

Exploring the Impact of Brand Narrative Engagement and Social Presence in Branded Virtual Worlds

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Introduction

The fashion landscape has been reshaped by technological advancements, prompting many brands to explore virtual realms for consumer engagement (Mogaji et al., 2023). Creating branded virtual worlds (BVWs) within gaming platforms has emerged as a key strategy for fashion brands to connect with consumers (Reay & Wanick, 2023). For example, prominent brands like Nike and Vans have established their presence in BVWs on platform such as Roblox, providing users with immersive brand experiences. Within these platforms, users create personalized avatars and engage with the brand through activities like playing brand-themed games and donning a brand's digital clothing. Despite the growing adoption of BVWs by fashion brands, academic research on the influence of BVWs on consumers' brand behavior remains scarce. Therefore, this study aims to investigate the concepts of social presence and brand narrative engagement within BVWs and their impact on brand responses, particularly brand immersion and purchase intention.

Theoretical Framework & Hypothesis Development

Narrative transportation theory posits that individuals become more immersed in information presented in a narrative format (Green & Brock, 2000). Immersion in a narrative is believed to result in a transformation of attitudes and intentions to align with the story, creating a sensation of entering another world (Green et al., 2008; Van Laer et al., 2014). In BVWs, brands can leverage narrative transportation to provide consumers with both brand information and experiences that influence their attitudes and intentions (Van Laer et al., 2014). Drawing upon this theory, we hypothesized that BVWs designed with a high level of brand narrative engagement, incorporating storytelling elements, would lead to greater brand immersion (**H1**) and purchase intention (**H2**) compared to BVWs with a low level of brand narrative engagement. Additionally, literature suggests that social presence, defined as the sense of others in a virtual environment, enhances immersion by intensifying feelings of closeness between individuals and creating an absorbing atmospheric experience (Grinberg et al., 2014). Moreover, users are more likely to experience immersion in a virtual environment when their interactions with other avatars closely resemble real-world interactions (Nowak & Rauh, 2005). Therefore, we hypothesized that when BVWs are designed with a high level of social presence, brand narrative engagement would result in greater brand immersion (**H3**) and purchase intention (**H4**) compared to BVWs with a low level of social presence.

Methodology

A 2 (brand narrative engagement: high vs. low) X 2 (social presence: high vs. low) between-subject experiment design was utilized. The video game Animal Crossing served as the research

setting due to its widespread popularity and numerous collaborations with fashion brands (Clement, 2023). Within Animal Crossing, we created a hypothetical BVW for the fashion brand H&M, named 'Magic Island.' To maintain experimental control while replicating an environment similar to what players might experience on the gaming platform, we employed a theater methodology (Russell, 2002), creating videos of four versions of BVWs: 1) Low brand narrative engagement - high social presence, 2) high brand narrative engagement - high social presence, 3) low brand narrative engagement - low social presence, and 4) high brand narrative engagement - low social presence. Brand narrative engagement (BNE) was manipulated by showcasing an avatar strolling through Magic Island in the high BNE condition, creating a vivid and immersive experience characterized by lush surroundings, while low BNE featuring an avatar exploring a more straightforward presentation of H&M's products in its showroom. Social presence (SP) was varied, with high SP featuring an avatar interacting with another avatar, while low SP featuring an avatar alone. All other elements in the BVW, including avatar appearance, scenario, and video length, remained consistent across the experimental conditions. Participants were randomly assigned to one of the four conditions. They were first presented with a scenario outlining the context of the Animal Crossing game, wherein they created their avatar and entered the virtual world created by the brand, H&M. After viewing a one-minute stimulus video, participants completed survey questions related to research constructs, covariates (i.e., prior experience with the Animal Crossing game, attitudes toward H&M), and demographic information. A total of 200 female adult U.S. consumers were recruited via Amazon Mechanical Turk. Female consumers were chosen due to the controlled depiction of a female avatar in the stimuli.

Results

The manipulation of both narrative engagement ($M_{\text{high}} = 4.1442$, $M_{\text{low}} = 3.8142$, $t = -4.231$, $p < .001$) and social presence ($M_{\text{high}} = 4.0283$, $M_{\text{low}} = 3.8048$, $t = -3.157$, $p = .002$) was successful. An analysis of variance (ANOVA) was conducted to test the research hypotheses. The results revealed the significant impact of brand narrative engagement on brand immersion ($F(1, 172) = 6.815$, $p = .010$) and purchase intention ($F(1, 172) = 6.028$, $p = .015$), supporting H1 and H2. However, the interaction effect between brand narrative engagement and social presence was not significant on either brand immersion ($F(1, 172) = .015$, $p = .902$) or purchase intention ($F(1, 172) = 0.288$, $p = 0.592$). Thus, H3 and H4 were not supported.

Discussion

Our study highlights the persuasive power of immersive storytelling in digital environments, as evidenced by the heightened brand immersion and purchase intention observed in BVWs with high brand narrative engagement. Our findings indicate that investing in BVWs with rich narrative content can yield tangible benefits for fashion brands, providing them with a unique avenue to differentiate themselves in a crowded digital space and build meaningful connections

with their audience. However, contrary to our expectations, we did not observe an interaction effect between brand narrative engagement and social presence. It is possible that participants did not perceive interactions with other avatars in the stimulus as closely resembling real-world interactions, leading to a lack of significant brand immersion. Future research could explore methods to enhance the sense of social presence in stimuli by incorporating more realistic avatar interactions like real-time chat or multiplayer activities to create a more immersive and socially engaging experience. Additionally, longitudinal studies could offer insights into how participants' perceptions of social presence and brand behavior within BVWs evolve over time. Nonetheless, our study provides an important initial step in exploring BVWs as a novel digital platform, underscoring the pivotal role of crafting compelling brand narratives within BVWs to drive brand engagement and behavior in the digital landscape.

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