

ABSTRACT

The Importance of Consumer Socialization and Employee Interaction on Store Loyalty

The purpose of this paper is to evaluate the relationship between the degree of retailers' flexibility to adapt to consumer needs and store loyalty for beauty products. For such products, socialization and digital engagement are common consumer practices to formulate opinions about store employee interaction. Price is used as a control variable.

Data were gathered using a convenience sample of 150 female undergrad and graduate students from a metropolitan university in China who consumed beauty products. Data were analyzed using structural equation model software to study the effects of consumer socialization and digital engagement on perceived retailer-employee identification. Additionally, the mediating effect of retailers' flexibility between employee identification and store loyalty was examined.

This study finds retailers' flexibility to adapt to have a profound effect on store loyalty. Consumer socialization and digital engagement directly affected consumers' perception of employee interaction, which in turn affected retailers' flexibility.

Implications: Retailers must proactively engage their employees to be at oneness with their store's policies. Additionally, they must allow their employees to impress consumers using flexible behaviors that consumers perceive important to resolve their immediate logistics and marketing needs.

Originality: This paper explores how consumers build store loyalty using the digital experience and store employee interaction in China. Although multinational corporations influence the economy of this metropolitan city, consumer socialization is still constrained by the socio-political control of the government. How should retailers build store loyalty when competitive information about brands and store preferences are readily and conveniently available in such parts of the world?