

A Model Linking Store Attributes, Service Quality and Customer Experience: A Study Among Community Pharmacies

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ABSTRACT

Community pharmacies are one of the few healthcare premises in Malaysia that provide service and products concurrently. It is of essential importance to research into the factors that could enhance customer experience during their shopping trip. Based on this premise, a model linking service quality and store attributes and customer experience is tested. Data were collected from a survey of 194 customers from community pharmacies in Malaysia. Analysis using partial least square method revealed security and reliability and store attributes have direct effects on the specific dimensions of customer emotional experiences. This implies store attributes and reliability of community pharmacies are a significant predictor of customer emotional experience among community pharmacies customers.

JEL Classification: C21, M10, M31

Keywords: Community Pharmacies, Customer Emotional Experience, Service quality, Store Attributes.

INTRODUCTION

Retail is one of the fastest-growing sectors of Malaysia's economy, significantly contributing through the provision of job opportunities, foreign direct investment, and acting as the link between other sectors of the economy (Mokhlis, 2014). In 2009, this industry contributed RM57 billion to the gross national income (GNI) and created an estimated 500,000 jobs in the country (ETP, 2015). World Bank report dated in 2013 showed Malaysia's GNI stands at 669.5 billion PPP (purchasing power parity) dollars. Also, the retail sector contributed more than 60% of gross national product (GDP) through domestic consumption.

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The pharmaceutical industry is a vital component of the whole retail industry where its contribution is significant for Malaysia's financial health. Pacific Bridge Medical, a consulting firm with expertise in the Asian medical market, reported that Malaysia's pharmaceutical market is worth USD 3.2 billion and is currently growing at a rapid pace of 11 percent per annum. Also, the private over-the-counter (OTC) market is estimated to be worth over RM 68 million, where its main contribution is from retail healthcare outlets such as Chinese medical halls, pharmacies, and convenience stores. MOPI, a Malaysian pharmaceutical organization, forecasted that the market worth of traditional medicines, health supplements, and health food is around RM 3 billion (MOPI, 2011).

In Malaysia, a person or a business organization is allowed to own one or more pharmacy stores with the legal requirement of having one or more registered pharmacists attached to the particular outlet. In other words, a community pharmacy in Malaysia does not exclusively belong to a pharmacist; rather any person can own a pharmacy similarly to any normal retail outlet business. It is different from Spain or Australia, whereby only the pharmacist can be the owner. This legislation opened up the opportunities for the nonpharmacist to invest in the community business, which is evident from the increasing number of pharmacies nationwide in these past few years. As more pharmacy stores enter the market, the more competitive the market will be for the community retailers.

The progressive changes in Malaysia's community pharmacy landscape started with an exponential increase of standalone pharmacies followed by the expansion of chain stores such as the Guardian and Georgetown pharmacies. Subsequently, standalone pharmacies grew and expanded to become local chain outlets in the late 1990s. Finally, pharmacy chain stores consolidate, continued with the growth of Guardian Pharmacy and emergence of regional pharmacy chains (Kareem & Farid, 2013). During this period, an influx of large foreign-based pharmacy retailers invested in this industry, including Guardian Pharmacy, one of the biggest community chain pharmacy owned by Hong Kong Dairy Farm Group and Watsons Pharmacy, a subsidiary of Watsons Group, a Hong Kong-based company. Major retailers with different specialties, too, have shown interest to invest in the healthcare industry. Aeon Wellness, a healthcare subsidiary of Aeon Corporation, which is Asia's largest retailer based in Japan, expanded its products and service offerings through pharmacy-supermarket concept. Berjaya Group, one of Malaysia's largest conglomerates with diversified interest in various business sectors such as hotels, food and beverages, and education, expanded its business model to healthcare through the introduction of a chain of community pharmacies as COSWAY Pharmacy. In 2009, retail sales and other providers of medical goods made up 7 percent of total health expenditures in Malaysia, accounting for almost RM 2.4 billion, according to the World Health Organization. Total health expenditures contribute to 4.0 percent of Malaysia's GDP.

A community pharmacy is a service and product provider in which its success as a service provider is dependent on the quality of the relationship with its customers (Panda, 2002). A healthy and high-quality relationship with its clients increases satisfaction, thus creating a continuous, uninterrupted care flow (Schommer & Kucukarslan, 1997) and develops a strong positive relationship between the customers (Crosby, Evans, & Cowles, 1990). As Cameran, Moizer, and Pettinicchio, (2010) revealed that integration of service quality is the main

differentiation agenda to outcompete a business rival. Service quality has been carried out in Malaysia and mainly focused on banks (Kheng, Mahamad, Ramayah, & Mosahab, 2010), grocery stores (Ahmad, Ihtiyar, & Omar, 2014), apparel specialty stores (Leen, Ramayah, & Ma'ruf, 2004), tourism (Khairunnisak & Ng, 2015), and hotels (Mey, Akbar, & Fie, 2006). However, it has not been adequately addressed in the healthcare industries and, therefore, lags comparatively with others (Borkowski & Gordon, 2006).

Store attributes fundamentally shape the image of a store and assist in precise marketing strategy formulation (Erdem, Oumlil, & Tuncalp, 1999), and store attributes differ according to the type of store format evaluated. As a community pharmacy is a unique blend of being a healthcare provider and as a retailer, it is relevant to investigate the influences of store attributes in a community pharmacy, as this industry has not been much focused on retail marketing research (Wongsuphasawat, Kittisopee, & Powpaka, 2010).

A community pharmacy exhibits a dual role as a retail business and health care provider, thus making it a challenge to provide the customer with a positive experience on top of the primary functional activities (Gavilan, Avello, & Abril, 2014). Besides, shopping trips to a community pharmacy have yet to be perceived as an enjoyable experience for customers (Nilsson & Ek, 2012). There is limited literature on the research of attributes that can enhance customers' shopping experience in a community pharmacy. Therefore, the aim of the present study was to examine the effects of the store attributes and the service quality of the customer experience with the community pharmacy stores in Malaysia. The research question was formulated as "Does service quality influence customer experience and does store attributes influences customer experience?"

This study is expected to provide practical evidence to researchers in the research area of service quality and store attributes in the community pharmacy industry literature where the findings of this study will assist community pharmacy owners to develop strategies to achieve competitive advantage to maximize their profit margin and sustain their business. This study aims to assist pharmacy owners to direct their focus on marketing efforts to increase consumer patronage and profitability through differentiation and understanding of the market segment needs that influences a consumer's decision to selectively patron certain pharmacies. Also, a community pharmacy is able to identify offerings that are valued or not valued by its respective customers.

In general, this paper is presented in five sections. The introduction highlights the background of the study of interest, research problems, research questions, and the significance of the study. This is followed by the reviews of literature involving independent and dependent variables. The developed theoretical framework and formulated hypotheses were discussed accordingly. Next, the methodology used for this research includes details of population and sample, questionnaire design, measurements, data collection techniques, and statistical analysis techniques followed by a discussion of the statistical analysis results. Last, findings observed and their implication were discussed accordingly.

REVIEW OF LITERATURE

Customer Experience

Customer experience is a new battleground for organizations (Badgett, Boyce, & Kleinberger, 2007) and is currently being utilized as a business strategy to gain a competitive advantage over others (Johnston & Kong, 2011). Since the emergence of customer experience, many service industries have shifted their attention from service-based to the experience-based economy (Kim, Cha, Knutson, & Beck, 2011). Emotion experience has been central to the understanding of consumer behavior in service environments, especially in the retail industry (Watson & Spence, 2007). In recent studies, researchers posited the necessity to shift the focus on an emotional aspect of a customer rather than a cognition function (Lin & Bennett, 2014), thus necessitating a need to implement strategic objectives for such firms (Klaus & Maklan, 2013).

The role of emotions has been noted as a distinguishing feature of the customer experience. It is a stimulus that has a positive affective outcome for one consumer that may have an adverse result for another consumer with a different emotional disposition (Oliver, 2014) or become highly involving for some or low involving toward the same product or service (Palmer, 2010). Söderlund and Rosengren (2007) suggested that a consumer's emotional experience has a tremendous impact on an organization's business, as emotions are socially contagious where one person is easily attracted to the emotions displayed by someone else with whom they interact. As evidence in a study by Balakrishnan (2011), the way a consumer makes an economic decision is based on 70 percent emotions and 30 percent rationale. As such, emotional experience goes beyond physical attributes such as quality and quantity (Leventhal *et al.*, 2006).

Store Attributes

Store attributes were defined as an impression of a store's physical, functional, and cognitive traits in a consumer's mind (Martineau, 1958). Effort and time were invested in determining which attributes the customer prioritizes during store choice (Reutterer & Teller, 2009) and brings customer satisfaction (Nilsson, Gärling, & Marell, 2013). Store attributes were first categorised into nine dimensions: merchandising, service, clientele, physical facilities, convenience, promotion, store atmosphere, institutional factors and past transactions (Lindquis, 1974). Studies on pharmacy store attributes exhibit mixed results. Horsfield, Kelly, Clark, and Sheridan (2014) found that young people ranked accessibility via public transport, availability of consultation area, and the presence of female staff as being among the highest priority, which could affect young peoples' use of community pharmacies. Kareem and Farid (2013) concluded that none of the physical attributes investigated were significant to influence the behaviour of consumer patronage. Franic, Haddock, Tucker, and Wooten (2007) even found the effect of store attributes varies from the type of pharmacy retail format investigated. Mixed study results indicated response variation, underlying the importance of store attributes identification that will enhance the business performance.

Scholars typically use a total of seven dimensions as certain pharmacy store attributes, including store convenience, service quality, store atmosphere, product attribute, personnel

competence, store facilities, and information management. Among these seven dimensions, the researchers would like to focus on store convenience (Kareem & Farid, 2013; Horsfield *et al.*, 2014; Gavilan *et al.*, 2014) and store atmosphere (Kareem & Farid, 2013; Gavilan *et al.*, 2014).

Store Convenience

Pan and Zinkhan (2006) described store convenience as one of the key features that consumer seeks in the modern environment, as it is an important consideration for consumers while selecting store choice (Eastlick & Feinberg, 1999). Store location, distance traveled, and parking facilities are known to be major contributors in the determination of a consumer's selection of store choice (Sinha & Banerjee, 2004). Consumers weigh the trade-offs between inconvenience and store attraction when they decide to patronize a store (Darley & Lim, 1999); therefore the ease of store accessibility influences customer retention (East, Hammond, Harris, & Lomax, 2000), store preference (Tripathi, 2009), attracts customers (Bellenger, Robertson, & Greenberg, 1977), improves store loyalty (McGoldrick & Andre, 1997), and positively influence customer satisfaction (Berry, Seiders, & Grewal, 2002).

Spies, Hesse, and Loesch (1997) refer to in-store convenience as the store's layout and design. Consumers appreciate and value retailers that make an effort to make the layout presentable and convenient for them to shop and to move around (Vazquez, Rodríguez, Díaz, & Ruiz, 2001). Thang and Tan (2003) found that stores that incorporate attributes of convenience in their operations are highly regarded, as it helps to save a consumer's time. This agrees well with consumers who are inclined to maximize visits to their preferred store and are less enticed to change store selection due to the risk of disutility, which is link with travel, unavailability of products, and parking inconvenience.

Store Atmosphere

Kotler (1973) suggested that store atmosphere is represented by environmental cues in a retail store. Baker, Levy, and Grewal (1992) categorized the elements of store environment into social factors, design factors, and ambient factors where social factors are related to the presence of others in stores (Baker, Grewal, & Parasuraman, 1994). Store physical traits can create an image of the store in the mind of the consumer (Wang & Ha, 2011), and a well-structured and planned element creates a favorable environment, which can act as a communication medium between retailers and consumers (Seock & Bailey, 2009). A positive and pleasing atmosphere provides comfort and gratification, leading to a consumer's sense of well-being (Thang & Tan, 2003). Negative emotions can have an impact on store image, which, in turn, jeopardizes a store's performance. Retailers have to make the effort to control the equity of the store so as to be able to manage the profitability and sustainability of their stores (Das, Hayes, & Taylor, 2015).

Service Quality

Traditional service quality refers to the quality of all non-Internet-based customer interactions and experiences with companies (Parasuraman, Zeithaml, & Malhotra, 2005). Service quality is recognized as a critical success factor in a firm's endeavours to differentiate itself from its

competitors (Ladhari, 2009). Dadfar and Bregre (2012) defined service quality as an overall judgment of a service provider and the outcome of the comparison between customers' perception and expectations. Broadly stated, service quality is the gap or discrepancy between the customers' expectation and perception. The measurement of a service, however, is complex due to the intangible nature of service and the higher consumer involvement requirement (Gronoos, 1982).

The SERVQUAL instrument and its variations have been used for measuring service quality in many proprietary and published studies (Parasuraman *et al.*, 2005). Much of the research effort regarding service quality has been devoted to the development of reliable and replicable instruments for measuring the construct (Ladhari, 2009). Measurement of service quality in a community pharmacy is commonly based on SERVQUAL scale (Adat & Noel, 2014; Adoyo *et al.*, 2012; Dadfar & Brege, 2012; White & Klinner, 2012), though SERVPEF had been used for service quality assessment (Chen & Fu, 2015). Dadfar and Brege (2012) argued that SERVQUAL is more appropriate for use in measuring service quality in a community pharmacy, as the model has been widely used in different service-based organizations, healthcare sectors, and cultures. The application of SERVQUAL has been widely utilized in the healthcare industry such as in the private healthcare sector (Butt & Cyril, 2010), hospitals (Dasanayaka, Gunasekera & Sardana, 2014), and healthcare organizations (Amjeriya & Malviya, 2012).

Jain and Gupta (2004) compared and commented that SERVQUAL is superior to SERVPERF in diagnosing service quality shortfalls. This allows business owners to identify and intervene in the event of service quality shortfall, while SERVPERF is more suited to undertake service quality comparisons across service industries. One of the objectives of this study is to be able to identify gaps, shortfalls, and discrepancies between community pharmacy customer's expectations and perceptions. Once identified, efforts are made to close such gaps to improve business performance. Therefore, an SERVQUAL-based measurement scale is selected and adopted in this study.

Early literature showed that physical environment and surrounding of a store will trigger an emotional reaction (Robert & John, 1982). In subsequent studies, it was found that particular store attributes can engage a consumer's emotions (Babin & Darden, 1996), including arousal and pleasure (Sherman, Mathur, & Smith, 1997), both of which are expected to be influenced by store attributes. Positive emotions triggered by a set of store attributes encourage customers to stay longer and interact with other employees, further enhancing the buying experience and customer satisfaction (Babin & Darden, 1996). These findings lead to our first hypothesis:

H1: Store Attributes will positively influence Customer Experience

H1a: Store Convenience will positively influence Customer Experience

H1b: Store Atmosphere will positively influence Customer Experience

Sandström *et al.* (2008) linked service quality to the customer, as the value in use is the evaluation of the service experience, meaning the individual judgment of the total of all the functional and emotional experience outcomes. Sanders and Stappers (2008) added that an

organization must be able to manage and handle the emotional dimension of experience with the same rigor that was brought to the management of service functionality. During rendering of service, customers could elicit various emotional types, and these emotions convey an important message on how the customers will ultimately assess the service encounter and, subsequently, overall relationship quality (Wong, 2004). Also, a deeper understanding of negative and positive customer emotions helps one to better understand customer perceived service quality. Hence, the better the basis for managing service quality.

Roos and Friman (2008) identified negative emotion such as annoyance, anxiety, disappointment, distress, and tension as emotions that considerably shape customers' service-switching processes. Zeelenberg and Pieters (2004) stated that service encounters can be a source of negative emotions, contributed during the delivery of a service that does not match previously held expectations. And, even when expectations are met when customers realize that the obtained delivery of service could have been better had they gone for an alternative service or service provider. Given the discussion above, we posit the following hypothesis:

H2: Service quality will positively influence Customer Experience.

H2a: Information will positively influence Customer Experience

H2b: Security and reliability will positively influence Customer Experience

H2c: Empathy will positively influence Customer Experience

H2d: Appearance will positively influence Customer Experience

H2e: Time Commitment will positively influence Customer Experience

RESEARCH METHODOLOGY

Sample and Data Collection

The respondents of this study were customers of community pharmacies in Peninsular Malaysia. The number of samples needed for this study was calculated using stratified random sampling based on the distribution of community pharmacy outlet located in Peninsular Malaysia. Questionnaires packets were delivered or mailed to the owner, store manager, or pharmacist. Each packet contained two sets of questionnaires, which were to be distributed by them in order to randomly select two customers who visited the pharmacy. Two months were given, after which the manager had to mail the questionnaires back in a return sealed envelope. A total of 204 questionnaires were collected within a period of two months. During the screening of response, only 194 questionnaires were usable and subsequently analyzed.

Measures and Analysis

Our independent variables, relating to five service quality dimensions (information, security and reliability, empathy, appearance and time commitment) and comprising 20 items, were adapted

from Dadfar and Brege (2012). Meanwhile, two store attribute dimensions (store atmosphere and store convenience) were measured using eight items procured from Wong, Osman, Jamaluddin, and Yin (2012) and Thang and Tan (2003). Dependent variables of customer experience comprising 10 items were adopted from Naina and Borhan (2014). The measurement items for all variables of this study are listed in Table 1. Respondents responded to the items using a 5-point Likert-type scale with “1” = “*strongly disagree*” to “5” = “*strongly agree*”. Our hypotheses were tested with partial least-squares (PLS) software developed by Ringle, Wende, and Will (2005). We employed PLS-SEM, a second-generation technique in favor of a covariance-based approach, as PLS-SEM accounts for the prediction objectives, which were excluded in the application of CB-SEM. (Hair, Ringle, & Sarstedt, 2011). The application of Smart PLS is suited, as SEM methods are capable of measuring latent variables evaluation and testing of relationships between latent variables (Babin, Hair, & Boles, 2008), and handle problems occurred in social science modeling issues such as formative measurement constructs, small sample sizes, and non-normal data (Hair, Sarstedt, Hopkins, & Kuppelwieser, 2014). For reflective outer models, Hair *et al.* (2011) suggest that measurement includes indicator reliability, internal consistency, convergent validity, and discriminant validity.

Table 1 Source and number of measurement items pertaining Service Quality (SQ), Store Attributes (SA), and Customer Experience (CEXP).

Variables	No. of items	Source of measurement
Service Quality		
Information	3	Adopted from Dadfar and Brege (2012)
Security and Reliability	6	
Empathy	4	
Appearance	4	
Time commitment	3	
Store Attributes		
Store Convenience	4	Adopted from Wong <i>et al.</i> , (2012)
Store Atmosphere	4	Adopted from Thang and Tan (2003)
Customer Experience	10	Adopted from Naina and Borhan (2014)

RESULTS

Sample Profile

An overview of customer respondents is shown in Table 2.

Table 2 Profile and Descriptive Statistics of Customer Respondents

Variable	Frequency	Percentage (%)
Gender		
Male	88	45.4
Female	106	54.6
Age		
16 – 25	31	16.0
26 – 35	43	22.2
36 – 45	56	28.9
46 – 55	31	16.0
56 – 65	24	12.3
More than 65	9	4.6
Occupation		
Student	19	9.8
Government	25	12.9
Self Employed / Own Business	41	21.1
Private Sector	74	38.1
Retired	1	0.5
Pensioner	25	12.9
Unemployed	9	4.7
Education Level		
No Formal Education	2	1.0
Primary	5	2.6
Secondary	70	36.1
College or University	103	53.1
Postgraduate	14	7.2

Measurement Model Results

We used the factor loadings, composite reliability (CR), and average variance extracted (AVE) to assess convergence validity. Convergent validity examines if a particular item measures a latent variable (Urbach & Ahlemann, 2010). Hair *et al.* (2011) suggested that the value indicator of absolute standardized loading (outer loading) should be higher than 0.70. Indicators with loadings between 0.40 and 0.70 can be retained and should only be scrutinized and examined for removal of the scale if the deletion of indicators with these values can lead to an increase of composite reliability value above the minimum threshold of 0.70. One item of information

(INFO1) was dropped due to poor factor loading (<0.50). Average variance extracted (AVE) is defined as the grand mean value of the square loadings of the indicators associated with the construct and is a standard tool used to establish convergent validity on the construct level. According to Hair *et al.* (2013), the value of the AVE for each variable should exceed 0.50. The AVE ranged from 0.569 to 0.773. Composite reliability is applied to evaluate the constructs measures' internal consistency reliability, as suggested by Hair *et al.* (2014). The often cited classic reliability standard of 0.70 or greater indicates a satisfactory composite reliability, although acceptable reliabilities below 0.70 may be obtained when an overall causal or CFA model fits satisfactorily (Bagozzi & Yi, 2012). The composite reliability values in this study ranged from 0.870 to 0.953, as shown in Table 3. Thus, it can be concluded that the measurement model is reliable and demonstrates adequate convergent validity.

Table 3 Items loadings, composite reliability and the average variance extracted for the measurement model.

Construct	Items	Loadings	AVE	CR	
Information	INFO2	0.860	0.773	0.872	
	INFO3	0.898			
Security & Reliability	SECUR2	0.792	0.657	0.905	
	SECUR3	0.843			
	SECUR4	0.831			
	SECUR5	0.784			
	SECUR6	0.800			
Empathy	EMPA1	0.850	0.769	0.930	
	EMPA2				0.894
	EMPA3				0.891
	EMPA4				0.872
Appearance	APPE1	0.723	0.573	0.840	
	APPE2	0.848			
	APPE3	0.843			
	APPE4	0.583			
Time Commitment	TICOM1	0.864	0.692	0.870	
	TICOM2	0.727			
	TICOM3	0.896			
Store Convenience	SCON1	0.670	0.569	0.840	
	SCON2	0.816			
	SCON3	0.788			
	SCON4	0.734			
Store Atmosphere	SATM1	0.836	0.608	0.861	
	SATM2	0.761			
	SATM3	0.796			
	SATM4	0.722			

Table 3 (Cont.)

Customer Experience	CEXP1	0.872	0.669	0.953
	CEXP2	0.776		
	CEXP3	0.839		
	CEXP4	0.811		
	CEXP5	0.789		
	CEXP6	0.771		
	CEXP7	0.859		
	CEXP8	0.819		
	CEXP9	0.819		
	CEXP10	0.819		

Note: INFO = information, SECUR = security and reliability, EMPA = empathy, APPE = appearance, TICOM = time commitment, SCON = store convenience, SATM = store atmosphere and CEXP = customer experience

Next, the measurement model is tested on its discriminant validity. There were two criteria to check for discriminant validity: the Fornell–Larcker and cross-loadings (Hair *et al.*, 2012). The acceptable recommendation for the Fornell–Larcker criterion is that each construct's AVE should be higher than its squared correlation with any other construct. One item of security and reliability (SECUR1) was dropped to fulfil the criterion of Fornell–Larcker. Table 4 shows that the square root of the AVE of the latent variable exceeded the correlations of other constructs.

Table 4 Discriminant validity of constructs

	APPE	CEXP	EMPA	INFO	SATM	SCON	SECUR	TICOM
APPE	0.757							
CEXP	0.519	0.818						
EMPA	0.482	0.577	0.877					
INFO	0.444	0.592	0.744	0.879				
SATM	0.723	0.629	0.471	0.485	0.780			
SCON	0.410	0.524	0.461	0.421	0.444	0.754		
SATM	0.594	0.732	0.802	0.808	0.618	0.421	0.810	
TICOM	0.579	0.544	0.748	0.742	0.572	0.533	0.694	0.832

Diagonals (bold) represent the square root of the average variance extracted while the other entries represent the correlations.

Note: INFO = information, SECUR = security and reliability, EMPA = empathy, APPE = appearance, TICOM = time commitment, SCON = store convenience, SATM = store atmosphere and CEXP = customer experience

For cross-loadings, each indicator should load largest on the construct it is intended to measure. Table 5 presents the cross loading for each item. According to Vinzi *et al.* (2010), each measure should be strongly related to the construct it attempts to reflect, but it should not have a stronger connection with another construct. In sum, the measurement model demonstrated adequate discriminant validity.

Table 5 Loadings and cross-loadings for measurement model

	APPE	CEXP	EMPA	INFO	SATM	SCON	SECUR	TICOM
APPE1	0.723	0.345	0.378	0.283	0.408	0.207	0.439	0.334
APPE2	0.848	0.435	0.332	0.391	0.688	0.307	0.482	0.436
APPE3	0.843	0.435	0.446	0.365	0.729	0.313	0.495	0.530
APPE4	0.583	0.341	0.300	0.290	0.292	0.425	0.372	0.441
CEXP1	0.517	0.872	0.455	0.467	0.569	0.526	0.609	0.455
CEXP10	0.412	0.819	0.436	0.551	0.548	0.370	0.581	0.457
CEXP2	0.441	0.776	0.468	0.494	0.591	0.410	0.608	0.483
CEXP3	0.501	0.839	0.413	0.471	0.597	0.371	0.638	0.393
CEXP4	0.406	0.811	0.479	0.391	0.424	0.449	0.527	0.394
CEXP5	0.315	0.789	0.502	0.515	0.527	0.359	0.609	0.400
CEXP6	0.376	0.771	0.526	0.471	0.432	0.370	0.616	0.494
CEXP7	0.440	0.859	0.497	0.534	0.488	0.519	0.621	0.507
CEXP8	0.417	0.819	0.547	0.529	0.405	0.567	0.609	0.503
CEXP9	0.397	0.819	0.400	0.404	0.539	0.332	0.561	0.357
EMPA1	0.343	0.496	0.850	0.659	0.358	0.398	0.659	0.638
EMPA2	0.404	0.500	0.894	0.753	0.423	0.435	0.744	0.664
EMPA3	0.473	0.536	0.891	0.596	0.471	0.385	0.740	0.652
EMPA4	0.468	0.489	0.872	0.605	0.396	0.401	0.667	0.671
INFO2	0.258	0.479	0.626	0.860	0.320	0.365	0.610	0.614
INFO3	0.505	0.557	0.680	0.898	0.519	0.376	0.800	0.688
SATM1	0.571	0.506	0.371	0.410	0.836	0.382	0.469	0.552
SATM2	0.465	0.424	0.267	0.270	0.761	0.392	0.377	0.398
SATM3	0.680	0.354	0.319	0.274	0.796	0.205	0.398	0.426
SATM4	0.550	0.595	0.457	0.483	0.722	0.362	0.609	0.394
SCON1	0.238	0.300	0.235	0.136	0.267	0.670	0.203	0.316
SCON2	0.407	0.347	0.337	0.382	0.359	0.816	0.347	0.428
SCON3	0.295	0.485	0.423	0.406	0.388	0.788	0.383	0.420
SCON4	0.301	0.405	0.356	0.296	0.307	0.734	0.303	0.427
SECUR2	0.460	0.665	0.581	0.645	0.454	0.358	0.792	0.511
SECUR3	0.525	0.578	0.627	0.593	0.536	0.287	0.843	0.473
SECUR4	0.540	0.584	0.668	0.644	0.530	0.388	0.831	0.572
SECUR5	0.507	0.586	0.651	0.717	0.580	0.323	0.784	0.637
SECUR6	0.366	0.536	0.736	0.674	0.401	0.343	0.800	0.629
TICOM1	0.577	0.465	0.621	0.694	0.493	0.470	0.630	0.864
TICOM2	0.412	0.272	0.389	0.425	0.380	0.380	0.336	0.727
TICOM3	0.458	0.552	0.767	0.677	0.531	0.472	0.679	0.896

Note: INFO = information, SECUR = security and reliability, EMPA = empathy, APPE = appearance, TICOM = time commitment, SCON = store convenience, SATM = store atmosphere and CEXP = customer experience

Structural Model Results

We proceed to test our hypotheses using path analysis. The R2 value of CEXP was 0.628, suggesting that 62.8% of the variance in CEXP can be explained by service quality and store attributes. Figure 1 illustrates the research model conceptualized in this study.

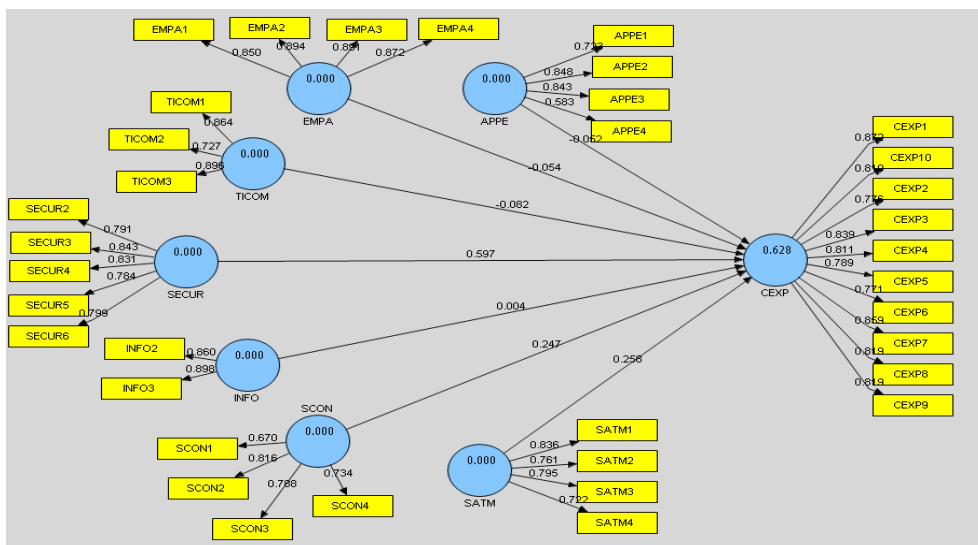


Figure 1 Measurement Model Framework

Next, we run the bootstrapping procedure with 5000 re-samples to test the significance of the regression coefficients. The results showed that security and reliability ($\beta = 0.597, p < 0.01$), store atmosphere ($\beta = 0.258, p < 0.01$), and store convenience ($\beta = 0.247, p < 0.01$) were positively related to CEXP. Therefore, hypotheses H1a, H1b, and H2b were supported; while the rest were not supported (Table 6).

Table 6 Hypothesis testing

Hypothesis	Relationship	Beta	Standard error	t value	Decision
H1a	SCON→CEXP	0.247	0.066	3.753**	Supported
H1b	SATM→CEXP	0.258	0.064	4.056**	Supported
H2a	INFO→CEXP	0.005	0.089	0.050	Not supported
H2b	SECUR→CEXP	0.597	0.120	4.990**	Supported
H2c	EMPA→CEXP	-0.054	0.092	0.591	Not supported
H2d	APPE→CEXP	-0.052	0.067	0.771	Not supported
H2e	TICOM→CEXP	-0.082	0.079	1.027	Not supported

* P < 0.05; ** P < 0.01

Note: INFO = information, SECUR = security and reliability, EMPA = empathy, APPE = appearance, TICOM = time commitment, SCON = store convenience, SATM = store atmosphere and CEXP = customer experience

In addition to the path analysis, predictive capability of the model was examined via Q^2 statistic. Predictive relevance was examined to evaluate the magnitude of the R^2 value as a criterion of predictive accuracy by using blindfolding to obtain cross-validated redundancy (Hair *et al.*, 2013). In essence, the model in this study has predictive relevance as the endogenous latent constructs' Q^2 value is larger than zero (Chin, 2010; Hair *et al.*, 2013). A Q^2 value greater than zero for a reflective endogenous latent variable indicates the path model's predictive relevance for this particular construct (Hair *et al.*, 2014). There are two kinds of Q^2 statistics estimates: cross-validated communality (H^2_j) and cross-validated redundancy (F^2_j). Both H^2_j and F^2_j values should be greater than zero. By performing blindfolding, our results revealed that $H^2_j = 0.667$ and $F^2_j = 0.415$. The results of blindfolding, as shown in Table 7, indicated that the proposed model had good predictive relevance. Therefore, it can be concluded that CEXP were well-explained by service quality and store attributes.

Table 7 Summary of SmartPLS: Predictive Relevance of the Model

Exogenous Variable	Endogenous Variable	H^2_j	F^2_j	Predictive Relevance
SCON				
INFO				
SECUR				
EMPA	CEXP	0.667	0.415	Yes
APPE				
TICOM				
SATM				

Note: INFO = information, SECUR = security and reliability, EMPA = empathy, APPE = appearance, TICOM = time commitment, SCON = store convenience, SATM = store atmosphere and CEXP = customer experience

DISCUSSION

The aim of this study was to examine the influence of service quality and store attributes on a customer's emotional experience. In general, the statistical results provide partial support for all the hypothesized relationships. Service quality being intangible cues does have a substantial effect on emotions (Jang & Namkung, 2009). Consistent with researchers findings, service quality can generate a favorable or unfavorable experience (Gracia, Bakker, & Grau, 2011), whereby the component of quality significantly has an impact on positive emotions in a favorable experience. A community pharmacy selected for this study may have exhibited quality of the service that exceeds the expectation of customers, which leads to positive emotions. Van Hagen and Bron (2014) elaborated upon customers' experiencing positive and healthy emotions when the experience is higher than expectation, therefore giving a proper evaluation of service quality provided.

In this particular study, only security and reliability of the service quality dimensions are found to be significant, which is consistent with Chowdhary and Prakash (2007). Thus, the security and reliability can be concluded as one of the most important dimensions of service

quality across different service-based providers. Customers expect the service process from the beginning until the end to be reliable, as a breakdown of communication or provision of service will adversely affect the customer. Customers may feel annoyed, frustrated, dissatisfied, or angry, which may subsequently weaken their loyalty and dampen the effort to retain customers. Hence, it is vital for the pharmacy to keep its promise and compromise the privacy of its clients to ensure the pharmacy is always credible and reliable.

Conversely, time commitment, empathy, appearance, and information were found to be not significant with a customer's emotional experience. One of the probable explanations could be that the time commitment may not be crucial for the emotional experience because the pharmacy usually practices first-come/first-serve when dealing with customers. Information, when viewed as a platform for healthcare and medication counseling, may be perceived as being less important and does not bring any significant results. This may be due to the customers already knowing the prescribed medication information given by a doctor and being less dependent on the pharmacist. The insignificance of empathy may be attributable to the increase of service provider personal conflict when an emotional investment is unable to meet the customer demands. Besides, the insignificance of appearance could be due to the customer perceiving it as being the least critical when compared with other dimensions.

Store convenience and store atmosphere play a significant role in predicting customer experience. The study result is consistent with several studies, where the researchers ascertained the trigger points and engagement of consumer emotions through a set of store attributes (Babin *et al.*, 1994; Walsh, Shiu, Hassan, Michaelidou, & Beatty, 2011). The practical understanding is that store attributes are tangible and are considered as a cue of functionality, space, design, and appearance, which form a mental picture in a consumer's mind and which precedes the emotional response (Ching, 2014; Jang & Namkung, 2009). As such, the mental picture processed by consumers generates uplifting emotions, which, in turn, influences consumers to develop positive emotions (approach) or negative emotions (avoid) toward such stimuli.

Retailers may not be able to foresee the effect of store location on consumers. However, they can design the environment of the store holistically to such effects, as the environment of a pharmacy store is a dimension and not a combination of multiple points (Chang, Chang, & Yeh, 2013). Attributes that are in the retailer's control such as lighting, color, design layout, background music, and appearance should be harmoniously designed to have an impact on consumers' emotions. As mentioned by Chang *et al.* (2013), congenial atmosphere through the integration of environmental component amplifies the effect of environment on the consumer.

Pharmacy retailers also should consider their target consumer during the design of store attributes. Studies have shown a distinct preference for store attributes among different ethnics and cultural (Mokhlis, 1999). Researchers reckon the perception of consumers varies and is more prevalent in a multicultural country such as Malaysia (Osman, Sim Ong, Othman, & Khong, 2014). Retailers also need to understand that external stimuli only influences the development of a customer's basic emotions (Lunardo & Mbengue, 2009), and extra effort is required to ideally develop an environment that has an impact beyond the first impression in order to enhance customer retention (Chang *et al.*, 2013).

This study provides an understanding of the role of service quality (information, security and reliability, empathy, appearance, and time commitment), store attributes (store convenience and store atmosphere), and customer experience on community pharmacies. On the findings, this study can better help to postulate the conceptualization of service quality, store attributes, and customer emotional experience.

Practically, store attributes are found to influence the customer's emotional experience. This knowledge should empower and assist community pharmacy owners in carefully considering the interior and exterior design of the shop to enhance customer experience, which may lead to better store performance. Business owners should be able to look within themselves to build up a rapport as a good quality service provider. In this modern era, consumers are always looking beyond value-added products, and excellent service and desirable store environment may prove to be a competitive advantage tool.

CONCLUSION

Customer experience management has become the focal topic of many companies in recent years. It has been proven that the outcome of a positive customer emotional experience leads to many favorable results from a business perspective. Therefore, this study can serve as a foundation for community pharmacy owners to start looking deeper into the management of customer experience. Favorable service quality and store attributes can be a starting point for owners to build, implement, and sustain positive customer experience.

The results of this study need to be viewed with several limitations. First, for this study, Sabah and Sarawak were excluded given the limited budget and time frame available. As this study measures the emotional experience of a customer, it must be pointed out the scale design used was a general scale, as no scale exist for this particular industry setting. This may cause uncertainty toward the reliability, validity, and applicability of the emotion measurement model. Besides, there is a need to consider the evolution of total experience over time, which thus necessitates longitudinal research in order to fully explore the drivers of customer experience. This study limits customer experience to emotional experience, and future studies can research other types of experiences such as brand experience or consumption experience.

Future studies can explore different dimensions of the SERVQUAL model. It is also suggested to use the SERVPEF model as a framework to determine service quality in a community pharmacy, as it will contribute to the literature knowledge to compare both models in a community pharmacy setting in Malaysia as well as to identify a more suitable service quality measurement model for the retail healthcare industry.

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