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Article

Brand Experience, Engagement, and Loyalty in Iraqi Retail

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Abstract: In Iraqi cities the shopper can buy the same product category from a neighbourhood shop, from a regional chain or from an international brand store, so the question why a customer returns to one brand is a practical one for the retailers there. In this study, the mediating role of customer engagement in the association between brand experience and customer loyalty has been examined in Iraqi urban retail markets, together with the moderating role of perceived value on the association between engagement and loyalty. A cross-sectional survey was carried out with a convenience sample of consumers, mainly in Baghdad, Mosul and Tikrit, where each respondent rated a brand bought in the previous three months. From 300 returns, 263 usable responses remained after the screening for missing data, straight-lining and multivariate outliers. The conditional process model (PROCESS Model 14) was estimated with 5,000 bias-corrected bootstrap resamples. It can be noted from the results that brand experience was positively associated with customer engagement ($b = 0.533$, $p < .001$) and with loyalty (total effect $b = 0.506$, $p < .001$), and engagement was related also positively to loyalty ($b = 0.453$, $p < .001$). The indirect effect of brand experience on loyalty through engagement was 0.242 (95% CI [0.162, 0.334]) and the direct path stayed significant, so the mediation is partial. The engagement × perceived value interaction was positive ($b = 0.170$, $p = .032$), and the index of moderated mediation was 0.092 (95% CI [0.008, 0.189]). This means that engagement carries a part of the link between experience and loyalty, and this part becomes larger when the customer judges that the brand gives more for its price. The reliability was acceptable, but the CR and AVE values derived from PCA were low, so the measurement model needs confirmation in later work. For retailers, the results suggest that the spending on brand and store experience returns in loyalty mainly when the quality is consistent and the prices are seen as fair. The data are cross-sectional and the sample is a convenience one, hence the results are read as associations and not as causal effects.

Keywords: Brand experience; customer engagement; perceived value; customer loyalty; moderated mediation.

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1. Introduction

Retail customers in Iraqi cities choose now among international, regional and local brands. In the cities where our data were collected, the customer can still buy from the traditional market and from the small shop in the neighbourhood, but the same customer meets also brands in shopping malls, chain stores and online pages. So the choice set is wide, and moving from one brand to another costs the customer very little. Hence loyalty here is not explained by the product availability only. It is related also to how customers experience the brand, that is its appearance, the way it talks to them, how the staff deal with them and its place in daily use. From this, two questions are raised for the retailers.

How is the brand experience of a customer related to loyalty? And under which conditions this relationship becomes stronger?

Following Brakus et al., brand experience is treated here as the sensory, affective, behavioural and intellectual reactions that are triggered in the consumer by the brand's cues [1]. This definition was preferred because it keeps the experience itself apart from the judgement which the customer forms later about the brand. A person can feel something inside a store, or start to think about a product during its use, before having any clear attitude toward the brand. An experience that stands out is easier to recall, and so the brand has a better chance at the next purchase. The relation of such experiences with loyalty has been reported in many studies. What is less clear is the route between the two, where this route appears to differ from one consumer group and market to another [1, 2]. This route is what we try to open in this paper.

Customer engagement is placed in our model as the mechanism between experience and loyalty. Engagement is more than being pleased with one purchase, since it includes the attention given to the brand and the good feelings toward it, and also the active involvement which comes after [3]. Perceived value enters as a condition. This is due to the fact that value can change how strongly engagement and loyalty are held together, where an engaged customer may still leave the brand when its quality or price, or its emotional and social payoffs, fall short [4].

The Iraqi case gives a reason to study value in particular. In our sample about one third of the respondents placed themselves in the low or lower-middle income groups (Table 1). For such households a purchase is weighed carefully, and in our reading the customer is likely to ask, almost every time, whether the brand is worth its price. A customer can enjoy a brand, follow it and talk about it, and still go to a cheaper alternative when the next purchase comes. Therefore, we expected that value decides, at least partly, whether engagement ends in repeat buying. Most of the works we build on were done in other markets, and the evidence from Iraqi retail customers is still thin.

When these pieces are put together, a second-stage moderated-mediation model is obtained, and it was tested with Hayes' PROCESS Model 14 [5] on survey data from Iraqi urban consumers. The contribution of the study comes from two sides. The evidence is brought from a market which has been given little attention in the brand-experience literature, and experience, engagement and value are examined in one model instead of one at a time. The findings can help also the retail practice, but because the design is cross-sectional and the sample is a convenience one, they are not used for causal claims.

The rest of the paper is organised as follows. In Section 2 the literature is reviewed and six hypotheses are developed. Section 3 describes the sample, the screening steps, the measures and the analysis. The results are reported in Section 4, while Sections 5 and 6 discuss them, give the practical implications and state the limits of the study.

Brand experience and customer loyalty

In this study, brand experience covers the internal reactions of a consumer to the brand cues, such as product and visual design, advertising and store atmosphere, dealings with staff, packaging and the everyday use of the product [1]. Four dimensions of these reactions were described by Brakus et al. The sensory one is about what the customer sees, hears, touches or smells; the affective one is about feelings and moods; the behavioural one about bodily actions and physical use; and the intellectual one about the thinking and the curiosity which the brand provokes. They showed also that brand experience is not the same as involvement or attachment, because it can happen even when the customer has no strong interest in the brand. When these cues are added up into a coherent experience that the customer values, the brand is judged more favourably and the relationship is more likely to continue.

Loyalty appears when the customer is willing to buy the brand again and to recommend it, and when the brand is the first choice for him [6]. Oliver has seen loyalty as something that develops in phases, from a cognitive preference to liking, then to an

intention to rebuy, and finally to action. Our loyalty items stay at the intention level, and this point is discussed again in the limitations. A positive relation between brand experience and loyalty has been reported across studies [1, 2]. The logic is simple, where a good experience stays in memory and it gives the customer a reason to return to the brand instead of switching.

Recent retail studies agree with this view, even if the brands and the places are different from ours. Baharuddin, Mokhlis and Mokhtar [7] found that a strong retail brand experience fed brand love and, through it, loyalty among hijab-fashion shoppers. Rakhmawati and Tuti [8] reported that brand experience moved brand attitude, attachment, satisfaction and loyalty together for a cosmetics brand. A similar conclusion was reached by Indrasari and Wahyu Perkasa [9] for a sportswear brand, where experience and image reached loyalty through satisfaction. Moreover, the chain is not limited to products on a shelf, since Hariandja and Vincent [10] traced the same route from experience to loyalty, and then to brand performance, in international hotels.

So, the common point in these studies is a positive experience-loyalty link, but the mechanism is not common and it shifts from one setting to another. Singh [11] placed the relationship inside an omnichannel frame, where the experience is spread across stores and screens. Aydin [12] reviewed the area and noted that brand loyalty is often studied next to brand equity and customer equity without a clear account of what carries it. The gap we try to narrow is therefore about the route of this relation and its condition, and not about whether experience relates to loyalty. H1 is the baseline of the model, and the other hypotheses are built on it. Hence:

H1: Brand experience is positively associated with customer loyalty.

Brand experience and customer engagement

Customer engagement is defined here as the mental, emotional and behavioural investment that a consumer puts into dealing with a brand [3]. It appears as attention to the brand, positive feeling, information seeking, frequent use and a lasting preference over alternatives. Vivek et al. stressed that engagement goes beyond the moment of purchase, so it covers what the customer does and feels around the brand even when he is not buying. For this reason we see it as different from satisfaction, which is mostly an evaluation after the purchase.

Therefore, experiences which create interest and positive feelings are expected to go with stronger engagement. This agrees with the studies that treat engagement as a relational response to interactions that mean something to the customer [3, 13]. The engagement scale of So et al. was developed for tourism brands, where the experience is the product itself, but in our view the same logic can be carried to retail. A pleasant visit to a store or a product that works well in use gives the customer something to think and feel about, and this is the starting material of engagement.

The evidence that experience feeds engagement has grown quickly, and much of it comes from retail. Nika and Amin [14] showed that online brand experience raised customer brand engagement in internet shopping, and an experience-engagement framework was built by Sanesh, Vardhan, Sai and Kumar [15] for fashion retail in which the sensory and emotional cues pulled shoppers into closer involvement. The same direction was found also where technology shapes the experience. Gowda and Biswal [16] linked IoT-enabled experiences to higher engagement in Indian retail, and Awad [17] found that augmented reality lifted engagement and brand perception in stores. In addition, Yu [18] reported that experience-rich online retail built attachment and engagement among customers in Beijing, while Sandunima [19] showed that AI chatbots can shape the experience-loyalty link in online fashion retail.

These settings are far from a shopping centre in Tikrit or Mosul, and we do not assume that the effect sizes carry over. But the direction is consistent enough to expect that, here also, an experience which interests and pleases the customer will be met with more attention to the brand and more active use of it. This is the reasoning behind H2.

H2: Brand experience is positively associated with customer engagement.

Customer engagement and loyalty

Engaged customers follow the brand more closely and they make it part of their buying habits. Such involvement comes usually with a readiness to recommend the brand and to buy it again [13]. In Oliver's [6] terms, engagement feeds the affective and conative phases of loyalty, where the customer moves from knowing the brand to liking it, and then to the intention to buy it again. Therefore, we expect engagement to relate positively to loyalty intentions.

The recommendation side needs attention in our setting. In the cities we studied, much of the buying advice passes between relatives, neighbours and colleagues, and in our observation the customer who is engaged with a brand becomes often the person whom others ask before they buy. If this is right, engagement is linked to the word of mouth that reaches other buyers, and not only to the customer's own repurchase. Our loyalty measure includes a recommendation item (CL2), so this side of loyalty is partly covered in the data.

The relation of engagement, once it is formed, with loyalty has also good support. Tanzaretha and Rodhiah [20] found that customer brand engagement, built on experience quality, fed brand loyalty and purchase intention, while Tesalonika and Marvianta [21] reported that brand engagement and customer experience reached loyalty through brand trust. A related path was found by Hasan, Andre and Assari [22] in the fast-food sector, where customer experience and social-media engagement fed repurchase through brand love. So, in these studies the engaged customer tends to be a returning customer, and this is what H3 states for our sample.

H3: Customer engagement is positively associated with customer loyalty.

Engagement as a mediator

Brand experience may be related to loyalty through two paths, a direct one and an indirect one through engagement. When the experience is enjoyable or emotionally meaningful, the customer has more reason to think about the brand and to deal with it again, and this kind of engagement travels usually with stronger loyalty. For this reason engagement is placed between experience and loyalty in the model. We did not expect it to be the only route. Khan and Rahman [2] studied brand attachment and brand trust together with loyalty as outcomes of brand experience, so other mechanisms are likely working beside engagement. Hence our hypothesis is about the existence of the indirect path, and it does not claim full mediation.

A smaller but growing group of studies has tested engagement as the link itself. The closest one to our work is Andrian and Santoso [23], who found that brand experience drove customer loyalty in retail stores mainly through customer engagement, where the engagement path carried much of the effect. A similar mediated structure was reached by Tesalonika and Marvianta [21] with trust in the chain. These results encourage us to model engagement as an intervening variable and not as a parallel outcome, which is what H4 proposes. The direct path is kept in the model also, since in the above studies the experience-loyalty tie rarely vanishes once a mediator is added.

H4: Customer engagement mediates the association between brand experience and customer loyalty.

Perceived value as a moderator

Perceived value is the way in which a customer weighs what the brand delivers against what it costs [24]. Zeithaml described it as a trade-off between what is received and what is given, where the given part is not money only but also time and effort. Later, Sweeney and Soutar [4] divided value into four parts: functional quality, functional price, emotional value and social value. Engagement by itself is not necessarily turned into loyalty. When prices seem unfair or quality is uneven, the tie can become loose, while when the brand is seen as better value, engagement and loyalty are expected to move together more closely.

Value was put on the second stage of the model, between engagement and loyalty, and not on the first stage. The reason for this is that a brand can create an experience and engage a customer before any money changes hands, for example during a visit to the store or on its online page. The value judgement becomes decisive later, when the customer has to pay again. The social value needs also a word here. In the Iraqi social life, what one wears or uses is seen by family and guests, so the social dimension of value is likely to weigh on brand choice. This is one more reason to include the social items of value in the moderator.

Perceived value has entered these models usually as a driver of loyalty, and less often as a condition on another relationship. Andianto and Firdausy [25] found that perceived value, quality and satisfaction all fed loyalty, and Damanik [26] reported that value shaped repurchase intention with experience and a loyalty programme in the chain. Where value was given a conditioning role, it had an effect. Iqbal and Elahi [27] found that perceived value fed brand loyalty more strongly when customer trust was high, while Liu [28] and Usman [29] reported both that the value-loyalty link changed with satisfaction and with image. Moreover, Radnan, Asakdiyah and Samuel [30] placed perceived value inside a larger loyalty model beside experience and trust.

What is still rare is a test of value as a moderator of the engagement-loyalty step, especially in an Arab or Iraqi retail market, and this is the position given to it here. The argument is simple and, as we think, it is close to how the customers here actually reason. Being engaged with a brand is not enough to keep buying it if the brand is judged as poor value, so the pull of engagement on loyalty should be stronger when value is seen high. H5 states this condition, and H6 carries it into the indirect path.

H5: Perceived value positively moderates the association between customer engagement and customer loyalty, such that the association is stronger at higher perceived value.

H6: Perceived value moderates the indirect association between brand experience and customer loyalty through customer engagement.

Summary and the present contribution

So, the literature gives three relationships that are fairly settled, from experience to loyalty, from experience to engagement and from engagement to loyalty, and one which is less settled, that is the role of perceived value as a condition on the last one. Very little of this literature comes from Iraqi or comparable Arab retail markets. Our contribution is to bring these lines into one second-stage moderated-mediation model and to test it in a market where it has not been tested before, by using the four constructs defined above and the six hypotheses stated.

2. Methodology

Research design and sample

A cross-sectional survey has been carried out on consumers in Iraqi urban markets. Each respondent rated a brand purchased in the previous three months, in categories including apparel, consumer electronics, personal care, food, and beverages. The three-month window was chosen so that the experience is recent enough to be remembered, and at the same time it leaves room for more than one contact with the brand. Several product categories were allowed because the aim was a general picture of retail brands and not of one sector, but the cost of this choice is more heterogeneity in the data. The respondents were recruited by convenience sampling. There is no public list of retail customers in these cities from which a random sample could be drawn, so convenience sampling was the realistic option, although it limits the generalization of the findings beyond the sampled markets.

Data screening

Screening began with 300 returns. Seven were dropped because at least one of the 33 substantive items was left blank, and another 22 because the respondent gave the same

answer to every substantive item (straight-lining). We removed straight-liners because an identical answer across items that measure different constructs is unlikely to reflect real opinion. A Mahalanobis-distance check then flagged eight multivariate outliers against a chi-square cut-off of 63.87 (33 df, $p < .001$), the largest distance being 89.80. The strict $p < .001$ level was used so that only clearly unusual response patterns were removed. That left 263 respondents for analysis.

Measures

Every construct used a five-point Likert format. Brand experience was captured with 12 items spanning the sensory, affective, behavioural, and intellectual dimensions (BE1-BE12) [1]; customer engagement with nine items across the cognitive, affective, and activation dimensions (CE1-CE9) [3]; perceived value with eight items on functional quality, functional price, emotional value, and social value (PV1-PV8) [4]; and customer loyalty with four loyalty-intention items (CL1-CL4) [6]. A construct's score was the mean of its items. Where a cell held a verbal label, the leading digit of that label was taken as the Likert score.

The scales used are already established in the literature. They cover every dimension named in the definitions of Section 2, so the measures follow the theory and not the reverse, and using known scales makes also the comparison easier for later studies. The full wording of the items, as used in the survey, is given in Appendix A. Since the score of each construct was the mean of its items, all dimensions of a construct have equal weight in the composite, and this simplification is accepted here for the regression-based analysis.

Analysis plan

Analysis ran in four stages. We first checked internal consistency with Cronbach's alpha and discriminant validity with the heterotrait-monotrait (HTMT) ratio [31]. We then produced descriptive statistics and Pearson correlations for the composites. Common method bias was screened next with Harman's single-factor test and full-collinearity VIFs [32]. Finally, the hypotheses were estimated through a regression-based conditional process model matching Hayes' PROCESS Model 14 [5] with 5,000 bias-corrected bootstrap resamples, perceived value being mean-centred before the interaction term was built.

Some of these choices need a short justification. Model 14 was selected because it places the moderator on the path from the mediator to the outcome, which is exactly what H5 and H6 state [5]. The indirect effect is the product of two coefficients, and such a product does not follow a normal distribution in finite samples; for this reason we judged it with bootstrap confidence intervals and not with a normal-theory test [5]. Mean-centring perceived value does not change the interaction coefficient. It only makes the lower-order terms easier to read, since they then refer to a customer with average perceived value. HTMT was used beside the Fornell-Larcker criterion because Hair et al. [31] recommend it as the more sensitive check of discriminant validity. Two diagnostics of method bias were used because Harman's test is a weak check on its own; Kock and Lynn [32] proposed full-collinearity VIFs as a complementary check, with values above 3.3 taken as a warning sign. We are aware that a latent-variable approach would handle measurement error better than composite means, and we return to this in Section 6.2.

3. Results

Sample characteristics

Table 1. Respondent profile (N = 263).

Characteristic	Category	n	%
Gender	Male	135	51.3
Gender	Female	128	48.7
Age	18–24	48	18.2
Age	25–34	79	30.0
Age	35–44	83	31.6
Age	45–54	35	13.3
Age	55+	18	6.8
Education	Secondary or below	49	18.6
Education	Diploma	47	17.9
Education	Bachelor	121	46.0
Education	Postgraduate	46	17.5
Income	Low	31	11.8
Income	Lower-middle	54	20.5
Income	Middle	113	42.9
Income	Upper-middle	55	20.9
Income	High	10	3.8
City	Baghdad	117	44.5
City	Mosul	78	29.7
City	Tikrit	60	22.8
City	Other	8	3.0

Measurement quality and bias diagnostics

All four composites showed acceptable internal consistency, with Cronbach's alpha of 0.904 (brand experience), 0.885 (engagement), 0.857 (perceived value), and 0.854 *(loyalty). HTMT ratios fell between 0.273 and 0.630, all under the 0.85 benchmark [31].*

Table 2. Reliability and convergent-validity diagnostics. CR and AVE were calculated from one-factor PCA component weights. These values are reported for transparency and should not be interpreted as estimates based on standardized CFA loadings.

Construct	Items	Cronbach's α	PCA-derived CR	PCA-derived AVE
Brand Experience	12	0.904	0.520	0.083
Customer Engagement	9	0.885	0.529	0.111
Perceived Value	8	0.857	0.533	0.125
Customer Loyalty	4	0.854	0.571	0.250

The square roots of the PCA-derived AVE values were small (0.289 for BE, 0.333 for CE, 0.354 for PV, and 0.500 for CL) and were exceeded by several inter-construct correlations, so the Fornell-Larcker criterion [33] was not fully met. The HTMT ratios, by contrast, all sat below 0.85 (BE-CE = 0.606, BE-PV = 0.273, BE-CL = 0.523, CE-PV = 0.341, CE-CL = 0.630, PV-CL = 0.371). The composites are therefore usable in the regression with caution, but a proper measurement assessment via CFA or PLS-SEM [31] is needed.

In Harman's test, the first unrotated factor accounted for 29.01% of the variance across the 33 items, under the 50% screening mark. Full-collinearity VIFs ran from 1.113 to 1.516 [32]. Neither diagnostic points to serious common method bias or collinearity, though method effects cannot be ruled out entirely.

Table 3. Full-collinearity variance inflation factors.

Predictor / term	VIF
Brand experience	1.465
Customer engagement	1.516
Perceived value	1.113
BE × CE	1.197
BE × PV	1.494
CE × PV	1.478

Descriptive statistics and correlations

Table 4. Means, standard deviations, and Pearson correlations. All off-diagonal correlations are significant at $p < .001$.

Construct	Mean	SD	BE	CE	PV	CL
BE	3.608	0.618	1.000			
CE	3.635	0.613	0.538	1.000		
PV	3.629	0.636	0.242	0.295	1.000	
CL	3.673	0.694	0.451	0.538	0.314	1.000

Conditional process results

Brand experience was positively associated with customer engagement ($b = 0.533$, $SE = 0.052$, $t = 10.320$, $p < .001$), and the mediator model explained 29.0% of the variance in engagement. The total association of brand experience with loyalty was also positive and significant ($b = 0.506$, $SE = 0.062$, $t = 8.170$, $p < .001$). These results support H1 and H2.

Table 5. Conditional process estimates (PROCESS Model 14; 5,000 bias-corrected bootstrap resamples). Mediator model $R^2 = 0.290$; outcome model $R^2 = 0.358$.

Path / effect	b	SE	t	p	95% bootstrap CI
BE → CE (a)	0.533	0.052	10.320	< .001	—
BE → CL, total effect (c)	0.506	0.062	8.170	< .001	—
BE → CL, direct effect (c′)	0.225	0.067	3.358	.001	—
CE → CL (b)	0.453	0.069	6.550	< .001	—
PV → CL	−0.448	0.290	−1.545	.123	—
CE × PV → CL	0.170	0.079	2.154	.032	—
Indirect effect	0.242	—	—	—	[0.162, 0.334]
Index of moderated mediation	0.092	—	—	—	[0.008, 0.189]

In the outcome model, engagement was positively related to loyalty ($b = 0.453$, $SE = 0.069$, $t = 6.550$, $p < .001$), so H3 is supported. Brand experience kept a significant direct link to loyalty after engagement and the moderator terms were entered in the equation ($b = 0.225$, $p = .001$). At the mean of perceived value, the indirect effect through engagement was 0.242, and the 95% bootstrap interval [0.162, 0.334] has no zero inside it, hence H4 is supported. Since both the direct and the indirect effects are significant, the mediation is partial.

The interaction of engagement with perceived value was positive and significant ($b = 0.170$, $SE = 0.079$, $t = 2.154$, $p = .032$), which supports H5. It can be noted that the engagement-loyalty slope rises with perceived value, where it was 0.345 for customers one standard deviation below the mean of value and became 0.562 for those one standard

deviation above it. The index of moderated mediation was 0.092 and its 95% bootstrap interval [0.008, 0.189] lies above zero, so H6 is supported also.

Table 6. Decisions on the proposed hypotheses.

Hypothesis	Proposed association	Decision	Relevant result
H1	BE → CL	Supported	Total effect b = 0.506, p < .001
H2	BE → CE	Supported	b = 0.533, p < .001
H3	CE → CL	Supported	b = 0.453, p < .001
H4	CE mediates BE → CL	Supported	Indirect = 0.242; CI [0.162, 0.334]
H5	PV moderates CE → CL	Supported	Interaction b = 0.170, p = .032
H6	PV moderates indirect effect	Supported	Index = 0.092; CI [0.008, 0.189]

4. Discussion

Brand experience, engagement and loyalty

The respondents who described richer brand experiences reported also more engagement and firmer loyalty intentions. This pattern agrees with the idea that experiences which stimulate or move the customer go with continued attention to the brand and with readiness to pick it again, and it is in the same direction of the earlier evidence on brand experience and loyalty [1, 2]. However, these observations are about stated intentions and engagement within the surveyed sample, and not about actual buying records.

This direction is close to recent retail work. Baharuddin et al. [7], Andrian and Santoso [23] and Rakhmawati and Tuti [8] reported all that experience and loyalty rise together, with an engagement or affective step between them. What our data add is a reading of this pattern in Iraqi cities, where, as argued below, the value judgement seems in our reading to do more of the work than in higher-income settings.

Why this should hold in Iraqi cities? Our interpretation is that many customers there meet a growing number of brands that look similar on the shelf. When the products are close in function, the experience around them, such as the store, the service and the feeling of use, becomes one of the few things that separate one brand from another. This is our reading of the results, and the data do not test it directly.

The partial role of engagement

Engagement explained only a part of the experience-loyalty link. The indirect effect (0.242) is a little less than half of the total association (0.506), and the direct path stayed significant (b = 0.225). So the mediating role of engagement ties brand experience to the active relationship of the customer with the brand, and it gives one reason why good experiences and loyalty intentions come often together. But the direct link remained even with engagement in the model, hence other routes, such as satisfaction, trust, attachment and brand identification, may carry the rest and they need examination. Khan and Rahman [2] pointed already to attachment and trust as outcomes of brand experience, and our result leaves a space for them. In theoretical terms, engagement can be treated as one channel through which experience reaches loyalty, but it is not the whole story.

Perceived value as a boundary condition

Perceived value shaped also the engagement-loyalty link. The link was positive at low value and at high value, but it was stronger where customers saw the brand as offering more, with a slope of 0.345 one SD below the mean of value and 0.562 one SD above it. So value did not switch the effect on or off, but it changed its size. In a market where many households count their spending, as in our sample, this result was expected, since an engaged customer who feels that the brand has a fair price and a consistent quality has fewer reasons to try another one. For managers, this means that engagement pays off more

when it is built on consistent quality and fair prices, together with real emotional and social benefits. Where customers doubt the value, engagement may bring less loyalty.

The conditioning role of value has support also, although it is scattered. Iqbal and Elahi [27] found that value fed loyalty more strongly under high trust, and Liu [28] and Usman [29] found the value-loyalty link changing with satisfaction and image. Our result puts the engagement-loyalty step as the place where value does its conditioning, and this was found in a market where, in our reading, budgets are tight enough so that the value question is asked at almost every purchase.

One coefficient in Table 5 may confuse the reader. The term of perceived value in the outcome model was negative and not significant ($b = -0.448$, $p = .123$). This is due to the fact that the interaction term is in the model, so this coefficient is a conditional effect that describes perceived value at an engagement score of zero, which lies outside the observed 1-5 scale (mean 3.635). So it should not be read as a finding that value lowers loyalty. Within the observed range of engagement, the correlation between value and loyalty was positive ($r = 0.314$, Table 4).

Finally, all the above must be read with caution because of the measurement results. Reliability and HTMT were acceptable, but the PCA-derived CR and AVE were low and the Fornell-Larcker criterion was not fully met. The coefficients were estimated on composite means, so the measurement error is not separated from the structural relations. Hence, the direction and the general pattern of the results are more reliable, in our view, than the exact size of each coefficient.

5. Conclusion

Within this convenience sample from Iraqi urban retail markets, brand experience was related to loyalty in two routes, directly and through engagement. The engagement-loyalty link, and so the indirect route from experience to loyalty, was stronger at higher perceived value, and all six hypotheses were supported (Table 6). The contribution of the study is incremental. It gives evidence on how these four constructs are related in a retail setting that has received little research, and it shows that value works here as a condition on the engagement-loyalty link, not only as a separate predictor. Since the design is cross-sectional, the direction and the cause of these relations can not be decided, and with the measurement weaknesses noted above the results are taken as a first step, which needs more work before a final answer is given.

Practical implications

For managers, the first thing is consistency. The experience should hold together across stores, packaging, service encounters, advertising and digital channels, so that a customer who visits a branch in Baghdad and another branch in Tikrit, or orders through the online page of the store, meets the same brand. Sensory quality and emotional relevance can lift engagement, and so do the chances to interact with the brand. Training the staff on how they receive and help customers is a simple step in this direction, because dealings with staff are part of brand experience as defined in Section 2.1.

These efforts need a clear value proposition behind them, that is consistent quality and prices that customers see as fair, with genuine emotional or social benefits. Spending on store design or advertising without this base may raise engagement but bring less loyalty than expected. Because the engagement-loyalty link depends on perceived value, managers should follow perceived value across segments and cities instead of assuming that it is the same everywhere. Our sample came from Baghdad, Mosul and Tikrit, and in practice the perception of a fair price is likely to vary between cities and income groups. Short and regular customer surveys with a few value items, such as the PV items in Appendix A, are a cheap way to follow this.

Limitations and future research

Several limits apply to this study. The convenience sampling in a few Iraqi urban markets restricts how far the findings can be carried to other consumers, to rural markets

or to untested categories. Baghdad alone gave 44.5% of the sample and only 3.0% came from other cities, so the sample is weighted toward the capital. The cross-sectional design does not permit causal claims. The self-reported data may carry common method effects, although the screening diagnostics did not flag anything serious. The brand experience was recalled over a three-month window, and the memory of an experience may differ from the experience itself. Moreover, several product categories were pooled together, which may hide differences between, for example, food and electronics.

The measurement side is the weakest part of the study. The PCA-derived CR and AVE values were below the usual thresholds for reflective measurement models, and the composite means do not separate the error from the true score. So later work should assess the measurement model with CFA or PLS-SEM using standardized loadings, test the measurement invariance across demographic and product groups, and revise the weaker items.

To establish the direction of these relationships and their tie to actual repeat buying, longitudinal designs, field experiments or purchase-history data are needed. The action phase of loyalty in Oliver's [6] model is not covered by intention items, so data on real purchases would close this gap. In addition, satisfaction, trust, brand attachment, authenticity and price sensitivity are worth testing as further mechanisms or boundary conditions. A comparison between the traditional markets and the modern malls in the same cities would be useful also, since the experience in the two settings is very different.

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