**Channel Service Integration, Customer Experience, and Trust in Online Shopping in the Eye of Beauty Customers**

Caroline Kopot, University of Missouri

Cydni Robertson, University of Missouri

*Keywords:* Channel Service Integration, Customer Experience, Trust, Beauty Retailers, and Omnichannel

**Introduction**

Production and marketing within the beauty industry were forced to pivot as the Covid-19 pandemic drastically altered consumption in 2020 (Gerstell et al., 2020). As beauty businesses reduced in-person capacity and some closed completely during the pandemic, research shows that not having immediate access to beauty products impacted the psychological well-being of consumers (Pikoos et al., 2020). E-commerce innovation in omnichannel retailing has expanded within beauty and luxury industries in an attempt to more consistently meet customers where they are to reduce the likelihood of customer channel switching behavior (Youn et al., 2021). Therefore, this study aims to assess omnichannel beauty retailer service consistency, service transparency, customer experience (flow) in channel usage, and the effect of customers’ trust on purchase intention within the beauty industry since the onset of Covid-19.

**Literature review**

The Theory of Reasoned Action (TRA) (Fishbein & Ajzen, 1975) is the foundation for understanding the overall customer experience in this study. The principle of TRA argues that a person's overall attitude toward an object is derived from one’s beliefs and feelings about the object's various attributes. TRA also suggests that the stronger the intentions of a consumer leads to increased effort to perform the intended behavior, which also increases the likelihood of the behavior to be effectively performed (Ajzen & Kruglanski, 2019). Process consistency refers to the degree of relevant and comparable systems that reach the customer across multiple channels through feel, imagery, and delivery speed (Lee et al., 2019). Customers report significant dissatisfaction when inconsistent shopping experiences occur across channels. Service transparency refers to the degree of customer awareness of available service channels (Lee et al., 2019). Previous research shows that service transparency and service consistency are positively related to customer experience or flow (Quach et al., 2020). Flow explains the movement's effectiveness from multichannel to an omnichannel strategy that consequently increases customer pleasure while distorting customer sense of time and self-consciousness (Quach et al., 2020). Customer experience or flow is also related to customer trust, which research shows that trust is a primary relational factor that can promote conversion within customers (Morgan & Hunt, 1994). Customer trust is a formed positive belief system towards the product as well as the producer (Yen, 2020). Customer trust relates to the overall customer purchase intention, which is described as the customers' conscious plan to purchase a certain product or engage in a certain service through a retailer online or offline in the future (Fishbein & Ajzen, 1975; Lu et al., 2014). As purchase intention relates back to the principles within TRA, and by definition TRA relates to beliefs systems and feelings shared from the consumer towards to product or producer, there is a gap to study the elements of customer trust, as a belief system, and determine trust’s relationship with customer purchase intention.

H1: Service consistency has a direct positive effect on customer experience (flow).

H2: Service transparency has a direct positive effect on customer experience (flow).

H3: Customer experience (flow) has a direct positive effect to purchase intention.

H4: Customer experience (flow) has a direct positive effect to trust.

H5: The effect of customer experience on purchase intention is mediated by trust.

**Methods**

The measurement items were adapted from previous research using a 5-point Likert scale (Ajzen & Fishbein, 1980; Quach et al., 2020; Paul et al., 2016). Amazon MTurk was used to administer a questionnaire for data collection with a total of 429 participants were used for data analysis (males 38% and females 62%; median age = 34). Prior to starting the main questionnaire, participants were given a selection of omnichannel beauty retailers (i.e., Sephora, Ulta, Target, Walmart, Macy's, Nordstrom, Kohl's, CVS, and Walgreens) to choose from to ensure that the respondents have shopped in one or more of the stores presented in the past 12 months. Next, participants were asked to answer questions adopted from the literature. To test the hypotheses, this study employed structural equation modeling using MPlus.

**Results**

The confirmatory factor analysis and SEM analysis . In the model , process consistency and service transparency had a positive effect on flow, therefore, supporting H1 and H2. Flow has a direct effect on trust Flow has a positive effect on purchase intention (H4; 𝛽 = .935, 𝑝 < .001), supporting H4. However, flow had no significant indirect effect through trust , thus H5 was not supported in our model.

**Discussion and implications**

Findings reveal that service consistency and service transparency had a positive effect on customers’ experience. Thus, we suggest that omnichannel beauty retailers focus on the process features across the different channels and increasing customers’ familiarity with the different attributes on each channel. With having a positive customer experience using the different channels, the likelihood of a customer purchasing from the intended omnichannel beauty retailer will increase. Although our study did not find that trust directly relates to customers’ purchase intention, we suggest that omnichannel beauty retailers focus on building the trust that customers have with their online channels. Trust in previous research studies has been found to increase brand image. Hence, it is possible that by building customers’ trust, the customer will remember the retailer in the future. Lastly, we suggest including brand image in future studies to examine the possible relationship between customers’ trust and omnichannel beauty retailer’s brand image that can increase customers’ purchase intention.

**References**

Ajzen, I., & Kruglanski, A. W. (2019). Reasoned action in the service of goal pursuit. *Psychological Review, 126*(5), 774–786.

Fishbein, M., & Ajzen, I. (1975). *Belief, attitude, intention, and behavior: An introduction to theory and research.* Addison-Wesley Pub. Co.

Gerstell, E., Marchessou, S., Schmidt, J., & Spagnuolo, E. (2020). *How COVID-19 is changing the world of beauty.* McKinsey and Company. Retrieved April 10, 2021, from https://www.mckinsey.com/~/media/McKinsey/Industries/Consumer%20Packaged%20Goods/Our%20Insights/How%20COVID%2019%20is%20changing%20the%20world%20of%20beauty/How-COVID-19-is-changing-the-world-of-beauty-vF.pdf

Lee, Z. W. Y., Chan, T. K. H., Chong, A. Y. L., & Thadani, D. R. (2019). Customer engagement through omnichannel retailing: The effects of channel integration quality. *Industrial Marketing Management, 77,* 90–101.

Lu, L. C., Chang, W. P., & Chang, H. H. (2014). Consumer attitudes toward blogger’s sponsored recommendations and purchase intention: The effect of sponsorship type, product type, and brand awareness. *Computers in Human Behavior, 34*, 258–266.

Morgan, R., & Hunt, S. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing, 58*, 20–38.

Paul, J., Modi, A., & Patel, J. (2016). Predicting green product consumption using theory of planned behavior and reasoned action. *Journal of Retailing and Consumer Services, 29*, 123–134.

Pikoos, T. D., Buzwell, S., Sharp, G., & Rossell, S. L. (2020). The COVID-19 pandemic: Psychological and behavioral responses to the shutdown of the beauty industry. International Journal of Eating Disorders, 53(12), 1993–2002.

Quach, S., Barari, M., Moudrý, D. V., & Quach, K. (2020). Service integration in omnichannel retailing and its impact on customer experience. *Journal of Retailing and Consumer Services* (in press)

Yen, Y.-S. (2020). Exploring the synergy effect of trust with other beliefs in television shopping. *Management Decision, 58(3)*, 428–447.

Youn, S., Lee, J. E., & Ha-Brookshire, J. (2021). Fashion consumers’ channel switching behavior during the COVID-19: Protection motivation theory in the extended planned behavior framework. *Clothing & Textiles Research Journal, 39*(2), 139–156.