. Research results Ali et al. (2016) also support the relationship between customer delight and loyalty in the context of the Malaysian theme park. With the rationality that the object of this research is the highest-class smartphone that has the highest level of technology that will be the basis for the experience and reasons for hedonic consumption as described by Hoobrok and Hirschman (1982), and there has been an increase in the use of technology and technology has also been the main catalyst for companies to do this. Innovation in terms of service offerings (Vargo and Lusch, 2008). Thus, technology can increase the competitive advantage to provide superior service to consumers (Vargo and Lusch, 2004).

H2. customer technological delight has associate with loyalty.

Based on the relationship between the results of previous empirical research between customer experience and loyalty to achieve loyalty, the customer experience variable shows mixed results. With the inconsistency of the results of the empirical relationship as a research gap, this research will provide a mediating variable, namely customer equity, to test the research model framework that will be used to answer the problem formulation. The concept of customer equity itself consists of value equity, brand equity and relationship equity (Rust et al. 2004). Value equity represents an objective assessment of a brand, namely price, quality and convenience, brand equity represents a subjective assessment of a brand, namely in terms of brand awareness and behavior towards the brand and relationship equity expresses the tendency of consumers to stay in touch with a brand beyond the objective assessment and subjective brand.

The results of Wong's (2013) research in the context of the casino industry define that service experience equity is part of the emotional and functional aspects of consumers in interacting with service providers. Wong's (2013) research explains the relationship between customer experience and customer equity is that there are 4 (four) drivers of service experience, namely service environment, employee service, service convenience and hedonic service. Furthermore, this study concludes that brand equity (one of the drivers of customer equity) can mediate service experience, relationship equity and loyalty. The results of Wong's (2013) research are supported by the experiential marketing concept proposed by Schmitt (1999), which states that consumers can act based on emotions and at the same time be rational. The results of Wong's (2013) research also strengthen the concept put forward by Holbrook and Hirschman (1982), which states that a holistic experience will try to provide rational and emotional aspects to consumers at the same time. Overall, the findings show that the model provides an analysis of the relationship between loyalty and customer satisfaction and three components of customer equity: service experience, relationship equity, and brand equity.

H3. customer experience has associate with customer equity.

Many empirical studies on the relationship between customer delight and customer loyalty have been conducted previously (Fullerton and Taylor, 2002; Chiturri & Rangunathan, 2008; Barnes et al. 2010; Torres and Kline, 2010; Loureiro, 2010; Bowden, 2011; Ahrholdt, 2016 ) where these studies have explained that consumers perceive the relationship between them and the company to be fair by measuring the value they feel based on the ratio of inputs and outputs. Consumers will perceive the relationship as unfair when the ratio of inputs/outputs perceived by consumers is not balanced. Empirical research conducted by Berman (2005) which states that this perception will affect consumer satisfaction, intention to the word of mouth and loyalty. Several studies were also conducted in the context of the hospitality industry with the main objective of understanding how customer delight affects customer equity and loyalty. Wood and Moreau (2006) suggested the relationship between customer delight, customer equity and loyalty as expectations, emotions and evaluations. The Wood and Moreau (2006) model describe how emotions affect consumer attitudes and evaluation processes.

H4. customer technological delight has associate with customer equity.

To explain the relationship between customer equity and loyalty, the research results of Bolton and Drew (1991) developed a longitudinal model about the effect of service changes on

consumer attitudes towards service quality. The study results indicate that service changes strongly influence consumers' evaluations of service quality, which are formed from consumer perceptions of service performance received by consumers, which will then determine loyalty in the present and in the future. The results of Blattberg and Deighton (1996) research state that customer equity is the value that results from maintaining long-term relationships with consumers with the basic concept of time where the lifetime of consumers is added to the present time, which means that when customer equity is maintained with good, it means that during that time loyalty will also be built. The study results (Johnson et al. 2006) and are consistent with Taylor et al. 2006), that the loyalty drivers are complex and dynamic, changing and evolving over time. The results of their research explain that the marketing model tries to explain the evolution of loyalty by paying attention to cognitive aspects and affective aspects. H5. customer equity has associate with loyalty.

The results of Wong's research (2013) in the context of the casino industry define that service experience equity is part of the emotional and functional aspects of consumers in interacting with service providers. This study concludes that brand equity (one of the drivers of customer equity) can mediate service experience, relationship equity and loyalty. The results of Lee and Park's (2019) research in the context of upscale hotels support that customer equity acts as a mediator between customer experience and loyalty.

H6. customer experience affects loyalty with customer equity as a mediator.

Berman (2005) states that perception will affect consumer satisfaction, intention to the word of mouth and loyalty. Several studies were also conducted in the context of the hospitality industry with the main objective of understanding how customer delight affects customer equity and loyalty. Wood and Moreau (2006) suggested the relationship between customer delight, customer equity and loyalty as expectations, emotions and evaluations. The Wood and Moreau (2006) model describe how emotions affect consumer attitudes and evaluation processes. The results of Lee and Park's (2019) research in the context of upscale hotels support that customer equity acts as a mediator between customer delight and loyalty.

H7. customer technological delight affects loyalty with customer equity as a mediator.

## **METHODOLOGY**

The approach used in this research is quantitative. This study tries to provide a causal explanation or relationship between variables through hypothesis testing either directly, namely CEX, CTD, CEQ on LTS, or indirectly mediated by the CEQ variable. This research will be conducted on buyers and owners of high-end smartphones in Indonesia. Sampling will be carried out in the Special Capital Region (DKI) Jakarta with a minimum tenure of one year. The population in this study is limited to consumers who have owned a high-end smartphone for a period of 1 year in Indonesia with the highest class smartphone brand and generation, so that the sample that will be used in this study based on the formula above is 300 samples. The statistical test tool for this research is SmartPLS 3.

## RESULT AND DISCUSSION

Based on the results of the collection of descriptive statistical data, it was found that the percentage of male respondents was 46% and female was 54%. Although the number of female respondents is more dominant, the difference is relatively not too significant, so that the distribution can meet the representation of respondents in terms of gender. Based on age, the majority of respondents observed were aged between 30 - 39 years as many as 144 (48%) people, 87 (29%) people aged 20 - 29 years, 54 (18%) people aged 40 - 49 years and 7 (2%) people aged over 50 years and over. This distribution is understandable because, in general, most people who need smartphones are mostly of productive age at the age of 30 – 39 years. Then empirically in the field, most people who can afford to buy a smartphone in a standard class are economically sufficient people.

It was found that 300 respondents who filled out the questionnaire, the most respondents were respondents with the latest education Bachelor (S1) as many as 216 people (72%), respondents with the latest education Master (S2) as many as 32 people (10.7%), respondents with the latest education Diploma (D3 ) as many as 26 people (8.3%), respondents with the last education of high school as many as 20 people (6.7%), respondents with the last education of Doctorate (S3) as many as 3 people (1%), respondents with the last education of junior high school as many as 2 people (0.7%) and 1 respondent with elementary school education (0.3%). From the table above, it can be seen that of the 300 respondents who filled out the questionnaire, the most respondents were respondents with the type of work as Private Employees as many as 199 people (66%), respondents with the type of work as Civil Servants (PNS) as many as 60 people (20%), respondents with the entrepreneurial type of work as many as 28 people (9%), respondents with student work type as many as 9 people (3%) and respondents with other types of work as many as 4 people (1%). A total of 300 respondents who filled out the questionnaire, most of the respondents, were respondents with an Average Monthly Expenditure of Rp. 4,500,000 – Rp. 25,000,000 as many as 217 people (72%), respondents with Average Expenditures Per Month < Rp. 4,500,000 as many as 69 people (23%) and respondents with Average Monthly Expenditure > Rp. 25,000,000 as many as 14 people (5%).

Based on the outer loading value obtained by each measurement instrument on each variable in the research model that was built, it can be concluded that each instrument can describe the variables it represents well. This conclusion can be drawn because no instrument has an outer loading value below 0.7, so that this result indicates that each instrument can describe the latent variables it represents well (Latan and Ghozali, 2012). AVE values for all variables meet the conditional values above 0.5. The lowest AVE value is found in the Loyalty variable with a value of 0.585, while the Customer Experience Customer Technological Delight Customer Equity each has an AVE value of 0.705; 0.781; 0.749. So that this study has met the requirements of testing convergent validity. The cross-loading value tested in this study shows that each instrument or indicator obtains the best cross-loading value when it is paired with the main variable compared to other variables in the model. In addition, the test by calculating the AVE root value, statistical results show that the AVE square root value for each construct is greater than the correlation value so that the construct in this research model can still be said to have good discriminant validity. So based on these findings, it is proven that this study has met the requirements of Discriminant Validity.

**TABLE 1. SQUARE ROOT AVE VALUE**

	<i>AVE</i>	<i>Customer Equity</i>	<i>Customer Experience</i>	<i>Customer Technological Delight</i>	<i>Loyalty</i>
<i>Customer Equity</i>	0,749	0,865			
<i>Customer Experience</i>	0,705	0,784	0,839		
<i>Customer Technological Delight</i>	0,781	0,510	0,602	0,884	
<i>Loyalty</i>	0,585	0,740	0,617	0,638	0,765

Source: Data processed (2021)

After testing the construct validity, the next test is the construct reliability test which is measured by two criteria, namely Composite Reliability (CR) and Cronbach's alpha (CA) from the indicator block that measures the CR construct used to display good reliability. A construct is declared reliable if the composite reliability value and Cronbach's Alpha > 0.7. In this study, the results of the composite reliability test and Cronbach's alpha showed a value of > 0.7, which means the value of each instrument is reliable. The results of the reliability test are contained in the following table:

**TABLE 2. RELIABILITY TEST**

<b>Construct</b>	<i>Cronbach's Alpha</i>	<i>Composite Reliability</i>	<b>Description</b>
CEQ	0,962	0,967	<i>Reliable</i>
CEX	0,965	0,969	<i>Reliable</i>
CTD	0,906	0,935	<i>Reliable</i>
LTS	0,764	0,849	<i>Reliable</i>

Source: Data processed (2021)

The inner test of the research model was conducted to determine the value of the coefficient of determination. The coefficient of determination shows how much influence the exogenous variables have on the endogenous variables in the research model. In this study, there are two endogenous variables: Customer Equity (CEQ) and Loyalty (LTS). Table 3 shows the coefficient of determination of the Customer Equity and Loyalty variables.

**TABLE 3. R-SQUARE TEST**

<b>Variable Endogen</b>	<b>R Square</b>	<b>R Square Adjusted</b>
<b>CEQ</b>	0,617	0,588
<b>LTS</b>	0,643	0,602

Source: Data processed (2021)

The value of the coefficient of determination generated by the Customer Experience and Customer Technological Delight variables on Customer Equity is 0.617. This value indicates that 61.7% of Customer Equity can be explained by Customer Experience and Customer Technological Delight, while other variables explain the remaining 38.3% outside of this study. In summary, the t-statistic value of the relationship between variables in this study is shown in Table 4:

TABLE 4. HYPOTHESIS TESTING

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics ( O/STDEV )	T-Table	Description
CEQ -> LTS	0,626	0,659	0,245	2,552	1,964	Accepted
CEX ->CEQ	0,747	0,745	0,120	6,212	1,964	Accepted
CEX -> LTS	-0,102	-0,124	0,267	0,381	1,964	Not Accepted
CTD ->CEQ	0,061	0,061	0,145	0,419	1,964	Not Accepted
CTD -> LTS	0,380	0,375	0,150	2,529	1,964	Accepted
CEX -> CEQ -> LTS	0,468	0,494	0,217	2,159	1,964	Accepted
CTD -> CEQ -> LTS	0,038	0,040	0,102	0,375	1,964	Not Accepted

Source: Data processed (2021)

Based on the calculation results, the t-statistical value is 0.381, which means  $< 1.964$  and the value of sig. 0.000 below 0.05, then H1 is rejected. It means that Customer Experience does not affect Loyalty, meaning that changes in the value of Customer Experience do not directly affect changes in Loyalty or, in other words, if Customer Experience increases, there will be no increase in Loyalty level and statistically has no effect. The results of testing this hypothesis strengthen the results of hypothesis 6, which shows that the relationship between Customer Experience and Loyalty is mediated by Customer Equity. This result actually proves that Customer Experience cannot contribute to consumer loyalty, but Customer Equity allows consumer experience to increase their Loyalty. The emergence of the consumer experience and the recent focus on the consumer decision journey suggests that companies are expanding their thinking about marketing and considering ways to design and manage the entire process that consumers go through. It is done by developing multi-touch points, which are potential points to integrate various business functions, including information technology, service operations, logistics, marketing, human resources, and even external partners, to create and provide positive customer experiences.

In the concept of Customer Equity, companies must utilize consumer resources to create shared value, or this concept is also known as the theory of Service-Dominant Logic (S-D Logic) (Vargo and Lusch, 2008). Therefore, Relationship Equity as a part of Customer Equity can offer added value for the company's brand. Kim and Ko (2012) add that the values considered by consumers for brand companies are not limited to the economic benefits of each transaction but include the overall value beyond transactions that consumers can contribute during the period of their relationship with the company's brand. Karat et al. (2001) define Relationship Equity as the tendency or intention of consumers to go beyond the objective or subjective assessment of a brand and or maintain a good relationship with a brand. Thus, it takes cost and effort to maintain good relationships with consumers (Rust et al. 2001) to contribute to consumer loyalty. The results of testing the first hypothesis are different from the results of previous studies, especially the results of Schmitt's (1999) research. Schmitt's (1999)

research supports the influence of Customer Experience on Loyalty by showing several types of Customer Experience, namely (1) Sensory experiences, (2) Affective experiences, (3) Cognitive experiences, (4) Physical & behavioral experiences, and (5) Social Identity experiences.

Thus, for these high-end smartphone products, consumers are not affected by communications and marketing programs carried out by the highest-class smartphone manufacturers. However, this communication and marketing program in the context of the highest-class smartphone products tend to be unable to provide a separate experience which in the end is unable to make consumers rationally and emotionally loyal to these products. These results also explain that this emotional attitude's highest smartphone product aspect does not have a significant effect. It also means that consumers who use the highest-class smartphone in Indonesia are still looking at the functions and benefits of a smartphone product of the highest class.

Based on the calculation results, the t-statistical value of 2.529 means  $> 1.964$  and the sig value. Therefore, 0.002 below 0.05, then H2 is accepted, which means that Customer Technological Delight influences Loyalty. Furthermore, it means that changes in the value of Customer Technological Delight have a unidirectional effect on changes in Loyalty or in other words, if Customer Technological Delight increases, there will be an increase in Loyalty level and statistically has an effect. The results of this test follow the basis of the Customer Technological Delight variable, which is an empirical research on Customer Delight conducted by Oliver et al. (1997) and early theories of emotion (Plutchik, 1980; Russell, 1980), that delight is defined as a highly positive emotion resulting from a person's expectations exceeding a surprising level (Oliver et al. 1997).

Oliver et al. (1997) explained that the basic concept of Customer Delight could be defined as a positive emotional state that occurs when consumers feel that a product can provide results that exceed consumer expectations. This concept also supports a positive relationship between Customer Delight and Loyalty, provided that goods and service providers can provide products or services that touch consumers' emotions.

It means that in the context of the highest-class smartphone products, consumers perceive the technological delight they feel for the highest-class smartphone products in this study to be able to deliver results that exceed expectations. Therefore, it follows the fact that the technology embedded for the highest class smartphone is the highest technology compared to the previous generation and the class below it.

The results of this study also strengthen the results of research by Chitturi and Raganathan (2008) in the context of cellular phone products, that products that successfully meet the hedonic needs of consumers will increase Customer Delight and have a positive effect on Loyalty. In addition, the results of this study also strengthen the research results of Torres and Kline (2013) that there is a relationship between Customer Delight and Loyalty as the highest level of experience that reflects the level of passion that exceeds customer satisfaction and has a direct relationship with purchase intentions and repeat visits from consumers which can predict Loyalty.

Based on the calculation results, the t-statistic value is 6.212, which means  $> 1.964$  and the sig value. 0.000 below 0.05 then H3 is accepted, which means that Customer Experience influences Customer Equity, meaning that changes in the value of Customer Experience have

a unidirectional effect on changes in Customer Equity or in other words, if Customer Experience increases, there will be an increase in Customer Equity levels and statistically have influence. The results of testing the third hypothesis follow the concept of Customer Equity which consists of Value Equity, Brand Equity and Relationship Equity (Rust et al. 2004). Value Equity represents an objective assessment of a brand, namely price, quality and convenience, Brand Equity represents a subjective assessment of a brand, namely in terms of brand awareness and behavior towards the brand and Relationship Equity expresses the tendency of consumers to stay in touch with a brand beyond objective assessments. The results of testing this third hypothesis also strengthen the results of Wong's (2013) research in the context of the casino industry, which defines that service experience equity is part of the emotional and functional aspects of consumers in interacting with service providers. This research by Wong (2013) explains that the relationship between Customer Experience and Customer Equity is that there are 4 (four) drivers of service experience, namely service environment, employee service, service convenience and hedonic service. This research concludes that Brand Equity (one of the Customer Equity drivers) can mediate service experience, Relationship Equity and Loyalty.

Based on the calculation results, the t-statistical value is 0.419, which means  $< 1.964$  and the value of sig. 0.000 below 0.05, then H4 is rejected, which means that Customer Technological Delight influences Loyalty, meaning that changes in the value of Customer Technological Delight do not have a direct effect on changes in Customer Equity or in other words, if Customer Technological Delight increases there will be no increase in Customer level of Equity. The results of testing this hypothesis strengthen the results of hypothesis 7, which shows that there is no relationship between Customer Technological Delight and Loyalty mediated by Customer Equity. These results prove that Customer Technological Delight cannot contribute to Customer Equity, and when consumers are satisfied because they get results that exceed their expectations, Loyalty will be formed. It follows the results of testing hypothesis 2, namely, in the context of the highest class smartphone product, when consumers feel delighted in the smartphone technology they use, it will affect their loyalty to the product. The results of this study are also inconsistent with the results of research conducted by Berman (2005), which states that Customer Delight will have a long-term effect on Brand Equity and then will affect consumer satisfaction, intention to the word of mouth and Loyalty. It is because Customer Technological Delight focuses on how the technology in the highest-class smartphone products can provide delight to consumers. Thus, in another sense, Customer Technological Delight cannot affect Customer Equity because the technology cannot build Value Equity, Brand Equity, and Relationship Equity in the long term due to the rapid acceleration of technological change.

Based on the calculation results, the t-statistical value of 2.552 means  $> 1.964$  and the sig value. 0.000 below 0.05 then H5 is accepted, which means that Customer Equity has a positive and significant effect on Loyalty, meaning that changes in Customer Equity value have a unidirectional effect on changes in Loyalty or in other words, if Customer Equity increases, there will be an increase in Loyalty level and statistically have influence. The results of testing this hypothesis are following the concept that the Customer Equity approach in marketing has become one of the current research topics throughout the business industry, leading to significant awareness to customize goods and services (Benedetto & Kim, 2016; Martin, 2015;

Wiesel et al. 2008). Karat et al. (2004) define Customer Equity is the total discounted lifetime value of all current and potential future customers of a company and argue that this approach allows companies to focus on individual consumers.

Based on the calculation results, the t-statistical value is 2.159, which means  $>1.964$  and the value of sig. 0.000 below 0.05, then H6 is accepted, which means that Customer Experience influences Loyalty through Customer Equity, meaning that changes in the value of Customer Equity mediate changes in the influence between Customer Experience on Loyalty or in other words, if Customer Equity increases, there will be an increase in the level of influence between Customer Experience on Loyalty and statistically has an influence.

The results of testing this sixth hypothesis strengthen the results of Wong's (2013) research in the context of the casino industry, which defines that service experience equity is part of the emotional and functional aspects of consumers in interacting with service providers. This research concludes that Brand Equity (one of the Customer Equity drivers) can mediate service experience, Relationship Equity and Loyalty. Lee and Park's research (2019) results in the context of upscale hotels support that Customer Equity acts as a mediator between Customer Experience and Loyalty. The results of testing the sixth hypothesis also provide overall support that the three components of Customer Equity, namely Value Equity, Relationship Equity, and Brand Equity, can explain Loyalty. Based on the results of testing the sixth hypothesis, it can be concluded that there is a relationship between Customer Experience and Customer Equity so that Customer Equity can act as a mediating variable that will strengthen the relationship between Customer Experience and Loyalty.

Based on the calculation results, the t-statistic value is 0.375, which means  $>1.964$  and the sig value. 0.000 below 0.05 then H7 is rejected, which means that Customer Technological Delight does not affect Loyalty through Customer Equity, meaning that changes in Customer Equity value do not have a unidirectional effect on changes in influence between Customer Technological Delight on Loyalty or in other words, if Customer Equity increases, there will be no increase in the level of influence between Customer Technological Delight on Loyalty. The results of testing the seventh hypothesis are different from the results of Wood and Moreau's (2006) research, which suggests the relationship between Customer Delight, Customer Equity and Loyalty as expectations, emotions and evaluations. The Wood and Moreau (2006) model describe how emotions influence consumer attitudes and evaluation processes. Wood and Moreau (2006) argue that Customer Delight affects Customer Equity so that Customer Equity is predicted as a mediating variable that will strengthen Customer Delight's relationship with Loyalty. Thus, the results of testing the seventh hypothesis contradict the results of Wood and Moreau's (2006) research.

The results of testing hypothesis 7 then strengthen the results of hypothesis 2, which shows that there is a direct influence between Customer Technological Delight on Loyalty. The results of testing hypothesis 7 prove that Customer Technological Delight can directly contribute to Loyalty when consumers feel delighted. It is also following the results of testing hypothesis 2, namely, in the context of the highest class smartphone product, when consumers feel delighted in the smartphone technology they use, it will affect their loyalty to the product.

## CONCLUSION

Based on the results of data analysis and discussions related to Customer Experience, Customer Technological Delight, Customer Equity, and Loyalty, it is concluded as follows: 1.) Consumers are not affected by communications and marketing programs carried out by smartphone manufacturers' highest class for these highest smartphone products. 2.) In the context of the highest-class smartphone products, consumers perceive the technological delight they feel for the highest-class smartphone products in this study to be able to deliver results that exceed expectations. 3.) When consumers experience more of these highest-class smartphone products, this will increase their Customer Equity which is built through price, quality and convenience or value equity. 4.) Customer Technological Delight cannot contribute to Customer Equity, and when consumers are satisfied because they get results that exceed their expectations, Loyalty will be formed. 5.) Service changes have a strong influence on consumer evaluations of service quality which are formed from consumer perceptions of service performance received by consumers, which will then determine Loyalty in the present and in the future. 6.) Three components of Customer Equity, namely Value Equity, Relationship Equity, and Brand Equity, can explain Loyalty. 7.) Customer Equity cannot mediate the influence of Customer Technological Delight on Loyalty due to rapid technological changes and cannot build Value Equity, Brand Equity, and Relationship Equity to the fullest. This study shows that Customer Technological Delight affects Loyalty directly so that Customer Equity is not needed as a mediator. For the next research, it is recommended to explore Customer Technological Delight variables in different industries and products.

## REFERENCES

- Anderson, P., & He, X. (2006). Consumer behavior in East/West cultures: Implications for marketing a consumer durable. *Marketing and multicultural diversity*, 179-188.
- Ahrholdt, D. C., Gudergan, S. P., & Ringle, C. M. (2016). What drives customer loyalty? Nonlinear effects of customer delight and satisfaction on loyalty and the moderating role of service experience. In *Looking Forward, Looking Back: Drawing on the Past to Shape the Future of Marketing* (pp. 742-750). Springer, Cham.
- Alba, J., Lynch J., Weitz, B., Janiszewski, C., Lutz, R., Sawyer, A., & Wood, S. (1997). Interactive home shopping: consumer, retailer, and manufacturer incentives to participate in electronic marketplaces. *Journal of Marketing*, 61 (3), 38-53.
- Arnould, E. J., & Price, L. L. (1993). River magic: Extraordinary experience and the extended service encounter. *Journal of consumer Research*, 20(1), 24-45.
- Aries, E., & Seider, M. (2005). The interactive relationship between class identity and the college experience: The case of lower income students. *Qualitative Sociology*, 28(4), 419-443.
- Aylott, Russell, and Vincent-Wayne Mitchell. (1998) "An exploratory study of grocery shopping stressors." *International Journal of Retail & Distribution Management*.
- Baloglu, S. (2002). Dimensions of customer loyalty: Separating friends from well wishers. *Cornell Hotel and Restaurant Administration Quarterly*, 43(1), 47-59.
- Barnes, D. C., Beauchamp, M. B., & Webster, C. (2010). To delight, or not to delight? This is the question service firms must address. *Journal of Marketing Theory and Practice*, 18(3), 275-284.

- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of management*, 17(1), 99-120.
- Baron, R. M., & Kenny, D. A. (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of personality and social psychology*, 51(6), 1173.
- Berry, L. L., Seiders, K., & Grewal, D. (2002). Understanding service convenience. *Journal of marketing*, 66(3), 1-17.
- Bolton, R. N., & Drew, J. H. (1991). A longitudinal analysis of the impact of service changes on customer attitudes. *Journal of marketing*, 55(1), 1-9.
- Bowden, J. L., & Dagger, T. S. (2011). To delight or not to delight? An investigation of loyalty formation in the restaurant industry. *Journal of Hospitality Marketing & Management*, 20(5), 501-524.
- Bügel, M. S., Verhoef, P. C., & Buunk, A. P. (2011). Customer intimacy and commitment to relationships with firms in five different sectors: Preliminary evidence. *Journal of Retailing and Consumer Services*, 18(4), 247-258.
- Chang, K. C., Chen, M. C., & Hsu, C. L. (2012). Identifying Critical Brand Contact Elements of a Tourist Destination: Applications of Kano's Model and the Importance–satisfaction Model. *International Journal of Tourism Research*, 14(3), 205-221.
- Chang, H. H., & Chen, S. W. (2008). The impact of customer interface quality, satisfaction and switching costs on e-loyalty: Internet experience as a moderator. *Computers in Human Behavior*, 24(6), 2927-2944.
- Chen, C. M., & Ann, B. Y. (2016). Efficiencies vs. importance-performance analysis for the leading smartphone brands of Apple, Samsung and HTC. *Total Quality Management & Business Excellence*, 27(3-4), 227-249.
- Chin, W. W. (1997). Overview of the PLS Method. University of Houston.
- Coulter, K. S., Bruhn, M., Schoenmueller, V., & Schäfer, D. B. (2012). Are social media replacing traditional media in terms of brand equity creation?. *Management research review*.
- Cohen, E. (1979). Rethinking the sociology of tourism. *Annals of tourism research*, 6(1), 18-35.
- Creswell, J. W. (2010). Mapping the developing landscape of mixed methods research. *SAGE handbook of mixed methods in social & behavioral research*, 2, 45-68.
- Davis, D. F., & Mentzer, J. T. (2008). Relational resources in interorganizational exchange: the effects of trade equity and brand equity. *Journal of Retailing*, 84(4), 435-448.
- Davis, S. M. (2000). The power of the brand. *Strategy & Leadership*.
- Davis, D. F., Golicic, S. L., & Marquardt, A. (2009). Measuring brand equity for logistics services. *The International Journal of Logistics Management*.
- Emerson, R. M. (1976). Social exchange theory. *Annual review of sociology*, 2(1), 335-362.
- Ferdinand, A. (2006). Structural Equation Modeling (SEM) in management research, Master Program of Management, Diponegoro University.
- Finn, A. (2005). Reassessing the foundations of customer delight. *Journal of Service Research*, 8(2), 103-116.
- Foster, B. D., & Cadogan, J. W. (2000). Relationship selling and customer loyalty: an empirical investigation. *Marketing intelligence & planning*.

- Fullerton, G., & Taylor, S. (2002). Mediating, interactive, and non-linear effects in service quality and satisfaction with services research. *Canadian Journal of Administrative Sciences/Revue Canadienne des Sciences de l'Administration*, 19(2), 124-136.
- Gertner, R. K., Berger, K. A., & Gertner, D. (2007). Country-dot-com: Marketing and branding destinations online. *Journal of Travel & Tourism Marketing*, 21(2-3), 105-116.
- Goldstein, N. J., Cialdini, R. B., & Griskevicius, V. (2008). A room with a viewpoint: Using social norms to motivate environmental conservation in hotels. *Journal of Consumer Research*, 35(3), 472-482.
- Griffin, J. (2002). *Customer loyalty: How to earn it, how to keep it* (p. 18). San Francisco, CA: Jossey-Bass.
- Goodwin, C., & Ross, I. (1992). Consumer responses to service failures: Influence of procedural and interactional fairness perceptions. *Journal of Business Research*, 25(2), 149-163.
- Hansotia, B. (2004). Company activities for managing customer equity. *Journal of Database Marketing & Customer Strategy Management*, 11(4), 319-332.
- Homburg, C., Jozić, D., & Kuehnl, C. (2017). Customer experience management: toward implementing an evolving marketing concept. *Journal of the Academy of Marketing Science*, 45(3), 377-401.
- Howard, J. A., & Sheth, J. N. (1969). The theory of buyer behavior (No. 658.834 H6).
- Houston, F. S., & Gassenheimer, J. B. (1987). Marketing and exchange. *Journal of Marketing*, 51(4), 3-18.
- Huppertz, J. W., Arenson, S. J., & Evans, R. H. (1978). An application of equity theory to buyer-seller exchange situations. *Journal of Marketing Research*, 15(2), 250-260.
- Hwang, J., & Seo, S. (2016). A critical review of research on customer experience management. *International Journal of Contemporary Hospitality Management*.
- Iglesias, O., Singh, J. J., & Batista-Foguet, J. M. (2011). The role of brand experience and affective commitment in determining brand loyalty. *Journal of Brand Management*, 18(8), 570-582.
- Jacoby, J., & Chestnut, R. W. (1978). *Brand loyalty: Measurement and management*.
- Jayawarsa, A.A.K., Purnami, A.A.S., Dewi, K.N.M., (2021). Effect Of Service Quality and Company Image on Customer Loyalty. *International Journal of Environmental, Sustainability, and Social Science*, 2(1), 51-54. <https://doi.org/10.38142/ijess.v1i3.60>
- Johnson, M. D., Herrmann, A., & Huber, F. (2006). The evolution of loyalty intentions. *Journal of Marketing*, 70(2), 122-132.
- Jomnonkwao, S., Ratanavaraha, V., Khampirat, B., Meeyai, S., & Watthanaklang, D. (2015). Factors influencing customer loyalty to educational tour buses and measurement invariance across urban and rural zones. *Transportmetrica A: Transport Science*, 11(8), 659-685.
- Kahreh, M. S., Tive, M., Babania, A., & Hesani, M. (2014). Analyzing the applications of customer lifetime value (CLV) based on benefit segmentation for the banking sector. *Procedia-Social and Behavioral Sciences*, 109(8), 590-594.

- Karat, J., Karat, C. M., & Vergo, J. (2004). Experiences people value: The new frontier of task analysis. *The handbook of task analysis for human-computer interaction*, 585-603.
- Karmarkar, U. (2004). Will you survive the services revolution.? *Harvard Business Review*, 100-107.
- Keiningham, Timothy L., Melinda K. M. Goddard, Terry G. Vavra, and Andrew J. Iaci (1999), "Customer Delight and the Bottom Line," *Marketing Management*, 8 (Fall), 57-63
- Kim, M., Vogt, C. A., & Knutson, B. J. (2015). Relationships among customer satisfaction, delight, and loyalty in the hospitality industry. *Journal of Hospitality & Tourism Research*, 39(2), 170-197.
- Klein, B., & Leffler, K. B. (1981). The role of market forces in assuring contractual performance. *Journal of political Economy*, 89(4), 615-641.
- Keller, K. L., & Kotler, P. (2015). Holistic marketing. Does Marketing Need Reform? *Fresh Perspectives on the Future: Fresh Perspectives on the Future*, 300.
- Kotler, P. (1999). *Marketing management: The millennium edition (Vol. 199)*. Upper Saddle River, NJ: Prentice Hall.
- Kotler, P. (1967). *Marketing Management: Analysis, Planning, and Control, I e XI ed.*, Upper Saddle River, New J.
- Latan, H., & Ghozali, I. (2012). *Partial Least Square: Konsep, Teknik, dan Aplikasi SmartPLS 2.0 M3*. Semarang: Badan Penerbit Universitas Diponegoro.
- Lemon, K. N., & Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of marketing*, 80(6), 69-96.
- Lee, B. Y., & Park, S. Y. (2019). The role of customer delight and customer equity for loyalty in upscale hotels. *Journal of Hospitality and Tourism Management*, 39, 175-184.
- Liu, M. W., & Keh, H. T. (2015). Consumer delight and outrage: scale development and validation. *Journal of Service Theory and Practice*.
- Liu, C. R., Ge, L. F., Lin, W. R., Kuo, M. L., & Tsui, C. H. (2014). Customer equity models for mainland China and Taiwan's economy hotels. *Asia Pacific Journal of Tourism Research*, 19(12), 1463-1480.
- Martin, J., Mortimer, G., & Andrews, L. (2015). Re-examining online customer experience to include purchase frequency and perceived risk. *Journal of retailing and consumer services*, 25, 81-95.
- McCarthy, J., & Wright, P. (2004). Technology as experience. *interactions*, 11(5), 42-43.
- Meyer, C., & Schwager, A. (2007). Understanding customer experience. *Harvard business review*, 85(2), 116.
- Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of marketing*, 58(3), 20-38.
- Mittal, V., Ross Jr, W. T., & Baldasare, P. M. (1998). The asymmetric impact of negative and positive attribute-level performance on overall satisfaction and repurchase intentions. *Journal of marketing*, 62(1), 33-47.
- McCarthy, J., & Wright, P. (2004). *Technology as experience* Cambridge. MA: The MIT Press.
- Nguyen, T. T., Nguyen, T. D., & Barrett, N. J. (2007). Hedonic shopping motivations, supermarket attributes, and shopper loyalty in transitional markets. *Asia Pacific Journal of Marketing and Logistics*.

- Pallas, F., Mittal, V., & Groening, C. (2014). Allocation of resources to customer satisfaction and delight based on utilitarian and hedonic benefits. *Journal of Research in Marketing*, 2(1), 106-112.
- Rambocas, M., Kirpalani, V. M., & Simms, E. (2018). Brand equity and customer behavioral intentions: a mediated moderated model. *International Journal of Bank Marketing*.
- Ramírez, A. A. R., & Romero, M. J. M. (2018). Required and obtained equity returns in privately held businesses: the impact of family nature—evidence before and after the global economic crisis. *Review of Managerial Science*, 12(3), 771-801.
- Reichheld, F. F., & Sasser, W. E. (1990). Zero defections: Quoliiy comes to services. *Harvard business review*, 68(5), 105-111.
- Reinartz, W. J., & Kumar, V. (2000). On the profitability of long-life customers in a noncontractual setting: An empirical investigation and implications for marketing. *Journal of marketing*, 64(4), 17-35.
- Richards, K. A., & Jones, E. (2008). Customer relationship management: Finding value drivers. *Industrial marketing management*, 37(2), 120-130.
- Russel, J. (1980). Three dimensions of emotion. *J Pers Soc Psychol*, 9(39), 1161-1178.
- Segarra-Moliner, J. R., & Moliner-Tena, M. Á. (2016). Customer equity and CLV in Spanish telecommunication services. *Journal of Business Research*, 69(10), 4694-4705.
- Schmitt, B. (1999). Experiential marketing. *Journal of marketing management*, 15(1-3), 53-67.
- Schlesinger, W., Cervera-Taulet, A., & Pérez-Cabañero, C. (2020). Exploring the links between destination attributes, quality of service experience and loyalty in emerging Mediterranean destinations. *Tourism Management Perspectives*, 35, 100699.
- Taylor, S. G., Kluemper, D. H., & Sauley, K. S. (2009). Equity sensitivity revisited: Contrasting unidimensional and multidimensional approaches. *Journal of Business and Psychology*, 24(3), 299-314.
- 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.
- Vogel, V., Evanschitzky, H., & Ramaseshan, B. (2008). Customer equity drivers and future sales. *Journal of marketing*, 72(6), 98-108.
- Voorhees, C. M., White, R. C., McCall, M., & Randhawa, P. (2015). Fool's gold? Assessing the impact of the value of airline loyalty programs on brand equity perceptions and share of wallet. *Cornell Hospitality Quarterly*, 56(2), 202-212.
- Wiesel, T., Skiera, B., & Villanueva, J. (2008). Customer equity: an integral part of financial reporting. *Journal of Marketing*, 72(2), 1-14.
- Wu, C. H. J., Liao, H. C., Hung, K. P., & Ho, Y. H. (2012). Service guarantees in the hotel industry: Their effects on consumer risk and service quality perceptions. *International Journal of Hospitality Management*, 31(3), 757-763.
- Wood, S. L., & Moreau, C. P. (2006). From fear to loathing? How emotion influences the evaluation and early use of innovations. *Journal of Marketing*, 70(3), 44-57.
- Wong, T., & Wickham, M. (2015). An examination of Marriott's entry into the Chinese hospitality industry: A Brand Equity perspective. *Tourism Management*, 48, 439-454.
- Zeithaml, V. A., Lemon, K. N., & Rust, R. T. (2001). Driving customer equity: How customer lifetime value is reshaping corporate strategy. Simon and Schuster.

- Zeithaml, Parasuraman A. Valarie A., and Leonard L. Berry. "Service quality." (1990).
- 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.
- Zhang, R., Li, G., Wang, Z., & Wang, H. (2016). Relationship value based on customer equity influences on online group-buying customer loyalty. *Journal of Business Research*.
- Zhou, L., Dai, L., & Zhang, D. (2007). Online shopping acceptance model-A critical survey of consumer factors in online shopping. *Journal of Electronic commerce research*, 8(1).