How Does Customer Experience in a Traditional Fast Fashion Retail Setting Influence Customer Traditional and Electronic Word-of-Mouth Intention?

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Abstract. The primary objective of this study is to examine whether customer experience influences customer's intention to share traditionally and electronically in the context of a fast fashion retail setting in Jakarta, Indonesia. An online questionnaire was distributed to 206 respondents from Jakarta. The relationship between variables was tested using Multiple and Simple Linear Regression Analysis. The study's results show that peace of mind and peer-to-peer interaction have a positive influence on customer experience. There is no clear evidence that customer's impressions of new media invested by retailers influence their experience. Moreover, customer experience positively influences customer's intention to share traditionally and electronically.

Keywords: Customer experience · electronic word-of-mouth · fashion retail · peace of mind · peer-to-peer interaction · word-of-mouth

1 Introduction

This paper replicates previous research entitled "How Customer Experience in a Traditional Retail Setting Influences Consumer Traditional and Electronic Word-of-mouth Intention," conducted by Jose Siqueira Jr., Nathalie Peña, Enrique Horst, and German Molina in 2019 from the Journal of Electronic Commerce Research and Application.

Fast fashion brands exist on the lowest level of the fashion market but have captured the public's interest due to their inexpensive yet fashionable clothing [1]. It was also reported that it has the highest growth rate in comparison to the other brands in the upper level of the market [2]. The internet plays an important role in the growth of the fast fashion industry as currently, fast fashion retailers are operating their business through multiple channels. For instance, having a physical store, mobile application, social media, and website add new ways to interact with customers, resulting in omnichannel retailers [3].

Factors such as other customer interactions through multiple channels, and retail store innovations with the support of high technologies, can influence an individual's shopping experience, which can be difficult to measure [4].

When it comes to interaction, it was found that most of the studies have examined more the buyer-seller interactions [5–7]. However, it was proven [8] that customers also play an important role in influencing their experience. In this study, the peer-to-peer interaction variable focused on customer-to-customer interactions in terms of quality of interaction, exchanging information, and indirect interaction as in other customer's behaviour.

Additionally, understanding what increases customer's intention to generate word of mouth or electronic word of mouth remains a challenge as results conducted from past research remain inconclusive. Some studies have found that customers who have encountered negative experiences will have a higher intention to share and vice versa [9]. Thus, this research aims to assess whether a positive experience causes customer intention to share.

Previous research has explained the theory behind word of mouth as communication between two people. In today's era, people can communicate with thousands of people worldwide with the support of the internet, which results in Electronic word-of-mouth (E-WOM). Hennig-Thurau et al. (2004) [10] defined E-WOM as a statement made by potential, actual, or former customers about a company, which can be positive or negative and is available to a massive amount of people or other companies through the internet.

Information shared through online platforms can be seen by many people and organizations, which is why retailers must understand what triggers customers to share any product or purchase-related information with other people, as it has a higher impact on the company's image.

1.1 Peace of Mind

Peace of mind is an inner state of peacefulness and harmony; during each point of interaction, customers' peace feeling can help assess the quality of experience they have encountered in a retail setting [11]. Emotions built during shopping will remain in their memory, resulting in post-shopping satisfaction. However, an individual's emotions can be either positive or negative. However, retailers should focus on providing customers with positive feelings as they tend to avoid stores with negative feelings [12].

Customers should feel comfortable when purchasing in the store. It is one of the strongest factors that can influence a customer's experience as customers tend to evaluate every interaction they have with the company emotionally. If those interactions make the customers feel uncomfortable, it will lead to a negative or bad experience for the customer [13]. Past studies have found that this dimension is one of the strongest dimensions that may influence their experience; therefore, they should have peace of mind for a customer to obtain a positive experience. Due to the importance of the feeling of peace of mind, the proposed hypothesis is:

H1: The feeling of peace of mind has a positive influence on customer experience.

1.2 New Media Impression

Any interactive communication that happens with the internet, which may refer to online news, advertising, or social media, can be defined as a new media [14], and an impression

is the feeling or opinion of an individual about a firm or brands product offering or performance with little evidence. New Media Impression can be defined as the emotions or feelings that are developed by an individual when they encounter with the new media provided by the retail brand; it is often measured by how credible and updated the information is [15].

Interactions between the company and customers may happen offline at the physical store (store clerks and customers) or online. In the past, customers acquired information from the company through mass media such as TV or printed magazines, brochures, or billboards. Nowadays, companies prefer to use new media or the help of the internet to communicate with their customers. The information sent and received by them will create perceptions in their minds that will influence their overall experience [16]. Any indirect interaction among customers or between the company and customers has the power to influence customers experience [17]. Since previous studies have proven that new media impression may influence an individual's overall experience, therefore, the proposed hypothesis is as follows:

H2: Customer exposure to new media impression will have a positive influence on customer experience.

1.3 Peer-to-Peer Interaction

In this study, peer-to-peer interaction is defined as a form of interpersonal communication activity between two or more people to exchange product-knowledge information and their opinions and emotions. This can happen in both offline or online settings, initiated by customers before, during, or after purchasing the product so that they may share their opinions or even give advice to other customers who need assistance or guidance [18] Customers play an important role in a business not only for the business to gain revenue, they can also help in influencing a customer's experience [19] However, quality of interaction should be positive in order for the customers to gain a positive experience.

If a customer decides to help another customer, it could positively influence the customer's overall experience [20]. Past studies believed that positive customer interaction might lead to a positive customer experience; conversely, any negative interactions between customers can lead to a negative customer experience; therefore, the proposed hypothesis is:

H3: In-store peer-to-peer interaction will positively influence customer experience.

1.4 Customer Experience

Customer experience is defined as how customers assess their cognitive and affective elements on every touchpoint or interaction with the company, whether it happened directly or indirectly, relating to their shopping behavior [13]. In a retail setting, the experience can be measured during shopping activities such as browsing or screening products, comparing prices and product offerings, interactions among customers or the store's personnel and when they are making a transaction [21]. If customers encounter a positive experience in a store, it will increase the store's profitability as they will have

a higher willingness to pay, increased loyalty, and a higher intention to create word-of-mouth to share their experience to other people or recommend the products offered by the store to their friends, families or even to a stranger seeking for recommendations [22].

Although it is difficult to measure the outcomes of a customer experience in a business, it is reasonable to include word of mouth as one of the outcomes of customer experience as it is very usual for an individual to ask for a friend's recommendation of products, or opinions about a product [23].

Customer experience is one of the powerful sources that can increase one's intention to share his experience with other people after purchasing a product [24]. Since past research has found that positive experiences will increase customer's intention to share traditionally and electronically, the proposed hypothesis is as follows:

H4: Customer experience will positively influence customer intention to share through Traditional WOM.
H5: Customer experience will positively influence customer intention to share through electronic WOM.

2 Research Method

An online questionnaire was distributed to targeted respondents using non-random sampling methods. In this context, respondents should be at least 18 years old, have visited a physical fast fashion retail store within the last three months, have a social media account, and follow the retail store's page on social media. Back-to-back translation from English to Bahasa Indonesia and back to English was also conducted to ensure that both versions have the same meaning. The items utilized can be found in Table 1.

Table 1. Questionnaire items

Variables	Measurement Items
Peace of Mind (POM) [13]	I am confident in the fast fashion retail store expertise
	Dealing with the fast fashion retail store is easy
	The fast fashion store will look after me for a long time
	I stay with the brand because of my past dealing with the fast fashion retail store
	I have dealt with the fast fashion retail store before, so getting what I need is easy
	The fast fashion store gives me independent advice (on which products suit my needs)

(*continued*)

Table 1. (*continued*)

Variables	Measurement Items
New Media Impression (NMI) [25]	I find it interesting to connect with this retail brand through new media (Facebook, Twitter, blogs, Instagram, etc.)
	I feel good when I get any messages or news through new media (Facebook, Twitter, blogs, etc.) about this retail brand
	Any information received through new media (Facebook, Twitter, blogs, etc.) induces my sentiments
Peer-to-Peer Interaction (P2P) [26]	I would say that the quality of my interaction with other customers at the fast fashion retail store is excellent
	I believe that we get superior interactions with other customers at the fast fashion retail store
	I think that total contact with other customers at the fast fashion retail store is excellent
	I find that the fast fashion retail store's other customers consistently leave me with good impression of its service
	The fast fashion retail store's other customers do not affect its ability to provide me with good service
Customer Experience (CX) [19]	I would say that the experience at/with the fast fashion store is excellent
	I believe that we get superior experience at the fast fashion retail store
	I think that total experience procedure at the fast fashion retail store is excellent
Word of mouth (WOM) [27]	Mention to others that you do business with that fast fashion retail store
	Make sure that others know you do business with the fast fashion retail store
	Speak positively about the brand employee(s) to others
	Recommend the brand to family members
	Speak positively of the brand to others
	Recommend the brand to acquaintances
	Recommend the brand to close personal friends
Electronic Word-of-Mouth (E-WOM) [28]	Say positive things about the company on social media
	Use social media to encourage friends to buy the company's product
	Use social media to encourage relatives to buy the company's product
	Recommend the company on social media
	Become a fan of the company brand pages on social media

3   Results and Discussion

The questionnaire was distributed to 282 respondents, and the data cleaning process was conducted, eliminating 76 respondents as they did not fall into the criteria developed by the author. Therefore, the remaining 206 respondents were used for further analysis. The respondents were primarily females of 68% (140), and the rest were males of 32% (66).

The results indicate that only peace of mind (H1) and peer-to-peer interaction (H3) have a positive influence on customers' overall experience (p-value 0.00 for both). On the contrary, the original research [15] found that their findings do not show any clear, direct relationship between the peace of mind variable towards customer experience. There is a difference in the findings between the two studies. It should be noted that previous research focuses on different levels of the fashion market, locations, and customer behaviors.

Customer's inner state of peacefulness is crucial during their shopping experience as it will influence their overall experience. As an omnichannel retailer, there are several customer touchpoints both offline and online; customers tend to emotionally evaluate each transaction point they have with the store [13]. Customers' emotions may cause them to feel happiness, excitement, discomfort, and anxiety.

The results conclude that the second hypothesis is rejected (p-value 0.344), consistent with findings from the previous study. It is surprising to see the result as data used for analysis were collected from respondents who are social media users and followers of the retail store on social media. There is a large gap of differences between what customers seek online and what the online retailers provide [29]. The study also suggests that the main reason customers use social media is not to engage with the store directly but to obtain information from other online customers in comments or reviews [29].

Peer-to-peer interaction has a positive influence on customer's experience. Similarly, the original study has also found that peer-to-peer interaction has a positive influence on customer's experience. In fact, it was the only dimension that has an influence on an individual's overall experience. Since customers share the same space during shopping, other customers may help shape their overall experience by simply providing information that the store clerks failed to provide or as simple as how they behave in the store [19]. Peer-to-peer interaction can be considered an act of word-of-mouth, and it is found that customers tend to trust experienced customers more than they trust information that comes directly from the company [30]. This partially explains the reason behind the rejection of the second hypothesis.

Moreover, when it comes to customer's intention to share, the findings indicate that customer experience has a positive influence on customer's intention to share through both traditional and electronic word of mouth in the context of the fast fashion retail setting. Providing customer with a positive in-store experience will benefit the store in several ways; customer's intention to share and recommend the retail store is one of the benefits [23]. This study shows that customers tend to trust product information from other customers rather than from the store itself, which is why it is crucial to provide customers with a positive experience, as it affects the information they share to other people.

Customers utilize social media platforms to find online information from other experienced customers; therefore, fast fashion retailers should be able to create memorable experiences for their customers so that it will increase their intention to share [29]. Information that spreads electronically may have a higher impact on the firm. It will remain on the internet for a long time and can be accessed by individuals and organizations [31]. Moreover, it is found that customers who encounter positive in-store experiences and are satisfied with each point of transaction and the products provided to them will be a loyal spreader of information [32].

The rivalry in the fast fashion industry is intense as existing fast fashion retail brands are offering similar products. There is a high probability that customer experience will be the only differentiator among existing brands. Listed below is some insight on how fast fashion retailers could provide a positive experience for customers to increase their intention to share with others:

Retail stores can reinvent their stores, adopt new technologies, and take their market behaviour into account. For instance, by providing customers with a self-checkout machine to solve the long queueing problem or an in-app checkout feature where customers will pay digitally using their mobile phones. This will also benefit the retailers as customers will download their mobile applications.

Having high-end technology is not enough; retailers should step up their training programs for their store clerks as they play an important role in shaping customer's experience. Retailers should be able to train employees to be in-store fashion consultants so that they can provide customers with suggestions and design the store to be appealing in customer's eyes and handle customers' complaints before situation goes out of hand as other customers' behaviour also influence customer's experience.

Retailers should find different ways to interact with online customers. Some approaches retailers could do is by conducting collaborative giveaways with another brand or conducting a competition where the customer should post a picture of their outfit using clothing of the retail brand, and customers with the best outfit ideas will win a special price.

By inducing customers with promotional activities, fast-fashion store managers could encourage peer-to-peer interaction inside the store, for instance, by offering a "buy one get one free" promotional program.

The authors identified several limitations that need to be avoided and improved in future research. Firstly, there are several fashion market levels. This study only focuses on the lowest level of the market; this means that the findings of this study cannot represent the whole fashion market. The previous study focuses on a department store that belongs to the second-lowest market level; the authors suggest that future research should on the upper market level to identify similarities and differences in the findings.

Another limitation of this study was that it did not gather equal number of responses when assessing new media impression and e-WOM intentions. Most of the respondents used Instagram as their most frequently used platform. The authors recommend that future researchers collect an equal number of respondents to run additional analyses. Geographic location can be considered one of the limitations, as the data collected for analysis were only from Jakarta. Thus, it will be better if future researchers conduct the study in another city and compare the findings. Lastly, this research only assessed three

variables to test customer's intentions of word-of-mouth. There could be other factors that influence their customers' word of mouth intention to share; therefore, it is better to add new variables to investigate what other factors influence customer's word of mouth intention.

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