

# Utilitarian and Hedonic Values Affect Brand Switching: Consumer Satisfaction as Moderator

Kokku Randheer<sup>1</sup>

<sup>1</sup> Kokku Randheer, College of Business Administration, King Saud University, Riyadh, Saudi Arabia

Correspondence: Kingdom of Saudi Arabia, Ministry of Higher Education, King Saud University (KSU), College of Business Administration (CBA), P.O.Box 71115, Riyadh 11587. E-mail: rkokku@ksu.edu.sa

Received: August 9, 2015      Accepted: September 16, 2015      Online Published: November 30, 2015

doi:10.5539/ijms.v7n6p72      URL: <http://dx.doi.org/10.5539/ijms.v7n6p72>

## Abstract

This study tested the existence of positive relationship between utilitarian values, hedonic values and consumer satisfaction. Further it also tested the significance of utilitarian and hedonic values influenced by consumer satisfaction affecting brand switching. Four independent products and brands were selected for data collection. Confirmatory factor analysis validated two dimensions along with factors via utilitarian values which include savings, convenience, affordability and multiple benefits. Hedonic values included freedom, self-expression, entertainment and exploration. Regression analysis revealed the existence of relationship between dependant and independent variables with variance obtained by these two dimensions and factors to be on higher side. Hypothesis proved a positive effect of both utilitarian and hedonic values on customer satisfaction. Customer satisfaction created by utilitarian and hedonic values has significant effect on brand switching. Managerial implications include suggestions on product pricing, variety, availability, upgrading consumer knowledge and consumer personal image.

**Keywords:** utilitarian, hedonic, consumer satisfaction, brand switching

## 1. Introduction

Brand switching is a phenomenon which had been investigated by marketers to understand the relationship between brands and consumer satisfaction. It takes simple common sense to judge, that those consumers who are satisfied will least think of switching and consumers who are dis-satisfied will think of alternatives (Ravindra, Rajagopal, & Vijay, 2008; Asta & Jurate, 2012; Kevin, Eric, & Bianca, 2003). Ironically the same is not true, there are research evidences like Hung, Yi, Yu & Monle (2004) showing up satisfied consumers switching. The effective solution is to identify and focus on the switching group (Hung et al., 2004). Consumers switch for variety of reasons ranging from minute to serious. In the first place there is a need to hold these consumers; secondly practicing managers need to think lowering the rate of switch group (Mittal, William, & Patrick, 1998). Hung et al. (2004) in their study opined, value creation caught the attention of both practioners and researchers on how it will influence the brand switching. Mittal et al. (1998) as well as Babin, Darden and Griffin (1994) had confirmed similar phenomenon. Kevin et al. (2003) had proved value creation segmented into two, utilitarian and hedonic values (Voss, Spangenberg, & Grohmann, 2003; Batra & Ahtola, 1990; Crowley, Eric, & Kevin 1992; Babin et al., 1994; Kim, 2006). The former consists of those benefits which are directly visible to consumers (Batra & Ahtola, 1990). The later consists of in-direct benefits derived by the consumers (Asta & Jurate, 2012; Cheng, Zhen, Allan, & Zong, 2000; Arnold & Reynolds, 2003). Both utilitarian and hedonic values have the power to influence the consumer satisfaction (Ravindra et al., 2008; Kevin et al., 2003; Batra & Ahtola, 1990; Heasun, Hyunjoong, & Daejoong, 2012; Kim, 2006). Sheth, Newman and Gross (1991) in their study had factors which affected consumer satisfaction such as advertising, positioning, price, perceived quality, product features, relationships, symbols, attributes, identity, origin, culture and so on. Hung et al. (2004) also had similar view and Asta and Jurate (2012) further categorized them into three segments. Ravindra et al. (2008) in their study had viewed that value creation has a good pie of share in addressing consumer satisfaction and halts consumer switching. Hung et al. (2004) had done similar argument. This study tries to address the relationship between utilitarian and hedonic values directed by consumer satisfaction leading to lowering the consumer switching, refer figure 1.

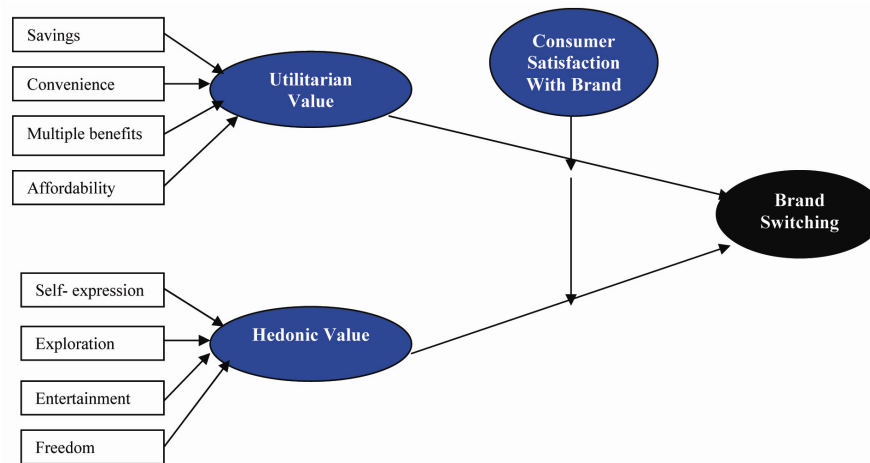


Figure 1. Utilitarian, hedonic, consumer satisfaction model of the study

## 2. Literature Review

**Utilitarian value:** this study examines the positive relationship between consumers' need for utilitarian value in their buying effecting satisfaction and further brand switching behavior (Ravindra et al., 2008; Hung et al., 2004; Mittal et al., 1998). A review of the issues deriving utilitarian value brings to light savings, convenience, affordability and multiple benefits assessed by consumers from a particular purchase and consumption (Kevin et al., 2003; Hung et al., 2004; Babin et al., 1994; Kim, 2006). Consumers actively assess tangible benefits and direct their buying actions based on their past experience, knowledge gained, information at disposal (Dhar & Wertenbroch, 2000). Utilitarian value forms the first expectation trigger in the consumers buying decision (Batra & Ahtola, 1990). Ravindra et al. (2008) reveal that brands which offers utilitarian value better than others becomes the first consumer choice, which is similar to Babin et al. (1994). Consumer satisfaction and brand switching forms post purchase behavior (Hung et al., 2004; Mittal et al., 1998). When consumer compares expectations with value delivered from purchase, this defines satisfaction and further decision on switching (Mittal et al., 1998).

H1: Utilitarian value positively affects customer satisfaction in relation to (H1a: Savings, H1b: Convenience, H1c: Affordability and H1d: Multiple benefits).

**Hedonic value:** hedonic values are hidden and non-tangible, consumers tries to feel and experience them (Batra & Ahtola, 1990; Arnold & Reynolds, 2003; Kim, 2006). Kevin et al. (2003) had revealed many values such as freedom, self-expression, entertainment and exploration are some of these feelings and experiences. These values had been confirmed by Cheng et al. (2000); Arnold & Reynolds (2003); Babin et al. (1994). Hedonic values are non-basic in nature; they are not a part of primary function of a product (Asta & Jurate, 2012; Dhar & Wertenbroch, 2000). Consumers gain knowledge and information on hedonic values (Hung et al., 2004; Kim, 2006); they also store them deep in the memory which are mostly in the sub-conscious form (Batra & Ahtola, 1990; Arnold & Reynolds, 2003). Consumers post purchase mechanism will have positive effect from hedonic values (Asta & Jurate, 2012; Cheng et al., 2000; Mittal et al., 1998). Hedonic values will help a brand to boost customer satisfaction and will result in switching from one brand to another in pursuit of value search (Ravindra et al., 2008; Cheng et al., 2000; Mittal et al., 1998).

H2: Hedonic value positively affects customer satisfaction in relation to (H2a: Freedom, H2b: Self-expression, H2c: Entertainment, and H2d: Exploration).

**Customer satisfaction and Brand switching:** customer satisfaction is an evaluation process of pre-purchase expectations versus post-purchase consumer experience (Mittal et al., 1998; Sheth et al., 1991). As defined by Day (1984), customer satisfaction is a post purchase assessment about a consumers purchase decision. Similarly Kotler & Armstrong (2013) expressed customer satisfaction as post purchase evaluation of actual compared to expected by products or services. In another study done by Thomson et al. (2005) had stated that satisfaction results immediately after consumption. Customer satisfaction is the most effective and popular method prevalent in the research field and industry practice to measure whether customers stick to the brand or do they slip to another (Asta & Jurate, 2012; Ravindra et al., 2008; Mittal et al., 1998; Sheth et al., 1991).

Hung et al. (2004) in their study had revealed that both utilitarian and hedonic values can enhance consumer satisfaction by establishing a horizon which cushions their belief that their expectations are met or exceeded by a particular brand, similar studies were done by Voss and Grohmann (2003); Batra and Ahtola (1990); Crowley et al. (1992); Babin et al. (1994); Heasun et al. (2012). In previous studies like Dhar & Wertenbroch (2000) argued that utilitarian values drives instant boost to customer satisfaction for example if a consumer decides to buy with a budget in mind, when a particular brand meets his expectations lower than pre decided budget, it will delight the consumer (Ravindra et al., 2008; Kim, 2006; Sheth et al., 1991). In all the exchanges which result in tangible benefits like saving cost, extra quantity, more features, free service will right away satisfies the customers (Asta & Jurate, 2012; Ravindra et al., 2008; Kim, 2006; Sheth et al., 1991). Hedonic value on the other hand will help marketers build the brand over a long period of time (Cheng et al., 2000; Babin et al., 1994). Hedonic will create rich experience for the consumers and positions the brand along the lines of images (Asta & Jurate, 2012; Dhar & Wertenbroch, 2000). The affective behaviour of the consumer can be influenced (Batra & Ahtola, 1990; Arnold & Reynolds, 2003). Predominantly addressing the consumer emotions and feelings by hedonic values is in practice. Consumers deriving fun, enjoying freedom, expressing joy, feeling happiness will lead to satisfaction (Ravindra et al., 2008; Cheng et al., 2000; Mittal et al., 1998). When values create strong consumer satisfaction they will help consumer sticking to the brand if and only when the value creation mechanism is a continued practice (Asta & Jurate, 2012; Ravindra et al., 2008).

H3: Customer satisfaction derived from utilitarian and hedonic values significantly affect brand switching.

### 3. Methodology

To test the hypothesis, the study had selected four different products and respective top brands which delivered both utilitarian and hedonic values. First, as per the deductive method a pilot consumer group of 50 were explained about utilitarian and hedonic concepts. Immediately they were asked to rank the products which provided the most utilitarian and hedonic value from a list of 20 products and 80 brands. Upon on grouping these ranks, the top four products and respective brands were smart mobile phone/i-phone, car/Toyota, television/Samsung and laptop/Lenovo. A set of nineteen statements with a descriptive question at the end were finalized using extensive literature review of the constructs. Items were generated to suit to the objective of the study. Final questionnaire (refer Appendix A) was administered to a sample of 400 consumers in all, giving equal weightage to all the products. A seven point Likert scale was used where 1 indicated "high dis-agreement" and 7 indicating "high agreement" with the respective statements. Four demographic characteristics age, gender, education and profession were also included in data collection. At First, a respondent filtering question was orally asked to select the respondents who had purchase and consumption experience of more than six months. This method was adopted to include only those respondents who had derived utilitarian and hedonic values. Data was collected using systematic random sampling. Three places were selected for collection of data via mobile phone outlets, car dealer outlets, consumer electronic durable outlets. At the entrance, every five minutes one respondent was administered the questionnaire. The methodological limitation for this study is, a respondent is considered valid if he/she has derived utilitarian and hedonic values for any of the products/brands listed.

### 4. Data Analysis and Discussion

To analyze the data SPSS version 22 for Windows environment was used with instructions from Andy Field (2013). At first the theoretical model was considered as priori, since it is based on sound theoretical background. A pre-assumption was established that between observed variable and latent variable the relationship is true. Confirmatory factor analysis (CFA) by principal component analysis for extraction and varimax with Kaiser normalization for rotation was used for scale refinement and to test the data validity. CFA results given in table 1 indicate that the factor loadings clearly validate two dimensions, though five dimensions were given as output. The rotated inter correlation between constructs and dimensions were strong only for two dimensions. Correlation is also established among constructs and other three dimensions, but the relationship does not exceed minimum threshold loading values established in the past literature of 0.6. These results confirm the theoretical background to be true. In other words, savings, convenience, multiple benefits and affordability are factors of utilitarian value and self-expression, exploration, entertainment and freedom are factors of hedonic values. Unidimensionality was checked whether data was moving in the same direction to achieve the common objective. The procedure started by checking items in line with the respective constructs and independent constructs were in line with dependent variable. Multidimensional measures were used to assess this process. Table 2 results reveal, on "zero to one scale" the CFI, NFI AGFI scores were on higher side and RMSEA scores for the two dimensions were less than 0.05 indicates strong scale fitness. A study done by Kevin et al. (2003) for the dimensions utilitarian and hedonic had similar results related to testing unidimensionality via AGFI = .88, NFI and CFI = .97. Present study results match and are better than the reference study with AGFI = .905&.892, NFI

= .899 & .842 and CFI = .912&.870 used for utilitarian and hedonic dimensions. Additionally in the present study RMSEA was applied with values .031&.025.

For checking the reliability Cronbach's  $\alpha$  was assessed for each of the dimensions with values .892 & .874. These values were higher than .88 and .87 recorded by Kevin et al. (2003) in their study indicating the scale and data reliability comparatively on par with other similar studies. Bentler Bonnet coefficient was used to know the scale and data validity, values higher than 0.9 are considered as standard for validity of acceptable levels. The calculated values indicate that validity was achieved. To establish the dependence-independence relationship between variables, chi-square analysis was used. The dependent variable "will not switch the brand" established significant dependence relationship with utilitarian variables via savings, convenience, multiple benefits, affordability, hedonic variables via self-expression, exploration, entertainment, freedom, satisfied with the brand and moderating variable satisfaction with brand.

Table 1. Confirmatory factor analysis

Rotated Component Matrix	Dimensions				
	1	2	3	4	5
Savings	.839	-.478	-.111	-.228	.188
Convenience	.972	.257	.018	-.145	-.128
Multiple Benefits	.784	.338	.290	.093	-.175
Affordability	.946	.156	-.035	.211	.181
Self-expression	.481	.801	.001	-.158	-.261
Exploration	.184	.935	.424	-.172	.166
Entertainment	.114	.839	.242	-.155	.273
Freedom	-.494	.761	.007	.583	.438

Table 2. Unidimensionality, reliability and validity

Dimension	CFI	RMSEA	NFI	AGFI	Bentler Bonnet coefficient ( $\Delta$ )	Cronbach's alpha values ( $\alpha$ )
Utilitarian value	0.912	0.031	0.899	0.905	0.904	0.892
Hedonic value	0.870	0.025	0.842	0.892	0.927	0.874

The regression models shown in table 3 contributed significantly and predicted 10.8 percent variation by savings, 23.3 percent variation by savings, convenience, 24.8 percent variation by savings, convenience, multiple benefits and 10.7 percent variation by savings, convenience, multiple benefits, affordability and 19.2 percent variation by savings, convenience, multiple benefits, affordability, satisfied with the brand.

The four evolved regression models for will not switch the brand yielded a significant statistic ( $F=38.005$ ,  $p=0.000$ ;  $F=53.127$ ,  $p=0.000$ ;  $F=82.448$ ,  $p=0.000$ ;  $F=13.912$ ,  $p=0.000$ ;  $F=10.008$ ,  $p=0.000$ .) Savings ( $\beta=-0.202$ ,  $t=18.397$ ,  $p=0.000$ ); Savings and convenience ( $\beta=-0.214$ ,  $t=28.663$ ,  $p=0.000$  &  $\beta=0.121$ ,  $t=12.071$ ,  $p=0.000$ ); Savings, convenience and multiple benefits ( $\beta=.201$ ,  $t=32.215$ ,  $p=0.000$ ;  $\beta=0.341$ ,  $t=11.009$ ,  $p=0.000$  &  $\beta=0.258$ ,  $t=14.871$ ,  $p=0.000$ ); Savings, convenience, multiple benefits and affordability ( $\beta=0.227$ ,  $t=21.320$ ,  $p=0.000$ ;  $\beta=0.424$ ,  $t=15.329$ ,  $p=0.000$ ;  $\beta=0.329$ ,  $t=30.547$ ,  $p=0.000$  &  $\beta=0.336$ ,  $t=32.721$ ,  $p=0.000$ ); Savings, convenience, multiple benefits, affordability and satisfied with the brand ( $\beta=-0.286$ ,  $t=-8.529$ ,  $p=0.000$ ;  $\beta=0.257$ ,  $t=24.521$ ,  $p=0.000$ ;  $\beta=-0.215$ ,  $t=-26.186$ ,  $p=0.000$ ;  $\beta=0.199$ ,  $t=6.228$ ,  $p=0.000$  &  $\beta=0.286$ ,  $t=6.743$ ,  $p=0.000$ ). As its significant predictors shown in table 4 indicate that independent variables such as savings, convenience, multiple benefits, affordability, satisfied with the brand were related to dependent variable i.e., "will not switch the brand", Hence, the following regression models were evolved :

$$Y=4.535 - 0.202X1 \quad - \text{(I)}$$

$$Y=2.641 - 0.214X1+0.121X2 \quad - \text{(II)}$$

$$Y=3.112 - 0.201X1+0.341X2+0.258X3 \quad - \text{(III)}$$

$$Y=2.018 - 0.227X1+0.424X2+0.329X3+0.336X4 \quad - \text{(IV)}$$

$$Y=2.018 - 0.286X1+0.257X2-0.215X3+0.199X4+0.286X5 \quad - \text{(V)}$$

Whereas, Y= will not switch the brand, Xi=Savings; X2=Convenience, X3=Multiple benefits, X4= Affordability, X5= Satisfied with the brand.

Table 3. Results of regression models for the effect of Utilitarian values on Brand switching

Dependent Variable	Model	R	R <sup>2</sup>	F-value	Sig. (p. value)
Will switch the brand	1. Predictors: (Constant), Savings	0.277	0.076	46.104	0.000
	2. Predictors: (Constant), Savings, convenience	0.142	0.020	25.008	0.000
	3. Predictors: (Constant), Savings, convenience, multiple benefits	0.296	0.087	21.710	0.000
	4. Predictors: (Constant), Savings, convenience, multiple benefits, affordability	0.249	0.062	23.131	0.000
	5. Predictors: (Constant), Savings, convenience, multiple benefits, affordability, satisfied with the brand	0.113	0.013	14.052	0.000
Will not switch the brand	1. Predictors: (Constant), Savings	0.329	0.108	38.005	0.000
	2. Predictors: (Constant), Savings, convenience	0.483	0.233	53.127	0.000
	3. Predictors: (Constant), Savings, convenience, multiple benefits	0.498	0.248	82.448	0.000
	4. Predictors: (Constant), Savings, convenience, multiple benefits, affordability	0.328	0.107	13.912	0.000
	5. Predictors: (Constant), Savings, convenience, multiple benefits, affordability, satisfied with the brand	0.439	0.192	10.008	0.000

Predictors: constant, savings, convenience, multiple benefits, affordability, satisfied with the brand.

Table 4. Predictor effects and beta estimates for the effect of Utilitarian values on Brand switching

Dependent Variable	Model	Unstandardized Coefficients Beta ( $\beta$ )	Std. Error	t-value	Sig. (p. value)
Will switch the brand	1. (Constant)	3.307	0.536	23.842	0.000
	Savings	-0.352	0.057	-3.143	0.000**
	2. (Constant)	2.866	0.254	14.467	0.000
	Savings	-0.221	0.057	-4.243	0.000**
	Convenience	0.314	0.061	2.232	0.000***
	3. (Constant)	3.316	0.388	11.316	0.000
	Savings	-0.421	0.072	-4.372	0.000*
	Convenience	0.273	0.046	1.713	0.001**
	Multiple benefits	-0.215	0.016	-4.104	0.000**
	4. (Constant)	4.824	0.667	17.115	0.000
	Savings	-0.285	0.052	-22.204	0.000***
	Convenience	0.257	0.062	27.226	0.000***
	Multiple benefits	-0.215	0.072	-9.954	0.000*
	Affordability	0.199	0.051	7.995	0.000**
	5. (Constant)	3.583	0.415	11.084	0.000
	Savings	0.094	0.058	2.810	0.000***
	Convenience	0.052	0.024	10.002	0.000**
	Multiple benefits	0.068	0.013	4.582	0.000***
	Affordability	-0.075	0.022	-8.692	0.000***
	Satisfied with the brand	0.048	0.015	4.437	0.000**
Will not switch the brand	1. (Constant)	4.535	0.319	34.100	0.000
	Savings	0.202	0.075	18.397	0.000**
	2. (Constant)	2.641	0.105	22.772	0.000
	Savings	0.214	0.015	28.663	0.000***
	Convenience	0.121	0.065	12.071	0.000***
	3. (Constant)	2.501	0.307	55.958	0.000
	Savings	0.201	0.072	32.215	0.000***
	Convenience	0.341	0.052	11.009	0.000***
	Multiple benefits	0.258	0.077	14.871	0.001**

4. (Constant)	3.112	0.431	34.654	0.000
Savings	0.227	0.041	21.320	0.000***
Convenience	0.424	0.010	15.329	0.000**
Multiple benefits	0.329	0.083	30.547	0.000***
Affordability	0.336	0.033	32.721	0.004*
5. (Constant)	2.018	0.128	38.118	0.000
Savings	-0.286	0.061	-8.529	0.000***
Convenience	0.257	0.038	24.521	0.000**
Multiple benefits	-0.215	0.013	-26.186	0.000***
Affordability	0.199	0.042	6.228	0.000*
Satisfied with the brand	0.286	0.037	6.743	0.001***

Note. \* $\alpha < 0.05$ , \*\* $\alpha < 0.02$ , \*\*\* $\alpha < 0.01$ ; Source: Primary Data.

Table 5. Results of regression models for the effect of hedonic values on brand switching

Dependent Variable	Model	R	R <sup>2</sup>	F-value	Sig. (p. value)
Will switch the brand	1. Predictors: (Constant), Self-expression	0.161	0.025	28.570	0.000
	2. Predictors: (Constant), Self-expression, exploration	0.258	0.066	68.332	0.000
	3. Predictors: (Constant), Self-expression, exploration, entertainment	0.162	0.026	52.018	0.000
	4. Predictors: (Constant), Self-expression, exploration, entertainment, freedom	0.153	0.023	74.440	0.000
	5. Predictors: (Constant), Self-expression, exploration, entertainment, freedom, satisfied with the brand	0.700	0.490	23.296	0.000
Will not switch the brand	1. Predictors: (Constant), Self-expression	0.355	0.126	7.291	0.000
	2. Predictors: (Constant), Self-expression, exploration	0.389	0.151	20.904	0.000
	3. Predictors: (Constant), Self-expression, exploration, entertainment	0.297	0.088	32.652	0.000
	4. Predictors: (Constant), Self-expression, exploration, entertainment, freedom	0.435	0.189	42.517	0.000
	5. Predictors: (Constant), Self-expression, exploration, entertainment, freedom, satisfied with the brand	0.432	0.186	13.604	0.000

Predictors: constant, self-expression, exploration, entertainment, freedom, satisfied with the brand.

The regression models shown in table 5 contributed significantly and predicted 12.6 percent variation by self-expression, 15.1 percent variation by self-expression, exploration, 8.8 percent variation by self-expression, exploration, entertainment and 18.9 percent variation by self-expression, exploration, entertainment, freedom and 18.6 percent variation by self-expression, exploration, entertainment, freedom, satisfied with the brand. The four evolved regression models for will not switch the brand yielded a significant statistic ( $F=7.291$ ,  $p=0.000$ ;  $F=20.904$ ,  $p=0.000$ ;  $F=32.652$ ,  $p=0.000$ ;  $F=42.517$ ,  $p=0.000$ ;  $F=13.604$ ,  $p=0.000$ ).

Table 6. Predictor effects and beta estimates for the effect of hedonic values on brand switching

Dependent Variable	Model	Unstandardized Coefficients Beta ( $\beta$ )	Std. Error	t-value Sig.	(p. value)
Will switch the brand	1. (Constant)	2.410	0.073	17.045	0.000
	Self-expression	-0.271	0.039	10.274	0.000**
	2. (Constant)	3.440	0.019	8.100	0.000
	Self-expression	-0.421	0.100	14.194	0.000**
	Exploration	0.628	0.180	-24.074	0.000***
	3. (Constant)	1.939	0.251	16.111	0.000
	Self-expression	-0.865	0.183	21.084	0.000*
	Exploration	0.595	0.151	13.542	0.001**
	Entertainment	-0.517	0.010	31.662	0.000**
	4. (Constant)	2.570	0.319	6.741	0.000
	Self-expression	-0.715	0.152	49.072	0.000***
	Exploration	0.573	0.105	14.588	0.000***
	Entertainment	-0.703	0.031	19.954	0.000*
	Freedom	0.561	0.082	12.190	0.000**
	5. (Constant)	3.826	0.117	15.374	0.000
	Self-expression	-0.263	0.038	24.007	0.000***
	Exploration	0.257	0.038	33.047	0.000**
	Entertainment	-0.215	0.022	-24.186	0.000***
	Freedom	0.092	0.037	8.228	0.000*
	Satisfied with the brand	0.286	0.068	12.739	0.001***
Will not switch the brand	1. (Constant)	2.192	0.157	19.317	0.000
	Self-expression	0.446	0.037	26.070	0.000**
	2. (Constant)	2.217	0.193	53.019	0.000
	Self-expression	0.738	0.107	21.199	0.000***
	Exploration	0.732	0.133	14.448	0.000***
	3. (Constant)	3.933	0.568	34.175	0.000
	Self-expression	0.571	0.131	7.842	0.000***
	Exploration	0.621	0.092	45.571	0.000***
	Entertainment	0.644	0.145	26.492	0.001**
	4. (Constant)	5.603	0.472	28.550	0.000
	Self-expression	0.518	0.172	20.648	0.000***
	Exploration	0.163	0.069	31.508	0.000**
	Entertainment	0.446	0.062	16.072	0.000***
	Freedom	0.720	0.117	6.574	0.004*
	5. (Constant)	2.936	0.246	51.557	0.000
	Self-expression	0.419	0.046	44.872	0.000***
	Exploration	0.332	0.041	26.408	0.000***
	Entertainment	0.097	0.032	31.666	0.000***
	Freedom	0.074	0.028	21.073	0.004*
	Satisfied with the brand	0.087	0.029	38.199	0.001**

Note. \* $\alpha < 0.05$ , \*\* $\alpha < 0.02$ , \*\*\* $\alpha < 0.01$ ; Source: Primary Data.

Self-expression ( $\beta = -0.446$ ,  $t = 26.070$ ,  $p = 0.000$ ); self-expression, exploration ( $\beta = 0.738$ ,  $t = 21.199$ ,  $p = 0.000$  &  $\beta = 0.732$ ,  $t = 14.448$ ,  $p = 0.000$ ); self-expression, exploration, entertainment ( $\beta = 0.571$ ,  $t = 7.842$ ,  $p = 0.000$ ;  $\beta = 0.621$ ,  $t = 45.571$ ,  $p = 0.000$  &  $\beta = 0.644$ ,  $t = 26.492$ ,  $p = 0.000$ ); self-expression, exploration, entertainment, freedom, ( $\beta = 0.518$ ,  $t = 20.648$ ,  $p = 0.000$ ;  $\beta = 0.163$ ,  $t = 31.508$ ,  $p = 0.000$ ;  $\beta = 0.446$ ,  $t = 16.072$ ,  $p = 0.000$  &  $\beta = 0.720$ ,  $t = 6.574$ ,  $p = 0.000$ ); self-expression, exploration, entertainment, freedom, satisfied with the brand. ( $\beta = -0.419$ ,  $t = 44.872$ ,  $p = 0.000$ ;  $\beta = 0.332$ ,  $t = 26.408$ ,  $p = 0.000$ ;  $\beta = 0.097$ ,  $t = 31.666$ ,  $p = 0.000$ ;  $\beta = 0.074$ ,  $t = 21.073$ ,  $p = 0.000$  &  $\beta = 0.087$ ,  $t = 38.199$ ,  $p = 0.000$ ).

As its significant predictors shown in table 6 indicate that independent variables such as self-expression, exploration, entertainment, freedom, satisfied with the brand were related to dependent variable i.e., “will not switch the brand”, Hence, the following regression models were evolved :

$$Y = 2.192 - 0.446X_1 \quad - (I)$$

$$Y = 2.217 - 0.738X_1 + 0.732X_2 \quad - (II)$$

$$Y = 3.933 - 0.571X_1 + 0.621X_2 + 0.644X_3 \quad - (III)$$

$$Y = 5.603 - 0.518X_1 + 0.163X_2 + 0.446X_3 + 0.720X_4 \quad - (IV)$$

$$Y = 2.936 - 0.419X_1 + 0.332X_2 - 0.097X_3 + 0.074X_4 + 0.087X_5 \quad - (V)$$

Whereas, Y= will not switch the brand,  $X_1$ = Self-expression;  $X_2$ = Exploration,  $X_3$ = Entertainment,  $X_4$ = Freedom,  $X_5$ = Satisfied with the brand.

## 5. Conclusions and Managerial Implications

Utilitarian and hedonic values are an area which had been vastly explored by researchers, practitioners and taught well in the academic curricula. This study tried to put various factors into one scale. These factors were derived from diverse literature. Hence their unidimensionality was checked which proved all the factors were directed towards one path. Data reduction evolved with utilitarian and hedonic values to be valid dimensions. Further Chronbach alpha checked the data validation to be true.

Results clearly indicate that utilitarian values like savings, convenience, multiple benefits, affordability significantly explained a variance of 69.6%. The moderating variable customer satisfaction improved the variance explanation significantly by 88.8%. Savings, convenience and multiple benefits significantly explained the highest variance with 24.8%, indicating their role in consumer sticking to brand. Managerial take on this helps them to know savings, convenience and multiple benefits are a good combination of utilitarian values to include in their market offers to stop the customer from switching the brand. Hedonic values like self-expression, exploration, entertainment, freedom, satisfied with the brand significantly explained a variance of 55.4%. The moderating variable customer satisfaction improved the variance explanation significantly by 74%. Self-expression, exploration, entertainment and freedom significantly explained the highest variance with 18.9%, indicating their role in consumer sticking to brand. This helps the decision makers to know self-expression, exploration, entertainment, freedom are a good combination of hedonic values to consider.

Hypothesis one reveals that utilitarian values positively affect customer satisfaction; similar results were made by Ravindra et al (2008). Savings with a  $\chi^2=126.603$ ,  $p=0.000$  tested at  $p<.05$  has positive affect on customer satisfaction. Since savings give monetary benefits to the customer, preference will be quite obvious, other studies like Hung et al. (2004) reveal similar results of utilitarian values such as price incentives, price savings, special pricing having positive influence on customers. In a recent study done by Hyokhin et al. (2015) identified that fair pricing positively effects brand. Toyota in cars and Samsung in television comparatively to competitors give convincing savings to customers in terms of price. Convenience with a  $\chi^2= 84.117$ ,  $p=0.000$  tested at  $p<.05$  reveals buying experience with the respective products and brands shows a positive effect on customer satisfaction (Note 1). In a similar study done by Ravindra et al (2008) had proved that satisfaction is the result of a product meeting the utilitarian expectations. The products and brands involved in this study are widely available through outlets both offline and online, hence customers accessing these products with ease and minimum effort. Affordability with a  $\chi^2=102.207$ ,  $p=0.000$  tested at  $p<.05$  reveals pricing for the products and brands is done based on the target market needs, customers know the amount of value they would be deriving out the purchase. Lenovo which is a growing brand with sufficient superior features offered at very affordable prices. Multiple benefits with a  $\chi^2= 61.042$ ,  $p=0.000$  tested at  $p<.05$ . Products and brands are designed to meet multiple needs of the customers, like for example in the category "phone" i-phone offers many benefits like calls, sms, e-mail, online transactions, video and audio download and upload and many more. In their study Batra & Ahtola (1990) had concluded that benefits from utilitarian values such as product benefits had positive influence on consumer buying. In a similar study by Mittal et al. (1998) it was found that when product benefits meet or exceed the expectations, customers give a positive response in repurchase. According to Ji & Deborah (2014) brands help consumer perform better and benefit out of them. Savings through competitive pricing, reach of product availability, value with affordability and multiple usage of the product can be considered by practioners for decision making from the point of utilitarian values.

Hypothesis two reveals that hedonic values positively affect customer satisfaction, Ravindra et al (2008) had results exhibiting hedonic values resulting in delight. Freedom with  $\chi^2=98.027$ ,  $p=0.000$  tested at  $p<.05$  had positive affect on customer satisfaction. Freedom of selection is offered with needed variety giving the customers freedom of choice, Cheng et al. (2000) in their study had revealed that hedonic values had significant affect on variety seeking. A similar study was done by Sheth et al. (1991) in which they proved that variety seeking novelty is positively associated with utilitarian values and further results in customer satisfaction. In

another study done by Van Trijp et al. (1996) variety seeking was proved to influenced repeat purchase. Toyota offers a wide variety of variants like “Yaris” for entry level customers, Camry for executive level, Lexus for premium level, Dyana for small entrepreneurs, and Sequoia for big families. Self-expression with a  $\chi^2=262.110$ ,  $p=0.000$  tested at  $p<.05$  had positive effect on customer satisfaction. Owning the product and brand gave consumers a feeling of pride and enhancement of personal image, Asta and Jurate (2012) had concluded that hedonic values will satisfy self-esteem and personal ego of the customers. Image has several shades like for example ownership of “iphone” gives the customer technical superiority image, ownership of Samsung television gives modern image. Entertainment with a  $\chi^2=118.743$ ,  $p=0.000$  tested at  $p<.05$  had positive affect on customer satisfaction. Post purchase use of the brand gave the customer expected joy and amused them with features and services, a similar but not same is expressed by Ravindra et al (2008). In another study by Brakus et al. (2009) stated excitement and emotional warmth influence customer satisfaction. Samsung with variants like smart televisions, Lenovo with its touch screen and paper thin laptops provide a great entertainment value to the customers. Exploration with a  $\chi^2=118.743$ ,  $p=0.000$  tested at  $p<.05$  has positive affect on customer satisfaction. When these brands were used, they improved the knowledge of the customers. Customers feel that these brands added to their overall learning process. Samsung smart television has features to connect to internet and interact with customers intelligently. From the hedonic values managerial fraternity can seek the following issues; meaningful variety, specific image, additional features, space for learning new things into their decision making.

Hypothesis three reveals that customer satisfaction derived from utilitarian and hedonic values had significant affect on brand switching. With a  $\chi^2=68.144$ ,  $p=0.000$  tested at  $p<.05$  had significant affect on brand switching. A similar result was obtained by Ravindra et al (2008) in which they had mentioned that consumer will involve in positive word of mouth and repeat purchase when utilitarian and hedonic values are met or exceeded. Crowley et al. (1992) in another study opined that utilitarian and hedonic values will deliver satisfaction based on products low or high benefits offered. Contradicting to this Cheng et al. (2000) had results showing there is a negative relationship between utilitarian and hedonic values, this indicates they cannot together have significant effect. In a study done by Dhar & Wertenbroch (2000) in a similar context had proven that both utilitarian and hedonic values will have different significance level of influence on customers post purchase behaviour. When customers are taken care with suitable utilitarian and hedonic values by the marketing offerings, they will not think for switching the brand. Consumers keep shifting their preferences, hence the study of utilitarian and hedonic values differ from time to time across geographical locations.

### Acknowledgment

The Researcher would like to thank Deanship of Scientific Research at King Saud University represented by the Research Centre, College of Business Administration for supporting this research non-financially.

### References

- Andy, F. (2013). *Discovering Statistics using IBM SPSS Statistics* (4th ed.). Los Angeles: Sage Publications.
- Arnold, M. J., & Reynolds, K. E. (2003). Hedonic Shopping Motivations. *Journal of Retailing*, 79, 77-95. [http://dx.doi.org/10.1016/S0022-4359\(03\)00007-1](http://dx.doi.org/10.1016/S0022-4359(03)00007-1)
- Babin, B. J., Darden, W. R., & Griffin, M. (1994). Work and/or fun: Measuring Hedonic and Utilitarian Shopping Value. *The Journal of Consumer Research*, 20(4), 644-656. <http://dx.doi.org/10.1086/209376>
- Batra, R., & Ahtola, O. T. (1990). Measuring the Hedonic and Utilitarian Sources of Consumer Attitudes. *Marketing Letters*, 2(2), 159-170. <http://dx.doi.org/10.1007/BF00436035>
- Brakus, J. J., Schmitt, B. H., & Zarantonello, L. (2009). Brand Experience: What Is It? How Is It Measured? Does It Affect Loyalty? *Journal of Marketing*, 73(May), 52-68. <http://dx.doi.org/10.1509/jmkg.73.3.52>
- Cheng, L. W., Zhen, X. C., Allan, K. K. C., & Zong, C. Z. (2000). The Influence of Hedonic Values on Consumer Behaviors: An Empirical Investigation in China. *Journal of Global Marketing*, 14(1/2), 169-186. <http://dx.doi.org/10.5755/j01.ee.23.5.1975>
- Crowley, A. E., Eric, R. S., & Kevin, R. H. (1992). Measuring the Hedonic and Utilitarian Dimensions of Attitudes Toward Product Category. *Marketing Letters*, 3(3), 239-249. <http://dx.doi.org/10.1007/BF00994132>
- Dhar, R., & Wertenbroch, K. (2000). Consumer choice between hedonic and utilitarian goods. *Journal of Marketing Research*, 37(Feb), 60-71. <http://dx.doi.org/10.1509/jmkr.37.1.60.18718>

- Heasun, C., Hyunjoo, L., & Daejoong, K. (2012). The Integrated Model of Smartphone Adoption: Hedonic and Utilitarian Value Perceptions of Smartphones among Korean College Students. *Cyber Psychology, Behavior, and Social Networking*, 15(9), 473-479. <http://dx.doi.org/10.1089/cyber.2012.0140>
- Hung, C., Chiu, T., Yi, C. H., Yu, C. Li., & Monle, L. (2004). Relationship marketing and consumer switching behaviour. *Journal of Business Research*, 58, 1681-1689. <http://dx.doi.org/10.1016/j.jbusres.2004.11.005>
- Hyokjin, K., Marina, P., & Joseph, F. R. (2015) Better Not Smile at the Price: The Differential Role of Brand Anthropomorphization on Perceived Price Fairness. *Journal of Marketing*, 79(4), 56-76. <http://dx.doi.org/10.1509/jm.13.0410>
- Ji, K. P., & Deborah, R. J. (2014). I Think I Can, I Think I Can: Brand Use, Self-Efficacy, and Performance. *Journal of Marketing Research*, 51(2), 233-247. <http://dx.doi.org/10.1509/jmr.11.0532>
- Kazakeviciute, A., & Banyte, J. (2012). The Relationship of Consumers Perceived Hedonic Value and Behavior. *Inzinerine Ekonomika-Engineering Economics*, 23(5), 532-540. <http://dx.doi.org/10.5755/j01.ee.23.5.1975>
- Kevin, E. V., Eric, R. S., & Bianca, G. (2003). Measuring the Hedonic and Utilitarian Dimensions of Consumer Attitude. *Journal of Marketing Research*, XL, 310-320.
- Kim, H. S. (2006). Using Hedonic and Utilitarian Shopping Motivations to Profile Inner City Consumers. *Journal of Shopping Center Research*, 13(1), 57-79.
- Kotler, P., & Armstrong, G. (2013). *Principles of Marketing*, New Jersey: Prentice Hall.
- Mittal, V., William, T. R. Jr., & Patrick, M. B. (1998). The Asymmetric Impact of Negative and Positive Attribute-Level Performance on Overall Satisfaction and Repurchase Intentions. *Journal of Marketing*, 62(January), 33-47.
- Ralph, L. D. (1984). Modeling Choices among Alternative Responses to Dissatisfaction. In T. C. Kinnear (Ed.), *Advances in Consumer Research* (pp. 496-499). Provo, UT: Association for Consumer Research.
- Ravindra, C., Rajagopal, R., & Vijay, M. (2008). Delight by Design: The Role of Hedonic Versus Utilitarian Benefits. *Journal of Marketing*, 72(May), 48-63. <http://dx.doi.org/10.1509/jmkg.72.3.48>
- Sheth, J. N., Newman, B. I., & Gross, B. L. (1991). Why we buy what we buy: A theory of consumption values. *Journal of Business Research*, 22(2), 159-170. [http://dx.doi.org/10.1016/0148-2963\(91\)90050-8](http://dx.doi.org/10.1016/0148-2963(91)90050-8)
- Thomson, M., Deborah, J. M., & Whan, P. C. (2005). The Ties That Bind: Measuring the Strength of Consumers' Emotional Attachments to Brands. *Journal of Consumer Psychology*, 15(1), 77-91. [http://dx.doi.org/10.1207/s15327663jcp1501\\_10](http://dx.doi.org/10.1207/s15327663jcp1501_10)
- Van Trijp, H. C. M., Hoyer, W. D., & Inman, J. J. (1996). Why Switch? Product Category Level Explanations for True Variety-Seeking Behavior. *Journal of Marketing Research*, XXXVIII(Summer), 281-292. <http://dx.doi.org/10.2307/3152125>
- Voss, K. E., Spangenberg, E. R., & Grohmann, B. (2003). Measuring the Hedonic and Utilitarian Dimensions of Consumer Attitude. *Journal of Marketing Research*, 40(3), 310-320. <http://dx.doi.org/10.1007/BF00436035>

## Note

Note 1. The information given in conclusions about the respective products and brands are derived from the customer response to descriptive question in the questionnaire.

## Appendix A

### Questionnaire Items/Statements

Give your opinion for the following products and brands :							
“Smart mobile phone/i-phone, car/Toyota, television/Samsung and laptop/Lenovo”.							
7=Highly agree with the statement, 1=Highly dis-agree with the statement							
	7	6	5	4	3	2	1
Statements							
Savings							
Prices offered by these brands are competitive							
These brands give price savings							
Convenience							
These brands provides accessing conditions which avoide waste of time and effort							
Transactional procedures are easy for These brands							
Multiple Benefits							
These brands provides intended/direct benefits							
These brands provides indirect/ unintended benefits							
Affordability							
These brands fits my budget							
Payment options are easy for These brands							
Self-expression							
Ownership of These brands enabled me to express my feelings through the ownership of this brand							
Ownership of These brands elated my personal image							
Exploration							
These brands gave good learning curve							
These brands added value to my lifestyle							
Entertainment							
These brands provided enjoyment							
These brands provided amusement							
Freedom							
These brands offers sufficient choices							
These brands provides mobility							
Customer satisfaction							
I am satisfied with utilitarian factors savings, convenience, benefits and affordability.							
I am satisfied with hedonic factors self-expression, exploration, entertainment and freedom.							
In my next purchase I will not switch from These brands							
Kindly give your experience in few lines with the above mentioned brands :							

### Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/3.0/>).