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MARKETING | RESEARCH ARTICLE

# Black Friday rituals, customer perceived value and loyalty among young adult customers in South Africa: A Stimulus-Organism-Response perspective

Tendai Douglas Svotwa[1], Mornay Roberts-Lombard[2]* and Olumide Jaiyeoba[3]

**Abstract:** The study explores the nexus of relationship between Black Friday rituals, customer value and customer loyalty among young adult customers in South Africa. A descriptive research design was followed and data were collected from 400 young adult customers aged 18–35 in the Gauteng province of South Africa through self-administered questionnaires. Furthermore, the measurement and structural models were assessed using Amos 23.0. Relational capital and social influence significantly and positively influence customer-perceived value, while customer-perceived value significantly and positively influences the customer loyalty of young adult customers towards Black Friday rituals. The testing of the proposed model validates the relationships that are hypothesised between the independent variables (cognitive capital, relational capital, social identification, social influence, social convenience), customer-perceived value and customer loyalty of young adult customers. The findings assist retailers in understanding how relational capital and social influence

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Tendai Douglas Svotwa

## PUBLIC INTEREST STATEMENT

The origins of Black Friday in South Africa can be traced to the efforts of retail brand "Checkers" which are credited in introducing the concept to the country in 2014. As noted in a meta-analytical review of extant literature, there are numerous studies in South Africa on Black Friday customers motives and brand-customer interaction. However, little is known about their customer value perceptions and loyalty behaviour in relation to cognitive, conative and affective orientation. The findings from the data collected using a self-administered questionnaire indicated that relational capital, social influence and customer-perceived value have a direct influence on the loyalty of young adults towards Black Friday rituals. At a practical level, the study advise retailers in emerging markets to develop an understanding that young adult customers are sociable individuals and prefer to support Black Friday rituals with family or friends. Consequently, an ubuntu approach towards the marketing of Black Friday rituals is required in an emerging market such as South Africa.

can strengthen the perceived value perception of young adult customers towards Black Friday rituals, leading to customer loyalty. The study focused on the customer loyalty of young adult customers of Black Friday rituals and determined the inter-relationships of the extent to which they encounter customer-perceived value and related constructs. However, a limited number of studies have examined how the Stimulus-Organism-Response theory is applied to customer-perceived value and customer loyalty from an emerging African market perspective.

**Subjects: African Studies; Business, Management and Accounting; Media Communication**

**Keywords: Black Friday; young adults; customer-perceived value; customer loyalty; Stimulus-Organism-Response**

## 1. Introduction

South African retailers and shoppers perceive Black Friday as one of the most eventful bargain-hunting days annually (Boyd & Peters, 2011; Labrecque, 2014). Through Black Friday promotions, retailers offer shoppers incredible promotions (Demangeot & Broderick, 2016). Pomarici and Vecchio (2014) stated that the buying power of young adults has increased significantly over the past decade, making them an important market segment for companies to consider. However, despite their reputation of being a lucrative market segment, young adults' buying behaviour and motivational needs tend to be unpredictable (Labrecque, 2014), as they easily switch brands and are not loyal to a particular brand due to exposure to varied stimuli (Solka et al., 2011). Young adult customers are regarded as impulsive buyers with a desire to stay ahead with the latest trends due to vicarious assertion. This behaviour is supported by a plethora of social media platforms, leading to exposure to various virtual stimuli and face-to-face experiences in emerging economies (Gan & Wang, 2017).

Farivar et al. (2017), and Oliver and Lee (2010) argued that relational and cognitive metrics are inextricably associated with the purchase decisions of young adult customers, which are charac-terised by social identities, conformities to expectations of social groups and peer acceptance, the need for cheap cost, superior quality and the speed of service provision. Moreover, Oliver and Lee (2010), and Rohm et al. (2013) argued that since young adult customers are characterised by social identities, they develop numerous hedonic and utilitarian desires. Therefore, the assertion stated above sets the precedence for unravelling young customers' buying behaviour regarding Black Friday rituals in an emerging economy like South Africa.

This study's theoretical contribution is that it specifies the relationships identified between customer-perceived value, its precursors and outcome in an emergent African market context. The proposition of a model is secured and validated, illustrating the business-to-consumer (B2 C) relationships between customer-perceived value, its precursors and the customer loyalty of young adult customers supporting Black Friday rituals. In addition, from an academic perspective research on Black Friday rituals has not previously been extensively explored. Research on Black Friday rituals is important since it provides an understanding of the relational factors that influ-ence the perceived value perception of customers which ultimately influence their loyalty in the long term. The practical contribution of the study is by assisting South African retailers in devel-oping knowledge of how cognitive capital, relational capital, social identification, social influence and social convenience influence customer value perception, leading to the customer loyalty of young adult customers in South Africa supporting Black Friday rituals.

According to PricewatersCoopers (PwC) customer spending report (2019), Black Friday's shopping events are seldom reported on in company's annual reports as well as macroeconomic statistics on retailers engagement with customers. The assertion espoused above thus sets the perspective for this study on young customers that constitute 66% of the South Africa's population, as they are rapidly changing lifestyles with the search for purpose, demand for authenticity and personalization (PwC

2019). In addition, PwC consumer report of (2019) further indicated that young customers aged between 18 and 35 years increased retail sales by 36% in 2019 during the Black Friday popular shopping event in South Africa as they make 51.5% of their purchases through online channels, physical atmospherics and voice recognition services. In line with the aforementioned, retailers need to become more progressive in the manner by which they service their customers during the Black Friday shopping bonanza by leveraging young customer's relational, cognitive, conative and affective "make up" or "DNA" and impulsive dynamics to spend more.

This paper provides a telescopic insight of the context on which this study is based. This is followed by the explication of the theories on which this study is grounded, coupled with an explanation of the study's myriad constructs. Hypothesis development and theoretical models are explicated, followed by the research methodology, results, findings and managerial implications of the study.

## 2. Theoretical framework

### 2.1. Black Friday rituals
The genesis of Black Friday in Philadelphia in the USA in the 1960 s has evolved rapidly and proliferated in the global arena. Starting off initially in the USA, Black Friday marked the advent of the Christmas shopping period in which retailers would offer discounts and move large quantities of inventory in a bid to increase profitability (Bell et al., 2014). The Black Friday ritual has since spread across the globe to countries in North America (e.g., Canada), Europe (e.g., Denmark, Germany, Greece, Poland, the Netherlands, Norway, the United Kingdom), Asia (e.g., India, Malaysia, Singapore), South America (e.g., Brazil) and Oceania (e.g., Australia) (Tsiotsou, 2017).

The origins of Black Friday in South Africa can be traced to the efforts of retail brand Checkers, which is credited with introducing the concept to the country in 2014 (Hanbury, 2018; PwC South Africa, 2019). Furthermore, Caboz (2018) and Smith (2019) posited that Black Friday is associated with extraordinary sales and has become the most phenomenal day for spending in the South African retail sector, which was evidenced by the 2018 Black Friday retail expenditure that exceeded R3 billion. Furthermore, Smith (2019) argued that although Black Friday shopping was mainly concentrated in the Western Cape and Gauteng provinces of South Africa during its introduction to the country in 2014, the trend has now extended to all of the other provinces, which indicates the acceptance of the shopping extravaganza in South Africa.

### 2.2. Theories underpinning the study
This study is grounded on two theories: relationship marketing theory and the Stimulus-Organism-Response (S-O-R) theory. Grönroos (2016) argued that to maintain a relationship with customers in today's competitive market environment requires both the making and fulfilment of promises that can deliver on perceived value expectations of customers. The modern customer wants to feel acknowledged, appreciated and engaged before an assessment of value delivery is made (Buell et al., 2017; Gummerus et al., 2017; Tsai & Wang, 2017). When the receipt of value (inclusive of benefits) from the relationship is positive, the customer will be more willing to engage in a long-term relationship with the supplier, leading to retention and loyalty (Chang et al., 2015).

Demangeot and Broderick (2016), and Lucia-Palacios et al. (2016) stated that the S-O-R model was developed by Mehrabian and Russell (1974) in which the outcome of environmental stimulus is an emotive retort, thereby nurturing a behavioural response. Zhu et al. (2019) further noted that S-O-R-based research comprehensively articulates the nexus of relationship between an emotive retort and the response of customers regarding intention, purchase, consultation and return. Wu and Li (2018) contended that the stimulus manifest factors determine the performance of stores, which organism reflects, as well as the affective and cognitive state of customers in terms of feeling and trustworthiness. Thus, the organism functions as a transitional platform that secures behavioural outcomes or repurchase (Shatnawi, 2019).

## 3. Theoretical model development

### 3.1. The relationship between cognitive capital and customer value perception

According to Bojica et al. (2012), cognitive capital facilitates an organisation in inculcating an entrepreneurial environment since it promotes access to firm's markets and resources. Furthermore, cognitive capital has been found to be crucial for an organisation in sharing new knowledge that is also critical with its networks, which enables the organisation to be innovative (Molina-Morales & Martínez-Fernández, 2009). Customer-perceived value has been a major subject of debate in the previous research in areas like economics, marketing, sociology and psychology (Berraies et al., 2017). The creation of value has been confirmed in literature as the main objective for any organisation (Kotler & Keller, 2015; Sheth & Uslay, 2007). To achieve competitive advantage, it becomes imperative that organisations offer products and services that are valued by its customers (Boksberger & Melsen, 2011). Consequently, it is hypothesised:

H$_1$: *There is a significant and positive relationship that exists between cognitive capital and the customer value perception of young adult customers participating in Black Friday shopping rituals.*

### 3.2. The nexus of relationship between relational capital and customer value perception

Relational capital refers to the existence of personal relationships that people normally develop between or amongst themselves through human interactions (Granovetter, 1992; Nahapiet & Ghoshal, 1998). Relations like friendship and respect are critical components of relational capital (Nahapiet & Ghoshal, 1998). In the context of marketing, customer value perception can be viewed from two approaches, namely the utilitarian and behavioural approach (Boksberger & Melsen, 2011). The utilitarian approach posits that customers normally attach value to the consumption of products and services, based on the utility they get from the product vis-à-vis the price they pay for the product or service (Boksberger & Melsen, 2011). On the contrary, the behavioural approach indicates the social interactions between customers and organisations, and customer value perception is based on the customer's use of the product or services (Berraies et al., 2017; Boksberger & Melsen, 2011). Through the personal relationships that customers develop with providers of products and services, they are likely to consume those products and services. Therefore, it is hypothesised that:

H$_2$: *There is a significant and positive relationship that exists between relational capital and the customer value perception of young adult customers participating in Black Friday shopping rituals.*

### 3.3. The relationship between social identification and customer value perception

Young adult customers are represented by a group of young, technology-savvy individuals who mostly rely on the Internet and would want to be identified through social media platforms (Bilgihan, Peng & Kandampully, 2014). Social identification, which is provided through social communication services provided by social networks, has an impact in terms of the company's operations in specific areas, such as the company's brand and customer relationship (Bilgihan et al., 2014; Jansen et al., 2009). Since customers would want to be associated with company brands that give them some perceived value, it is hypothesised:

H$_3$: *There is a significant and positive relationship that exists between social identification and the customer value perception of young adult customers participating in Black Friday shopping rituals.*

### 3.4. The relationship between social influence and customer value perception

Interpersonal influences have been found to impact on individuals' behaviour, thus affecting their decision-making processes (Bearden et al., 1989). Bilgihan et al. (2014) argued that an important force that shapes an individual's behaviour as a customer has been social influence that may occur

prior to purchase, such as during the information-seeking stage. Therefore, young adult customer decisions may be influenced by friends, since they possess relevant information to the purchase decision (Mangleburg et al., 2004). In contrast, customer value perception, which is the same as perceived value, refers to how a customer assesses the cost as well as the benefit that arises from a particular purchase, which is then used to make an assessment of competing offers (Hänninen & Karjaluoto, 2017). In this regard, social influence greatly contributes to the value attached to products and services by individuals. Considering the discussion above, it can be hypothesised that:

$H_4$: *There is a significant and positive relationship that exists between social influence and the customer value perception of young adult customers participating in Black Friday shopping rituals.*

### 3.5. Relationship between social convenience and customer value perception

Social influence is regarded as a significant factor that influences the behaviour of a customer before a purchase is made and can be in the form of word-of-mouth communication or information searching (Mangleburg et al., 2004; Soares et al., 2017). Based on the aforementioned, it can be further noted that young adults are potentially influenced by the opinion of friends who share information with them. Such information is perceived as important to young adults, since it is provided by their peers and assists with the development of positive self-identities (Haba et al., 2017; Mangleburg et al., 2004; Valaei & Nikhashemi, 2017). Wirtz et al. (2013) concurred, stating that young adults use social media as a convenience tool to engage with friends and family members. They further posited that such interactions affect customers' social convenience and value proposition in the context of identity formation, service expectations, engagement with brands and firms, purchase behaviour, brand loyalty lifetime value and the value of the firm. Against this background, the following hypothesis is proposed:

$H_5$: *There is a significant and positive relationship that exists between social convenience and the customer value perception of young adult customers participating in Black Friday shopping rituals.*

### 3.6. Relationship between customer-perceived value and customer loyalty

Perceived value can be described as a polymorphic concept that has been extensively researched in numerous academic fields, such as marketing, psychology, sociology and economics (Berraies et al., 2017). Brodie (2017) stated that customer value encompasses customers' perceptions derived from the trade-off between the benefits (product/service quality) received and sacrifices (price/non-monetary costs) made when purchasing a product or service. Such a trade-off can influence customer loyalty (Minta, 2018). Therefore, perceived value needs to be understood as a necessary condition to establish customer loyalty (Carlson et al., 2015). Considering this, it is hypothesised that:

$H_6$: *There is a significant and positive relationship that exists between customer perceived value and customer loyalty of young adult customers participating in Black Friday shopping rituals.*
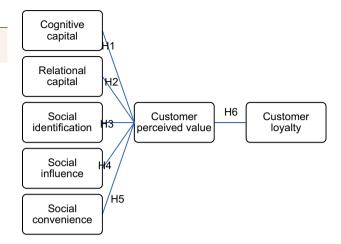
Figure 1 illustrates the hypothesised model and reflects on the different relationships proposed.

### 4. Methodology

A quantitative approach and descriptive research design were followed in this study. Data were collected from 400 young adult customers between the ages of 18 and 35 in the Gauteng province of South Africa through self-administered questionnaires. Gauteng Province was chosen as the area of study since it is the most populous province in South Africa with 15,2 million inhabitants, accounting for 25.8% of the total population (Statistics South Africa, 2019). The young customers in South Africa are White, Black African, Coloured and Indian/Asian in this empirical study. According to Statistics South Africa (2019) mid-year population estimates, out of the total population of 58.78 million, Black

**Figure 1. Proposed model.**

Source: Researchers' own construct.

Africans constituted 81%, followed by Coloureds at 9%, Whites accounted for 8%, while Indian/Asians constituted 3% of the entire population. Goods and services purchased by the sampled target audience include electrical equipment, technological goods, branded clothing and shoes, accessories, homewares, bags, beauty products, DIY and hardware products, toys, jewellery, food and drinks as well as Christmas stocking fillers and treats. However, there were no observed differences in the spending patterns of the various races in the present study.

A convenience sampling method (non-probability sampling technique) was adopted since the sampling frame is unknown. The questionnaire started with an introduction and a screening question to make sure that potential respondents were part of the selected target population. The questionnaire comprised sections enquiring about respondents' demographic profiles and the sub-constructs of cognitive capital, relational capital, social identification, social influence, social convenience, customer value perception and customer loyalty. A 5-point Likert scale response format was used in data gathering.

The empirical study seeks to use the S-O-R paradigm based on the Mehrabian and Russell (1974) approach/avoidance model of environmental psychology. The statements in the research instrument were adapted from the work of Wu and Li (2018) on the S-O-R perspective. Scale items were also subjected to reliability and validity to explain the robustness of the psychometric nomenclature of the scale items. The validity of the scale items was tested using Cronbach's alpha, Kaiser-Meyer-Olkin (KMO) and average variance estimates (AVE), which all meet the minimum threshold as established in extant literature. Data were collected over a six-week period. Table 1 illustrates the different items that were used to measure each of the constructs.

Data were cleaned and entered into SPSS 23.0. Descriptive statistics were established to gain a telescopic insight into the dynamics of Black Friday rituals and customer value/loyalty among young adults. Internal consistency, discriminant and convergent validity were calculated to establish the psychometric nomenclature of the scale items in the myriad elucidated sub-constructs. The measurement model and structural model were also evaluated using Amos 23.0.

## 5. Empirical findings

### 5.1. Demographic profile of respondents
All the respondents in the study were aged between 18 and 35 and supported Black Friday rituals. The majority of participants were male (52.8%), in possession of a post-school qualification (39.3%), predominantly full-time employed (40.7%) and married or living with a partner (45.92%).

**Table 1. Constructs and items**

**Cognitive capital (CC)**

$X_1$ Black Friday customers always agree on what is important for solving shopping problems.

$X_2$ Black Friday customers always share similar ambitions for improving shopping efficiency.

$X_3$ Black Friday customers always share a similar vision to improve shopping efficiency.

Relational capital (RC)

$X_4$ Black Friday customers are always enthusiastic about sharing collective goals aimed at maximising shopping profits.

$X_5$ Black Friday customers are always enthusiastic about sharing the same mission, namely to maximise shopping profits.

$X_7$ Black Friday customers are truthful in dealing with one another during a shopping event.

$X_8$ Peers/Reference groups are truthful in dealing with Black Friday rituals.

$X_9$ Peers/Reference groups always try to help me out if I get into difficulties while shopping.

$X_{10}$ I can trust peers/reference groups to help me complete Black Friday rituals effectively.

Social identification (SI)

$X_{11}$ I make good friends with Black Friday customers.

$X_{12}$ Black Friday customers interact with one another when shopping on Black Friday.

$X_{13}$ I care about the opinion that peers/reference groups have about me when shopping on Black Friday.

$X_{14}$ The time I spent with my peers/reference groups during a Black Friday shopping ritual is worthwhile.

Social influence (SIF)

$X_{15}$ I look for peers/reference groups that have common buying interests when shopping on Black Friday.

$X_{16}$ People who influence my behaviour think that I should join social shopping on Black Friday rituals.

$X_{17}$ People around me think that I should associate with Black Friday rituals.

$X_{18}$ People around me are generally supportive about Black Friday rituals.

$X_{19}$ I was able to decide easily on my place of shopping on Black Friday.

Social convenience (SC)

$X_{20}$ I was able to complete my shopping quickly on Black Friday.

$X_{21}$ I was able to get the benefits of shopping with minimal effort on Black Friday.

$X_{22}$ I was able to complete my shopping at any time on Black Friday.

$X_{23}$ I was able to complete my shopping at any place on Black Friday.

Customer value perception (CVP)

$X_{24}$ Items are reasonably priced on Black Friday.

$X_{25}$ Items have consistent quality on Black Friday.

$X_{26}$ The items sold on Black Friday are good-quality products for the price paid.

$X_{21}$ I enjoy Black Friday rituals.

$X_{22}$ Black Friday rituals make me feel good.

$X_{23}$ Black Friday rituals give me pleasure.

$X_{24}$ Black Friday rituals help me feel acceptable.

Customer loyalty (CL)

$X_{25}$ I will recommend Black Friday to others.

$X_{26}$ I will speak favourably about Black Friday to others.

$X_{27}$ I will tell others about my positive experience with Black Friday rituals.

$X_{28}$ I will continue shopping on Black Friday in the future.

$X_{29}$ I will involve more effort in social shopping on Black Friday in the future.

Source: Adapted from Wu and Li (2018)

### 5.2. Reliability and validity

The psychometric properties for the scale items for CC, RC, SI, SIF, SC, CVP and CL were tested to establish the reliability and validity of the sub-constructs in this empirical study. The Cronbach's alpha values are: CC = 0.945, RC = 0.886, SI = 0.795, SIF = 0.775, SC = 0.789, CVP = 0.861 and CL = 0.926. The factor metrics range values are: CC = 0.887–0.917, RC = 0.513–0.721, SI = 0.500–0.791, SIF = 0.500–0.898, SC = 0.500–0.680, CVP = 0.620–0.906 and CL = 0.678–0.844. The AVE values are: CC = 0.901, RC = 0.639, SI = 0.624, SIF = 0.549, SC = 0.615, CVP = 0.829 and CL = 0.773. The KMO, AVE and factor metrics lend credence to the robustness of the factor structure in this empirical study, while the psychometric nomenclature meets the minimum threshold as established in extant literature and highlighted in Table 2.

### 5.3. Measurement model assessment

Confirmatory factor analysis was conducted on the 34-scale item, seven-construct model to assess the psychometric nomenclature of the parsimonious model in this empirical study. As indicated in Table 3, the measurement model results explicate goodness of fit measures as postulated in extant literature by Hair et al. (2014). The goodness of fit metrics of chi-square (CMIN/DF) (Contrast Media-Induced Nephropathy divided by the Degree of Freedom), NFI (Normed Fit Index), RFI (Relative Fit Index), IFI (Incremental Fit Index), TLI (Tucker Lewis Index) and CFI (Comparative Fit Index) meet the minimum threshold of 0.9, as recommended in the extant literature and the RMSEA (Root mean square error of approximation) is below the prescribed threshold of 0.08.

Table 4 indicates telescopic insight into the factor loading, variance explained and the means and standard deviations of the 34 items used to measure the myriad constructs for the S-O-R model. Factor loading meets the minimum threshold of 0.5 and the variance explained is also above the minimum threshold of 0.3, as postulated in extant literature. The mean values of the myriad of scale items of the constructs indicate a contribution to the regularity of the construct.

Table 5 explicates the convergent and discriminant validity as well as the composite trait reliability of the construct in the parsimonious model. The AVE ranged from 0.678 to 0.825, which is above the 0.5 threshold, signifying convergent validity. While the inter-item construct

| Table 2. Psychometric nomenclature of construct measurement | | | |
|---|---|---|---|
| **Construct** | **Cronbach's alpha** | **KMO** | **AVE** |
| CC | 0.945 | 0.769 | 0.901 |
| RC | 0.886 | 0.814 | 0.639 |
| SI | 0.795 | 0.705 | 0.624 |
| SIF | 0.775 | 0.771 | 0.549 |
| SC | 0.789 | 0.654 | 0.615 |
| CVP | 0.861 | 0.802 | 0.829 |
| CL | 0.926 | 0.845 | 0.773 |

| Table 3. Measures for goodness of fit (measurement model) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **CMIN** | **DF** | **P** | **CMIN/DF** | **NFI** | **RFI** | **IFI** | **TLI** | **CFI** | **RMSEA** |
| 365.14 | 127 | 0.00 | 2.88 | 0.89 | 0.91 | 0.93 | 0.97 | 0.94 | 0.048 |

| Table 4. Factor loadings, variance explained, means (M) and standard deviations (SD) | | | | | |
|---|---|---|---|---|---|
| **Construct** | **Item** | **Factor loading** | **Variance explained** | **M** | **SD** |
| CC | $X_1$ | 0.887 | 0.853 | 2.95 | 1.43 |
| | $X_2$ | 0.917 | 0.830 | 3.02 | 1.36 |
| | $X_3$ | 0.900 | 0.872 | 3.02 | 1.38 |
| RC | $X_4$ | 0.513 | 0.716 | 3.25 | 1.37 |
| | $X_5$ | 0.560 | 0.748 | 3.33 | 1.34 |
| | $X_6$ | 0.628 | 0.792 | 2.77 | 1.37 |
| | $X_7$ | 0.721 | 0.849 | 3.09 | 1.36 |
| | $X_8$ | 0.721 | 0.849 | 3.12 | 1.37 |
| | $X_9$ | 0.690 | 0.831 | 3.07 | 1.41 |
| SI | $X_{10}$ | 0.791 | 0.889 | 2.69 | 1.39 |
| | $X_{11}$ | 0.681 | 0.825 | 2.90 | 1.47 |
| | $X_{12}$ | 0.535 | 0.731 | 2.33 | 1.31 |
| | $X_{13}$ | 0.489 | 0.700 | 3.07 | 1.44 |
| SIF | $X_{14}$ | 0.486 | 0.236 | 2.94 | 1.46 |
| | $X_{15}$ | 0.821 | 0.675 | 3.11 | 1.39 |
| | $X_{16}$ | 0.898 | 0.806 | 3.36 | 1.40 |
| | $X_{17}$ | 0.841 | 0.707 | 3.53 | 1.36 |
| | $X_{18}$ | 0.565 | 0.319 | 3.58 | 1.37 |
| SC | $X_{19}$ | 0.677 | 0.823 | 2.70 | 1.44 |
| | $X_{20}$ | 0.680 | 0.825 | 2.71 | 1.43 |
| | $X_{21}$ | 0.637 | 0.798 | 2.96 | 1.47 |
| | $X_{22}$ | 0.464 | 0.681 | 3.34 | 1.44 |
| CVP | $X_{23}$ | 0.782 | 0.874 | 4.06 | 1.06 |
| | $X_{24}$ | 0.879 | 0.930 | 3.90 | 1.13 |
| | $X_{25}$ | 0.878 | 0.921 | 3.95 | 1.14 |
| | $X_{26}$ | 0.844 | 0.397 | 3.41 | 1.36 |
| | $X_{27}$ | 0.895 | 0.332 | 3.32 | 1.33 |
| | $X_{28}$ | 0.906 | 0.524 | 3.34 | 1.42 |
| | $X_{29}$ | 0.620 | 0.579 | 2.82 | 1.47 |
| CL | $X_{30}$ | 0.766 | 0.875 | 3.78 | 1.23 |
| | $X_{31}$ | 0.844 | 0.919 | 3.63 | 1.24 |
| | $X_{32}$ | 0.837 | 0.915 | 3.56 | 1.28 |
| | $X_{33}$ | 0.738 | 0.859 | 3.78 | 1.26 |
| | $X_{34}$ | 0.678 | 0.824 | 3.43 | 1.29 |

correlations are all less than the lowest variance extracted value of 0.678, which indicates discriminant validity, and the composite trait reliability all exceed the 0.7 threshold. The multi-collinearity assumptions are also not violated, as indicated by the variance inflation factor and tolerance levels in the collinearity diagnostics conducted for the study.

### 5.4. Structural model assessment
After the evaluation of the psychometric nomenclature of the scale items and its underlying dimensions, it was important to evaluate the structural dynamics of the model. The structural dynamics of the model were evaluated in the context of the goodness of fit measures with respect to the measurement model. The NFI, RFI, IFI, TLI and CFI are all above the 0.9 threshold, and the RMSEA

| **Table 5. Average variance extracted, squared inter-construct correlations and composite trait reliability** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Variable** | **CC** | **RC** | **SI** | **SIF** | **SC** | **CVP** | **CL** |
| CC | 0.825* | | | | | | |
| RC | 0.473 | 0.746* | | | | | |
| SI | 0.384 | 0.412 | 0.729* | | | | |
| SIF | 0.412 | 0.324 | 0.435 | 0.678* | | | |
| SC | 0.513 | 0.423 | 0.279 | 0.456 | 0.685* | | |
| CVP | 0.289 | 0.340 | 0.431 | 0.329 | 0.314 | 0.847* | |
| CL | 0.368 | 0.289 | 0.393 | 0.422 | 0.381 | 0.273 | 0.786* |
| Composite trait reliability | 0.945 | 0.886 | 0.795 | 0.775 | 0.789 | 0.861 | 0.926 |

*AVE reflected diagonally and squared correlations below AVE.

value is below the required 0.08. Therefore, the assertion espoused above indicates the alignment of the model to the data in this empirical study.

As indicated in Table 6, after the psychometric properties of the model have been assessed and subliminal assumptions explored, the structural properties of the model had to be evaluated. It was established that the goodness of fit measures meet the minimum threshold of 0.9 for CMIN/DF, NFI, RFI, IFI, TLI, CFI. However, RMSEA is below the 0.08 minimum threshold as postulated in extant literature. Table 7 provides insight into the findings with respect to the hypotheses formulated for the study.

## 6. Discussion
The study made a contribution that is both theoretical and practical. The findings of the study explicate psychometric nomenclature that the scales used to measure the hypothesised relationships between cognitive capital, relational capital, social identification, social influence, social convenience, customer value perception and customer loyalty are reliable and valid. The hypothesised relationships proposed have been validated, endorsing the nomological web between cognitive capital, relational capital, social identification, social influence, social convenience, customer value perception and customer loyalty with respect to young adult customers and Black Friday rituals within a developing African market context.

| **Table 6. Measures for goodness of fit (structural model)** | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **CMIN** | **DF** | **P** | **CMIN/ DF** | **NFI** | **RFI** | **IFI** | **TLI** | **CFI** | **RMSEA** |
| 434.13 | 129 | 0.00 | 3.365 | 0.92 | 0.88 | 0.98 | 0.94 | 0.91 | 0.052 |

| **Table 7. Summary of findings** | | |
|---|---|---|
| $H_1$ | CC/CVP | *Rejected* |
| $H_2$ | RC/CVP | *Supported* |
| $H_3$ | SI/CVP | *Rejected* |
| $H_4$ | SIF/CVP | *Supported* |
| $H_5$ | SC/CVP | *Rejected* |
| $H_6$ | CL/CVP | *Supported* |

From a theoretical perspective, the study established that relational capital, social influence and social convenience resonate with the customer value perception of young adult customers. Moreover, social influence and customer value perception lend credence to customer loyalty in the context of Black Friday rituals. Considering this, it can be argued that the theoretical constructs proposed emphasised that there is acute paucity of Black Friday rituals carried out in South Africa as a developing African market. In addition, the different precursors of customer-perceived value could be used by researchers in the future to study the influence of customer-perceived value on customer satisfaction, customer retention or behavioural intention. Therefore, the study makes a significant contribution to Black Friday literature by proposing valuable measurement dimensions.

In addition, academic research on Black Friday rituals is important to develop an improved understanding of young customers as they constitute 66% of South Africa's population (Statistics South Africa, 2019). The study seeks to contribute to the body of knowledge by understanding the cognitive, conative and affective aspirations of young customers in the rapidly changing global markets. Retail managers thus need to understand the preferences of young customers (based on relational and cognitive factors) in order to secure the sustainability of their businesses by offering a value proposition as well as undertaking the implementation of the marketing concept which is aligned to the myriad of aspirations of young customers in South Africa.

In terms of the managerial contribution, the study can assist marketing or brand managers in conceptualising the utilitarian and hedonic motives of young adult customers in South Africa. Labrecque (2014) and Solka et al. (2011) posited that despite their reputation of being a lucrative market segment, the buying behaviour and motivational needs of young adults tend to be unpredictable as they switch brands and are not loyal to a particular brand due to exposure to varied stimuli. Therefore, this study's findings are important as they inform South African retailers and retail brand managers of the factors that need to be considered when developing value for young adult customers to strengthen their loyalty.

### 7. Managerial implications

Considering the results of the study, it can be argued that retailers in an emerging African market such as South Africa should focus on the development of positive engagements that will ensure young adults will communicate favourably about their Black Friday experiences to family and friends. Such experiences should be built on the offering of financial value (such as discounts or specials), excellent sales service and engaging sales consultants who are friendly and supportive in their service delivery efforts. Although young adult customers are brand-conscious and price-sensitive, they still consider service delivery a critical part of the Black Friday event. Therefore, an unforgettable experience that encompasses after-sale service support to the customer and is also professional in nature is important as a differentiating factor for retailers when marketing Black Friday to young adults in an emerging African market.

Furthermore, the marketing of Black Friday to prospective young adult customers should be guided by intrinsic factors that are characteristic of this customer segment. This generation remains focused on the price charged with the product, the brand image of the product and the quality of the product offered. This can be secured if retailers focus their marketing strategies for Black Friday rituals around specific items that are of interest to young adults. These items should be trendy, well priced and aimed specifically at the young adult market segment in terms of its brand value offered. For young adults, brand value encompasses the offering of products that are making this customer group feel accepted, happy to consume the product and satisfied with using the product. In addition, the products offered by retailers during Black Friday promotions and the experience of young adult customers should be pleasurable, both from a usable and an engagement perspective. Create products and experiences that are joyful and exciting, securing a positive feeling of contentment and satisfaction in the long term.

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Finally, retailers should note that young adults are active on social media platforms, such as Instagram, Pinterest and Twitter. Through Black Friday promotions, young customers use the Internet to note where the best product promotions are. Retailers can access these platforms to note communication sharing by young customers around product deals, including their opinions around product promotions (i.e., which product promotions add value, which products are not of much interest to young adults and why). Retailers can tap into this online conversation using Social School to drive traffic to their websites and into their stores.

## 8. Conclusion

The purpose of this study was to explore the nexus of relationship between Black Friday rituals, customer value and customer loyalty among young adult customers in South Africa. It was concluded that the customer perceived value of young adult customers supporting Black Friday rituals in South Africa strengthens their loyalty to such retail promotions. However, this depends on whether these young adult customers have a positive perception of the cognitive capital and relational capital benefits obtained from supporting a Black Friday ritual. It is recommended that retailers in emerging markets develop an understanding that young adult customers are sociable individuals and prefer to support Black Friday rituals with family or friends. Consequently, an ubuntu approach towards the marketing of Black Friday rituals is critical. The study contributes to the marketing field by informing academics and retailers of the need to fully understand young customer experience priorities, physical and virtual queueing, offering great deals and big discounts, providing safety and security, and avoiding stock shortages are vital for marketing strategy and market orientation in the dynamic markets of today.

A limitation of the study is that only selected S-O-R factors that can influence customer-perceived value were included. However, the study secured focused insights into these selected factors that can influence Black Friday rituals in a South African retail setting. Future studies can consider testing additional relationship marketing factors on customer-perceived value, conduct the study in another emerging market, or even consider a comparative study between emerging markets across different continents.

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