“WHAT DRIVES RETAIL LOYALTY?
A CROSS-NATIONAL COMPARISON”
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Abstract: The study examines the consumer effects of typical retail strategies, such as merchandising, prices, services, multiple channels, and loyalty programs, on consumer loyalty to a multinational brand. These effects may vary among satisfied versus dissatisfied customers, as well as for dissatisfied customers whose complaints have been effectively resolved versus those who remain dissatisfied with the complaint handling process. The results of this research suggest that successful service recovery improves loyalty but does not return it to the level enjoyed by those who never experienced any problems. Using multi-country data from a large multichannel retailer, the authors examine these effects across in both the United States and Germany and thereby offer various insights for further research.