

**DIGITAL AND MOBILE TOUCH POINTS IN THE FASHION MARKET:
A COMPARISON BETWEEN CHINESE AND EUROPEAN MILLENNIAL
CONSUMERS**

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ABSTRACT

Introduction

Over the past few years, the Internet has profoundly affected customer experience and how customers interact with and respond to offerings (Kumar & Anjaly, 2017). Nowadays, digital and social media represent relevant touch points that contribute to shape the customer journey and allow consumers to engage more with firms (Leeflang *et al.*, 2014; Kim & Ko, 2012; Verhoef, Reinartz, & Krafft, 2010).

In particular, digital media play a primary role in China, which has the highest revenues in the e-commerce sector worldwide. Indeed, China's e-commerce value is \$740.422bn as opposed to the United States' volume of \$560.747bn (Statista, 2019). Another characteristic of the Chinese market is represented by mobile retailing, which accounts for 75.35% of total Internet sales as of 2017 (Euromonitor International, 2018).

Despite the relevance of China in the global commerce, studies on the customer journey in such market are still scarce. Therefore, with the present research we aim at analyzing the impact of digital and mobile touch points on the customer journey in China focusing on the fashion sector, the segment with the highest e-commerce revenues in 2018 (Statista, 2019).

Our main research questions are: 1. *What are the drivers of the use of digital and mobile touch points in the customer journey in China?* 2. *What are the effects of the use of digital and mobile touch points in the customer journey in China?* 3. *Do drivers and effects in China differ from the ones among European consumers?*

We carry out a survey among Chinese and European consumers and we analyze results using Structural equation modeling (SEM). We contribute to the marketing literature on digital touch points and provide relevant managerial implications for fashion firms that operate at international level.

Theoretical Development

Building from the Technology Acceptance Model (TAM) (Davis, 1989), scholars argue that utilitarian factors such as customization, convenience, and ease of use drive an

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effective customer experience (Kumar & Anjaly, 2017; Natarajan *et al.*, 2017; Rose *et al.*, 2012). Moreover, in analyzing the impact of retailers' mobile applications, McLean *et al.* (2018) have found out that enjoyment is an important mediator in relationship between the utilitarian factors and the customer experience, affecting the level of satisfaction and positive emotions.

As the customer journey does not end with the purchase phase, it is also important to consider the types of touch points activated in the post-purchase phase such as consumer reviews and ratings. Indeed, the post-purchase phase affects facets of the customer experience, such as consumer satisfaction and customer loyalty (Court *et al.*, 2009; Lemon & Verhoef, 2016; Westbrook, 1987). Consumers, especially Millennials, are willing to share their experience through personal evaluations of purchased products, thus facilitating word-of-mouth communication (Chen, Fay, & Wang, 2013; Mangold & Smith, 2012).

Based on the prior literature on e-commerce, mobile commerce and touch points, we develop a model to measure the effects of utilitarian factors and enjoyment on satisfaction, and how the latter impacts word-of-mouth and repurchase intention. We also analyze whether enjoyment acts as mediator of utilitarian factors on satisfaction.

Research Design

The model is tested by collecting a survey among Chinese and European customers. The survey methodology has already been used in previous studies focusing on e-commerce (Dahiya & Gayatri, 2017; Jiang *et al.*, 2017; Natarajan *et al.*, 2017; Rose *et al.*, 2012; Singh & Swait, 2017).

First, a confirmatory factor analysis (CFA) is used to assess the validity and reliability of the hypothesized conceptual model and related constructs (Hair *et al.*, 2006). All the factor loadings among items (observed variables) and latent variables show satisfactory values (>0.50 as required). Hence, no item is deleted from the analysis. Next, structural equation modeling (SEM) is used to empirically test the relationships among constructs model to investigate the drivers and effects of customer experience (Hair *et al.*, 2006). As we need to simultaneously evaluate the hypothesized statistical influences between variables, SEM is selected as an appropriate statistical method (Bagozzi & Yi, 1988). AMOS is used as the main statistical software to conduct both CFA and SEM analyses (Arbuckle, 2013).

Result and Conclusion

We contribute to the recent literature on customer journey by identifying the main drivers and effects of the use of digital and mobile touch points in China, the largest e-commerce market in the world. Moreover, the analysis on Chinese and European consumers provide managerial implications for international fashion companies that operate in these markets.

Keywords: China, customer journey, digital marketing, mobile touch points

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