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## AN EXAMINATION OF CONSUMER EXPERIENCE AND RELATIVE EFFECTS ON CONSUMER VALUES

by

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A dissertation submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy in the Department of Educational Research, Technology and Leadership in the College of Education at University of Central Florida Orlando, Florida

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## ABSTRACT

In the ever changing business climate, the service sector has become a major focus of attention. One key aspect of this competitive environment is the effort of many businesses to differentiate themselves by creating unique customer experiences that accompany their products and services. The challenge to creating memorable consumer experiences is the proper identification of specific characteristics that influence experiences and gaining better understanding of how these impact consumers perceived values. To this end, this study attempted to develop a model that identifies influencing dimensions of consumer experiences and investigates the composition of consumer experiences and the relative outcome on consumer's perceived values in a hospitality setting.

To facilitate this research objective, a model was presented which proposed that consumer experiences are composed of both physical and human interaction characteristics. The consumer's perspective of these characteristics, and hence the actual service experience, are affected by situational factors and individual characteristic which in return impact perceived emotive and cognitive values. A set of propositions are presented based on the model and literature review to measure the relationship between these factors. To initiate this research, an intercept survey approach was taken. Four hundred sixty-two (462) surveys were completed by hotel guests staying in one of three market segments in Orlando, FL. Participants completed the self-administered survey by answering questions concerning their current stay experience relating to physical environment, human encounters, trip-related factors, individual characteristics, and perceived values. Overall, the results found that trip-related factors and individual characteristics affect perceptions of physical environment and human interactions consumer experiences during their hotel stay. In addition, the results revealed that both physical environment and human interactions have significant and positive relationship with perceived values. These results can give lodging managers a better understanding of the composition of consumer experiences and how these events influence perceived values.

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### **CHAPTER ONE: INTRODUCTION**

This study intends to examine the concept of consumer experience and its role in influencing hotel guests' emotive and cognitive values. The current chapter will explore the relatively new concept of consumer experience, discuss research contributions, and outline the research problem and questions.

#### **Background**

Nearly 40 years ago, futurist Alvin Toffler (1970) pointed to a paradigm shift that would deeply affect goods and services in the future and lead to the economy's next forward movement. He called the strange new sector "experience industries" (Knutson, Beck, Kim, & Cha, 2006). An experience or experience dimension(s), for purposes of this study, is a blend of many individual elements that come together (Shaw & Ivens, 2002) that may involve the consumer emotionally, physically, and intellectually (Mossberg, 2007). Examples of experience dimensions may include physical surroundings (Wakefield & Blodgett, 1996), social surroundings (Arnould & Price, 1993), and other consumers (Silkapit & Fisk, 1985). Carlson (1997) postulated that an experience can be characterized as a steady flow of thoughts and feelings that take place during moments of consciousness regarding experience dimensions. However, an organization cannot grant an experience to the consumer; rather organizations can only create the environment and the circumstances in which consumers could have an experience (Mossberg, 2007). It is the consumer or tourist that adds the final link to the production chain by putting together the resources in a consumer experience that produces the tourism experience (Andersson, 2007). In other words, the experiences that consumer's encounter occur inside the person and the outcome or consumer experience depends on how the consumer, based on a

specific situation or state of mind, reacts to the staged encounter (Csikszentmihalyi, 1990; Mossberg, 2007; Pine & Gilmore, 1999; Wang, 2002).

The place where experiences of pleasure, enjoyment, and entertainment can be encountered, as well as where human interactions occur, is termed the 'experiencescape' by O'Dell (2005). No longer are consumers mere inert purchasers but rather co-producers who actively build their own consumer experiences through the interaction between the environment, seller, and other consumers (Prahalad & Ramaswamy, 2003).

When examining experiences and consumer experiences, it is tempting to consider only market-related experiences. However, it is vital to understand that consumption experiences encompass more than just market-related experiences (i.e., experiences linked with economic transactions). Edgall, Hetherington, and Warde (1997) outlined four unique consumption experiences. Their typology includes community experiences resulting from reciprocal relationships with friends or neighbors, household experiences resulting from obligatory relations with members of the family, state or citizen experiences resulting from relationships with other citizens, and market-related or consumer experiences resulting from encounters with businesses and other consumers. They postulated that there is a distinction between a "consumption" experience and a "consumer" experience. For example, a communal consumption experience involving a dinner party with friends is a friendship experience even though it is linked to the market place where the food was purchased. Similarly, a communal consumption experience involving conversation with friends is outside the realm of the market place. Stated differently, if there is no product or service exchange, then the individual no longer engages in a consumer-related experience but rather encounters experiences that are outside or beyond the market setting (Carù & Cova, 2003).

Therefore, consumer experience is the multidimensional takeaway impression or outcome formed by people's encounters with products, services, and businesses (Lewis & Chambers, 2000). These impressions are related to the facets of consumer behavior that relate to cognitive and emotive aspects of one's encounter with market-related products and services (Carbone & Haeckel, 1994; Hirschman & Holbrook, 1982; Kumar & Karande, 2000).

In the modern service industry, much attention has been given to creating experiences for customers. Some researchers have argued that, as the economy offers an increasing number of commoditized products and services, companies must find new concepts and marketing strategies to differentiate themselves from their respective competitors (Mossberg, 2007; Pine & Gilmore, 1999; Schwartz, 1990). Consumers want more than the purchase of a product and service, but rather the experiences, relationships, and stories behind the transaction (Carlson, 1997). One way to achieve this is to focus on the design and delivery of service experiences in an effort to increase customer satisfaction and, ultimately, customer loyalty.

Pine and Gilmore (1999), in their description of an emerging experience-based economy, described how consumers desire more than just the production, delivery and consumption of products and services; rather, they seek unique occurrences that accompany products and services in order to create memorable experiences. Pine and Gilmore (1999) argued that businesses must shift their attention from a "make and inventory" goods economy and a "delivery-focused" service economy that emphasizes high-quality products and services to an economy that emphasizes "staged" experiences that ultimately create memorable consumption encounters. They define experiences as "events that engage individuals in a personal way" (p. 12). For purposes of this study, when businesses create and choreograph experiences for consumers, it is called experiential marketing.

A number of studies have shown that the physical environment and human interaction dimensions can impact consumer experiences of purchasing and consuming products and services (Baker, 1987; Bitner, 1992; Carbone & Haeckel, 1994; Pullman & Gross, 2004). Mehrabian and Russell (1974) found that consumers have emotional responses to physical environments. Kotler (1973) described how the atmosphere of a store is often more important than its actual products. Milliman (1986) determined that consumption behaviors of bar patrons were influenced by the rhythm and tempo of music played in the bar. Bitner's (1992) seminal research on "servicescapes" (i.e., the impact of physical surroundings on customers and employees) created a significant conceptual typology of environmental items that included ambient conditions, space and function, signs, artifacts, symbols, and social interactions. Positive consumer experiences, according to Pullman and Gross (2004), may result when employee behavior is choreographed to identify and connect with consumers.

Drawing from research on physical environmental and human interaction items, other studies have also contributed to a better understanding of the construct by hypothesizing how these items might impact consumer's perceived values. For example, the studies of Lavidge and Steiner (1961), Schmitt (1999), Sheth, Newman, and Gross (1991), and Bitner (1992) determined that consumer behavior can be organized into two broad constructs or dimensions – the emotive construct and the cognitive construct. Consumers may place a value on their consumer experiences based on their cognitive and emotive perceptions of their encounters with products and services (Mathwick, Malhotra, & Rigdon, 2001). Throughout the consumer experience, consumers assess the overall utility of the product and service based on the perceptions of what is received and what is given. Consumer experiences, therefore, may induce certain consequences that are reflected in consumers' perceived cognitive and emotive values. For

example, experiences that include economic value or efficiencies may appeal to consumer cognitive values. Likewise, consumer experiences that include positive visual appeal, enjoyment, or entertainment encounters may induce positive emotive values.

Carbone and Haeckel (1994) and Oh, Fiore and Jeoung (2007) argued that consumer encounters, good or bad, short or long always include experiences. The consumer experience, however, does not operate in a vacuum, and can be subjected to a number of other factors that may influence the outcome. For example, some economic offerings tend to be more experienceoriented (e.g., cruises or movies), and some tend to be less experience-oriented (e.g., fast food or car rentals) (O'Sullivan & Spangler, 1998). Belk (1975), Baker (1998), and Bitner (1992) discussed how situational variables and individual characteristics may impact perceived environmental and human interaction dimensions. In his seminal work, Belk (1975) discussed how a proper understanding of situational variables can substantially enhance a researcher's ability to explain and comprehend consumer behavioral acts. Similarly, Baker (1998) and Bitner (1992), in their examinations of retail store environments, found that factors such as consumer goals, product familiarity, whether the consumer purchases a good or a service, and unique individual characteristics can influence a consumer's interpretation of and reaction to storeenvironment cues. According to these works, consumer experiences are not universal among various economic offerings, nor are they universal among various consumers.

#### **Problem Statement**

Few empirical studies have confirmed or disconfirmed the idea that consumers in the experiential economy have genuine desires or needs for or place a value on consumer experiences; this is particularly evident in the hospitality industry. Although many industries

invest heavily in designing experiences in order to earn consumer loyalty, as some researchers have argued (e.g., Davenport & Beck, 2002; Gobé, 2001; Pine & Gilmore, 1998; Schmitt, 1999), additional exploration is needed in order to understand the structural components of experiences and the relationship between the physical environment, human interaction, and perceived consumer values (i.e., do consumers value consumer experiences?).

Pullman and Gross (2004) stated that "experiences are inherently emotional and personal" (p. 552). Many of the factors that influence consumer behavior cannot be controlled by management, such as emotions, fantasies, multi-sensory experiences, cultural backgrounds, personality traits, and many others (Belk, 1975; Denzin, 1992; Hirschman & Holbrook, 1982; Schmitt, 1999; Schmitt & Simonson, 1997). Nevertheless, management can control environmental and human interaction dimensions in the designs of service encounters in order to enhance consumer experiences. Only a small amount of research, however, has focused on human involvement (e.g., management, employees, guests) or on the design of experiences in hospitality services. In addition, minimal research exists concerning the relationships between experience dimensions and consumer evaluation of services (Pullman & Gross, 2004). Alternatively, other researchers posit that some customers do not desire to build close relationships with businesses and do not necessarily want a plethora of experience items to accompany each consumption event (Day, 1969; Schmitt, 1999).

Despite the enthusiastic movement toward an experience-based economy and its particular relevance to the hospitality industry (Gilmore & Pine, 2002; Titz, 2007), a comprehensive and clear understanding of the consumer experience construct has not been developed, and little empirical evidence can identify and measure the items of the customer's experience (Knutson et al., 2006; Titz, 2007). This gap between the conceptual notion of

consumer experience and the lack of empirical evidence generates a number of important questions. For example, what exactly is a consumer experience? What specific perceived items compose an experience from the consumer's perspective? How are experiences measured, and in what context do they exist? Does a consumer experience vary depending on the circumstance of the service encounter or the characteristics of the individual? How do these constructs relate to specific industries (e.g., the hotel industry)? This gap calls for a more empirical investigation in order to gain a better understanding of this important concept.

#### **Purpose of the Study**

The purpose of this study is to develop an explanatory framework of consumer experience that addresses antecedents of consumer experience and the relative outcome on perceived values in a hospitality setting. To achieve this purpose, the effects of situational or trip-related factors on consumer experiences and individual characteristics on consumer experiences are integrated into a new framework to understand this important topic. As a result it is anticipated that the relative effects and importance of various antecedents will emerge to help explain consumer experiences and the relative impact that consumer experiences may have on perceived emotive and cognitive values.

The research questions are outlined in an effort to gain a clearer understanding of the construct of consumer experience:

- What specific items define the primary structure of experience consumption in the hotel industry?
- 2) Do trip-related factors and individual characteristics impact perceived consumer experiences?

3) Is there a relationship between experience constructs and consumers' perceived values?

#### Significance of the Study

The principal contribution of this study is the development and testing of a theoretically grounded model to explain the multidimensional concept of consumer experience. Previous studies on consumer experiences have examined either experience items or the impact of situational factors and individual characteristics on consumer behavior. As these aspects were typically investigated independently from each other, unknown is the relative collective effect of these factors on consumer experience and perceived values. It is anticipated that empirical findings of this study will help elucidate the multidimensional aspects of consumer experiences and their impact on consumers' perceived values.

Many service industries have embarked on designing and delivering experiences to their customers without a full understanding of the concept of experience, without an understanding of what consumers want out of their consumer experiences, and with limited means to measure the success of their respective consumer experience endeavors. This study will assist in the effort to cultivate a deeper understanding of this important concept by offering practical implications for both industry managers and members of academia. For example, knowing which specific human-interaction items impact hotel guests' experiences will allow managers to hire and train staff properly in order to create successful consumer experiences.

The second chapter discusses the background and development of consumer experience. The proposed theoretical framework, as outlined in this section, explains related definitions and research hypotheses. Chapter three outlines the methodological procedures used in this study in order to explore the research questions. This chapter delineates an extensive literature review and a quantitative questionnaire, based on results from Walls et al. (2009) and previously developed scales, that was developed in order to evaluate consumer experience dimensions. Following a pilot study, the final questionnaire will be given to guests who have stayed at a hotel within the past six months. Exogenous and endogenous variables were subjected to principal component and confirmatory factor analysis. After obtaining a sufficient number of indicators for causal modeling and after reducing the model's complexity, relationships between the experience dimensions and latent constructs will be examined, with the help of a structural equation model, in order to determine the extent to which the theoretical model is supported by sample data.

In summary, this chapter explored and defined the concept of consumer experience. Though this concept has been studied in a broad variety of fields it is postulated that consumer experience has particular relevance to the hospitality industry and calls for more investigation. In addition, a number of factors were introduced that may influence consumer experiences. To this end, the study purpose was outlined demonstrating the need for an explanatory model and proposed research questions.

#### **CHAPTER TWO: LITERATURE REVIEW**

The current chapter begins by exploring the background of marketing in general and the origin and definition of consumer experience in particular. Next, it explains the theoretical underpinnings of this study and the justification for its proposed research framework and the development of its constructs.

#### **Background**

Throughout the 21<sup>st</sup> century, marketing directors, brand managers, practitioners, marketing academicians, and consultants have embraced a canon of principles, concepts, and methodologies that are referred to as traditional or core marketing principles (Kinnear & Bernhardt, 1983). Marketing, as defined by Kotler, Bowen, and Makens (2006), is a "social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and values with others" (p. 13). These principles and concepts of traditional marketing, comprising the "four P's" - product, price, promotion, and place describe a product's nature, consumer behavior, and market competition. They are also used to describe the core marketing concepts that are used to develop new products, product lines, and brands, to design communications, and to respond to competitive activity (Kotler et al., 2006). The traditional characteristics of marketing include functional features and benefits, a narrow definition of product categories and competition, and the assumption that customers are rational decision-makers (Schmitt, 1999).

Up until the mid-1970s, the traditional method emphasized the rational features and benefits view of the consumer, product, and competition. This view is based on a provider-based, goods-centered, transaction-oriented perspective (Li & Petrick, 2007). This focus includes a number of quality features that comprise the core focus of traditional marketing, including an objective setting, target audience selection, market segmentation, and strategic planning (Schmitt, 1999).

According to Schmitt (1999), however, the traditional method also includes shortcomings; it fails to recognize that the consumer is a psychological creature. This deficiency has resulted in an insufficient focus on true consumer needs, inadequate positioning statements, and poorly implemented strategies. This point was reiterated by Bojanic (2007), who discussed the controversy about whether the traditional marketing mix can adequately fulfill the requirements of the marketing concept, particularly in the service sector. Traditional research has largely ignored afferent and efferent consumer responses and has measured semantic rather than emotive and imaginative reactions to products and services (Hirschman et al., 1982). This is especially evident in the service sector, where four well-known characteristics of services include intangibility (i.e., services are not tangible), heterogeneity (i.e., performance varies from producer to producer), perishability (i.e., unused services cannot be stored for later resale), and inseparability (i.e., production and consumption occur simultaneously) (Parasuraman, Zeithaml, & Berry, 1985).

One of the fastest-growing sectors in the global economy is the service sector (WTO, 2007). Over the past couple decades, a steady trend in the United States has veered from manufacturing toward the service economy (Fisher, 2007). Private industries that do not produce goods account for approximately 70% of the total economic activity in the United States, and the services industries account for 55% of economic activity in the United States (US Census Bureau, 2007). The growth of the service sector can partially be attributed to a number of events that occurred during the 1980s. The number of two-income families that placed an escalating

value on their time increased. Two incomes per family resulted in more discretionary income. The number of middle-aged single persons without children also increased. Consumer demographics changed to include more female consumers who required specific amenities (Kotler et al., 2006). Consequently, service companies recognized that their "products" were complex and multilayered (i.e., they contained both tangible and intangible elements), and they began to focus on consumers' overall experiences rather than on clearly defined products (Swarbrooke & Horner, 2007).

The movement toward a service-based economy was reinforced by an increased focus on hedonic consumption (e.g., Hirschman & Holbrook, 1982) and relationship-oriented marketing (e.g., Berry, 1983). This research stream thrived on examining consumers' emotive and physiological needs in the consumption process (e.g., Donovan, Rossman, Marcoolyn, & Nesdale, 1994; Holbrook, 1986; Lazarus, 1982; Oatley & Jenkins, 1996; Oliver, 1993; Russell & Snodgrass, 1987; Solomon & Corbit, 1974; Westbrook & Oliver, 1991).

#### The Shift from Traditional to Experiential Marketing

Several authors have posited that it is no longer acceptable simply to offer products and services; rather, offerings must be accompanied by "experiences" in order to differentiate them in the midst of an increasingly commoditized and competitive world (Pine & Gilmore, 1999; Schwartz, 1990). Authors have argued that the service sector has transformed into a dream society (Jensen, 1999), an entertainment-oriented economy (Wolf, 1999), an attention-oriented economy (Davenport & Beck, 2002), and an experience-oriented economy (Pine & Gilmore, 1998, 1999; Schmitt, 1999).

Considerable and diverse efforts have attempted to cultivate a better understanding of consumer experiences by laying a theoretical foundation for defining and elucidating the experiential concept (Berry, Carbone, & Haeckel, 2002; Bitner, 1992; Csikszentmihalyi, 1990; Hirschman & Holbrook, 1982; Pine & Gilmore, 1999; Schmitt, 1999). Significant opportunities also exist, however, for examining the hospitality consumer's experiential realm (Titz, 2007).

Some authors have declared that the service sector has been transformed into an experience-based economy (Pine & Gilmore, 1998, 1999; Schmitt, 1999). These authors advocate that, in a competitive services marketplace such as the lodging industry, companies must find ways to differentiate themselves from their competitors. In order for companies to do this, Pine and Gilmore (1999) and Schmitt (1999) posit that companies need to offer consumer "experiences" in addition to products and services in order to remain competitive in an increasingly commoditized world. Typical examples of companies that provide differentiated consumer experiences include the Geek Squad with their computer-repair service technician's dressing and playing the role of repair detectives, Starbucks Coffee and their rich multi-sensory store environments, and Walt Disney World amusement parks which offers guest's a wide-range of theatrically and physically rich environments. Other efforts to stage guest experiences include Starwood Hotels and Resorts who employ "experience engineers" whose primary aim is to transform the service culture and to deliver consumer experiences in order to increase customer satisfaction and loyalty.

Another reason for the service sector's transformation is its recognition that hedonic consumption is a vital component of consumers' behavior and the service industry. Hedonic consumption is defined as the factors of consumer behavior that relate to the multi-sensory, imagery-based (fantasy-based), and emotive aspects of a consumer's experience with products or

services (Hirschman & Holbrook, 1982). Hedonics has particular relevance to the hospitality industry (Gilmore & Pine, 2002; Titz, 2007). This is particularly true since the consumer is highly involved in his or her purchase and consumption of a product or service (Mowen, 1987) and many consumers reported that their hotel stay involved many factors relating to physical and emotional comfort through personalized service and a rich physical environment (Walls et al., 2009). Therefore, focusing on consumer experience in a hospitality setting has a logical justification (Titz, 2007).

Even with the momentum and popularity gained from the concept of consumer experience, Knutson et al. (2006, p. 34) noted that "there is a void in the hospitality research relative to identifying and measuring the dimensions of the customer's experience." Without fully understanding or measuring experience marketing constructs, many hospitality organizations proceed with experience offerings simply by providing entertainment or through winsome creativity (Berry et al., 2002). An experience, however, is more complex and sophisticated than architecture, décor, or groomed employees; rather, it should involve a comprehensive positioning strategy that manages the consumer's journey from pre-experience expectations to post-experience assessments (Berry et al., 2002).

One of the first, fundamental steps toward achieving a better understanding is to thoroughly examine the terms and contexts used in important definitions in order to determine whether any commonalities could assist the cultivation of a more holistic and context-specific understanding of the concept of experience. The next section will provide an in-depth investigation of the diverse backdrop from which this concept originated.

#### **Defining Experience**

What exactly is an experience? Although the term has existed and gained momentum for nearly two decades, many different meanings, interpretations, and perceptions subsist. The concepts of consumer experience and experiential marketing arose because traditional benefits and features of marketing no longer affectively met the needs of the consumer (Schmitt, 1999). This deficiency resulted from five simultaneous developments: 1) the omnipresence of information technology for fueling innovative experiences, 2) the superiority of the brand, 3) a demanding consumer base that grew more sophisticated and affluent, 4) an increasingly competitive services sector, and 5) the ubiquity of integrated communications and entertainment (Knutson et al., 2006; Pine & Gilmore, 1998; Schmitt, 1999). These changes have resulted in an evolving marketplace, as demonstrated by a wide array of meanings, understandings, and applications as demonstrated in Table 1.

The literature on the subject includes many studies conducted by highly respected, wellintentioned researchers who have attempted to identify and define experience and experiential dimensions from their distinguishing perspectives (Csikszentmihalyi, 1990; Day, 2000; Denzin, 1992; Knutson & Beck, 2003; Mossberg, 2007; O'Dell, 2007; O'Sullivan & Spangler, 1998; Oh et al., 2007; Pine & Gilmore, 1998, 1999; Prentice, Witt, & Hamer, 1998; Quan & Wang, 2004; Ryan, 2002; Schmitt & Simonson, 1997; Uriely, 2005; Williams, 2006). Despite these noble and richly diverse efforts, however, the results of the studies have, to varying degrees, diluted efforts to clarify and assemble specific definitions and terminology for consumer experience.

#### **Experience – A Diverse Definitional Background**

One of the challenges in discussing and dealing with experiences is the many diverse definitions used by researchers and practitioners (see Table 1). According to a straightforward description, an experience is "the fact or state of having been affected by or gained knowledge through a direct observation or participation" (Merriam-Webster, 1993). Experiences, like tourism studies, appear to lack disciplinary borders; they are important in anthropology, sociology, economics, psychology, philosophy, and other fields. Carù and Cova (2003) presented a number of different definitions based on various scientific disciplines. They noted that it is necessary to recognize the distinction between general experiences and scientific experience is unique to the individual. A philosophical experience is a personal occurrence that changes or transforms the individual. "Experience is therefore gained when what happens is translated into knowledge (common sense), not only when it remains a simple lived occurrence" (Carù & Cova, 2003, p. 269).

From a sociological and psychological perspective, Maslow (1964) defined a "peak experience" as an experience in which an individual transcends ordinary reality and perceives the state of being or ultimate reality. Such an experience is usually short in duration and is accompanied by a positive effect. Similarly, Thorne (1963) defined a "peak" experience as an individual's subjective recognition of a high point in life portrayed as the most exciting and fulfilling experiences ever encounter. In contrast, a "nadir" experience is characterized as an individual's most low point of life representing the most unpleasant and harrowing experiences.

Carù and Cova (2003) suggest that an experience engages an individual cognitively and emotively and is a means for constructing reality. Three examples of such experiential studies are "epiphanic experience" (Denzin, 1992), "flow experience" (Csikszentmihalyi, 1990) and "extraordinary experience" (Arnould & Price, 1993). Epiphanic experiences go beyond peak experiences allowing individuals to actually redefine themselves. These experiences "rupture routines and lives and provoke radical redefinitions of the self" (Denzin, 1992, p. 26). Denzin (1992) points out four forms of epiphany: 1) the major upheaval, which changes a life forever; 2) the cumulative, which refers to the final climax of a crisis in a person's life; 3) the illuminative moment, in which the underlying existential structures of a relationship or situation are revealed; 4) the relived moment, in which, after an event occurs, an individual draws upon its consequences to redefine themselves. Csikszentmihalyi's (1990) flow is the optimal experience that keeps a person motivated. Csikszentmihalyi (1997) stated:

This feeling often involves painful, risky or difficult efforts that stretch the person's capacity as well as an element of novelty and discovery. Flow is an almost effortless yet highly focused state of consciousness and yet the descriptions do not vary much by culture, gender, or age. When we are in flow, we do not usually feel happy, because we feel only what is relevant to the activity. Happiness is a distraction. It is only after we get out of flow, at the end of a session or in moments of distraction within it, that we might indulge in feeling happy. (p. 9)

Arnould and Prices' (1993) qualitative work about a river rafting trip describe similarly intense, positive experiences that provide meaning and perspective for life; they term such occurrences "extraordinary experiences." Their work inspired other researchers to deviate from examining mere "experiences" and to move toward examining a new realm of "immersed," "optimal," "extraordinary," or "flow" experiences. All three of these analogous definitional examples may have originally been conceptualized in Maslow's (1964) work, which referred to peak experiences as similar to religious ecstasy. These definitions have gained momentum in an economic sense as researchers and marketers have experimented with the idea that consumers desire intense, positive experiences that ultimately provide meaning and perspective to their own lives (Arnould & Price, 1993).

This idea, however, was somewhat tempered by Abrahams (1986), who differentiated between ordinary experience (i.e., everyday life, routines, and acceptance of events) and extraordinary experience (i.e., total immersion or flow experience). Quan and Wang (2004) developed this idea further by pointing out that the social science approach regards the tourist experience as a peak experience, whereas the marketing or management approach regards the tourist experience as a consumer experience. Their model demonstrated a three-way relationship between routine daily experiences, supporting consumer experiences, and peak tourist experiences (Quan & Wang, 2004). Consequently, some effort has been made to differentiate between ordinary and extraordinary. The latter is the ultimate desired goal (Carù & Cova, 2003).

From an anthropological and ethnological perspective, an experience is the way culture affects how an individual receives events into his or her consciousness (Carù & Cova, 2003). Though an experience is perceived from an individual's perspective, an experience is also conceptually distinguishable from an ethnological perspective, which examines experiences that happen to others, society, and the world (Abrahams, 1986).

Author(s)	Year	Definition
Ray	2008	Experiences interrupt people from their lives and expectations to provide something of interest that demands attention; experiences themselves are incredibly involving
Lashley	2008	Discusses tourism experiences from the perspective of creating hospitable relationships between the host and guest; these experiences engage emotions, which is essential to creating a memory
Titz	2007	No single model of experiential consumption has emerged; experiential consumption is central to a comprehensive understanding of consumer behavior in the hospitality and tourism context.
Mossberg	2007	A blend of many elements coming together and involve the consumer emotionally, physically, intellectually and spiritually
Oh, Fiore and Jeoung	2007	From a consumers perspective experiences are "enjoyable, engaging, memorable encounters for those consuming these events"
Andersson	2007	The tourist experience is proposed as the moment when tourism consumption and tourism production meet
Uriely	2005	The tourist experience is currently depicted as an obscure and diverse phenomenon, which is mostly constituted by the individual consumer.
Berry, Carbone and Haeckel	2002	The means of orchestrating all the clues that people detect in the buying process
Lewis and Chambers	2000	The total outcome to the customer from the combination of environment, goods, and services purchased
McLellan	2000	The goal of experience design is to orchestrate experiences that are functional, purposeful, engaging, compelling, and memorable.
Schmitt	1999	Are private events that are not self-generated but rather occur in response to some staged situation and involve the entire being.

Author(s)	Year	Definition
Gupta and Vajic	1999	An experience occurs when a customer has any sensation or knowledge acquisition resulting from some level of interaction with different elements of a context created by a service provider.
Pine and Gilmore	1998, 1999	A distinct economic offering that are as different from services as services are from goods; Successful experiences are those that the customer finds unique, memorable and sustainable over time, would want to repeat and build upon, and enthusiastically promotes via word of mouth.
O'Sullivan and Spangler	1998	Involves the participation and involvement of the individual in the consumption and the state of being physically, mentally, emotionally, socially, or spiritually engaged found that experience
Carlson	1997	An experience can be defined as a constant flow of thoughts and feelings that occur during moments of consciousness.
Merriam-Webster	1993	The fact or state of having been affected by or gained knowledge through a direct observation or participation
Arnould and Price	1993	Extraordinary experiences are those characterized by high levels of emotional intensity
Denzin	1992	Extra ordinary experiences rupture routines and live and provoke radical redefinitions of the self. In moments of epiphany, people redefine themselves. Epiphanies are connected to turning-point experiences
Csikszentmihalyi	1990	Flow is the optimal experience that keeps one motivated. This feeling often involves painful, risky or difficult efforts that stretch the person's capacity as well as an element of novelty and discovery. Flow is an almost effortless yet highly focused state of consciousness and yet the descriptions do not vary much by culture, gender, or age
Mannell	1984	An experience or state of mind, is uniquely individual and that the quality rather than the quantity of leisure in our lives deserves attention
Hirschman and Holbrook	1982	Those facets of consumer behavior that relate to the multi-sensory, fantasy and emotive aspects of one's experience with products.
Maslow	1964	Peak experience is the experiences in which the individual transcends ordinary reality and perceives Being or ultimate reality. Short in duration and accompanied by positive affect.
Thorne	1963	Peak experience is subjectively recognized to be one of the high points of life, one of the most exciting, rich and fulfilling experiences which the person has ever had. A Nadir experience may be described operationally as a subjective experiencing of what is subjectively recognized to be one of the lowest points of life, one of the worst, most unpleasant and harrowing experiences of life.

#### **Experience – An Economic and Marketing Definitional Perspective**

Starting in the 1980's, the assumption of the rational consumer was questioned by theorists. Many postulated that consumers were engaged in both cognitive and emotional processing (e.g., Zajonc, 1980; Zajonc & Markus, 1992). Scholars made a conceptual distinction between consumer behavior that was based on utilitarian values and consumer behavior that was based on hedonic values (Lofman, 1991). This experiential perspective was put forth by Hirschman and Holbrook (1982) who posited hedonic consumer behavior as an alternative to the cognitive purchase decision making process. Consequently a new framework emerged that encompassed value, cognition, emotion, and holistic-intuitive consciousness in consumer experiences (Lofman, 1991)

From this perspective, Schmitt (1999) declared that consumer experiences are private, personal events that occur in response to stimulation and that involve the entire being as a result of observing or participating in an event. He posited that in order for the desired consumer experiences to occur, marketers must provide the right environment and setting. Lewis and Chamber (2000) reasoned that experience, or, more distinctively, consumer experience, refers to the consumers total outcome from a unique combination of environment and products and services purchased and consumed. From a practitioner's perspective, Augie Ray (2008), Managing Director of Experiential Marketing at Fullhouse, an interactive advertising agency, offered the following statement about consumer experience:

1) Experiences interrupt people from their lives and expectations to provide something of interest that demands attention. Too often, "experiential marketing" is

reduced to a tent or a truck found at an event--which is exactly what consumers are coming to expect at every sporting event, festival, etc.

2) The experiences themselves are incredibly involving. You could try to ignore the singing in the subway car, but eventually your body will betray you and start to move with the music--and before long you're dancing. And how can one not stop, examine, and walk around a giant drill bit emerging from the ground?

3) Finally, these experiences engage emotions, which is essential to creating a memory. For the improvisational theater, some passersby at first are frightened (or at least are made uncomfortable) that something unexpected is happening, but this emotion engages their attention. In other cases, it's a sense of curiosity or anticipation that is engaged. It's easy to understand, as you read or watch videos about these examples of experiential art, the emotions they evoke.

4) Art may seem to have little to do with marketing, but what are Leonardo's Mona Lisa or Michelangelo's David except strong, well-recognized brands that have stood the test of centuries. If only our marketing programs could create a mere sliver of their awareness and positive associations! (p. 1).

Lashley (2008) discussed tourism experiences from the perspective of creating a hospitable relationship between host and guest. He found that creating memorable guest experiences were derived from guest's feeling a friendship bond from the host who reflects the traditions of hospitality and hospitableness. Further, Pine and Gilmore (1999) classify tourist experiences into four realms. In addition to the customer participation axis, active participation involves education and escapist dimensions, whereas passive participation offerings characterize the esthetic and entertainment dimensions. Likewise, in the absorption or immersion axis, the

tourist would absorb entertainment and educational offerings; this would be mirrored by the immersion side, which would result in esthetic and escapist experiences (Pine & Gilmore, 1999).

This definition is somewhat problematic and should not be viewed as an inflexible rule because, in reality, "boundaries between the dimensions are often amorphous" (Oh et al., 2007, p. 121). Though Pine and Gilmore (Gilmore & Pine, 2002; Pine & Gilmore, 1999) proposed that the emerging experience economy paradigm would extend across a wide range of industries, including tourism and hospitality, it is hard to imagine that every product and service would be equally effective for every customer in every environment. For example, the researchers suggested that the "sweet spot" or optimal experience is where all unique dimensions join together and yield the perfect consumer experience. It is conceivable, however, that a consumer could have an amazing hotel experience while heavily utilizing the dimensions of escapism and esthetics but only slightly utilizing the dimensions of entertainment and education. Likewise, it is conceivable that a consumer could encounter a museum environment and discover entertainment and education dimensions but not encounter esthetics and escapism.

## **Experience – Common Definitional Themes and Dissonance**

Based on the literature review, a number of common definitional themes have materialized as well as a few areas of dissension. The following paragraphs examine the common themes and areas of dissonance. First, experiences are events or occurrences that happen outside of the daily routine experience and that climax at the peak or transformative experience. The majority of researchers conceptually agree that "experiences," regardless of their different titles, are uniquely different from the daily routines of everyday lives (Arnould & Price, 1993; Csikszentmihalyi, 1990; Denzin, 1992; Maslow, 1964; O'Sullivan & Spangler, 1998; Pine & Gilmore, 1998).

Second, it is generally presumed that experiences are positive encounters, but negative experiences are also possible. It is interesting to note that when experiences are described and defined, researchers generally imply positive or pleasant events or feelings (Lashley, 2008; Oh et al., 2007; Pine & Gilmore, 1998; Ray, 2008). Experiences are often described, for example, as memorable, emotionally intense, obscure, and diverse phenomena, and they are often initiated by environmental dimensions and emotive and internal responses. In contrast, Walls et al. (2009) noted that physical incongruence and unprofessional employee behavior contributed to negative consumer experiences. Though the concept of the nadir (i.e., negative or doubtful) experience was considered a legitimate construct in the 1970s, it has received little attention in modern society. Interestingly, some researchers have suggested that nadir experiences may be equally or more effective in creating lasting aftereffects (Mathes, Zevon, Roter, & Joerger, 1982). For that reason, it is conceivable that experiences can be either a positive or negative encounter.

Next, though it is not necessarily stated implicitly in the research literature, this study posits that an experience can only occur when a consumer is willing and able to participate in the experience. For example, an "unwilling" consumer seeking a coffee "to go" in the concierge lounge of a luxury hotel, may choose to make his or her own coffee and minimize or forgo the staged human interaction and downplay or ignore the environmental cues. Conversely, a consumer who is on a leisure holiday may be more "willing" and open to an experience and opt to savor a cup of coffee and examine and enjoy the environment as he or she consumes the product. Regardless, each consumer, depending on his or her circumstances and individual characteristics, will determine each consumer's willingness and capability for the experience.

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Other researchers have noted that experiences can vary along a continuum that stretches from ordinary or daily occurrences to transformative or epiphanic occurrences (Day, 2000; O'Sullivan & Spangler, 1998; Quan & Wang, 2004). Additionally, the product or service category may also lend itself to certain dimensions of expected and delivered experience types. For example, experience encounters during automobile purchases tend to be more productoriented (towards features and benefits), while partaking in a cruise vacation is more experienceoriented (O'Sullivan & Spangler, 1998). Finally, experiences impact facets of consumer behavior that involve the consumer emotionally, physically, and intellectually (Arnould & Price, 1993; Csikszentmihalyi, 1990; Hirschman & Holbrook, 1982; Mossberg, 2007; O'Sullivan & Spangler, 1998). This theme appears to be agreed upon by most researchers and practitioners, who have indicated that experiences involve and engage the participant through cognitive and emotional means.

In addition to common themes addressed above, a number of areas of dissonance have also emerged. First, Schmitt's (1999) definition posited that experience is "not self-generated" but rather occurs in response to some staged event. This contradicts a number of studies (e.g., Arnould & Price, 1993; Csikszentmihalyi, 1990) that indicated that individuals can initiate the process in which an experience can occur. For example, Csikszentmihalyi's "flow" experiences or Arnould and Price's "extraordinary" experiences would not occur if the individual did not intentionally partake in the occurrence in the first place. These ideas do not, however, preclude the possibility of an experience occurring when an individual unintentionally encounters an unexpected event, such as walking past a quartet of chamber musicians on the streets of Paris. Consequently, the literature is unclear: Are experiences "self-generated," (i.e., can consumers control/choose whether they will have experiences or not) or are consumers blindly enrolled in experiences as they unfold in front of them? This study posits, as stated earlier, that consumer experiences can only occur when a consumer is willing and able participant.

Second, Berry, Carbone, and Haeckel (2002) defined experiences as orchestrated cues that people detect. This raises the questions of whether all consumers recognize orchestrated cues and are consumers equally affected by every consumer experience. For example, during a hotel check-in, is it conceivable that two different customers, undergoing nearly identical staged experiences, can interpret and react to the same cues differently? Do all consumers detect the same cues? How does previous product or service usage affect a consumer experience? Would a consumer choose to minimize or maximize their experience during a service encounter? Many of the studies assumed that consumer experiences are received and absorbed similarly by every consumer. In contrast, Russell and Snodgrass (1987) found that some items may be totally undetectable (e.g., gases, chemicals, infrasound) yet profoundly affect individuals, especially employees who spend long hours in one environment.

Next, experiences are commonly defined as orchestrated or staged (e.g., Pine & Gilmore, 1998; Schmitt, 1999) by an outside entity (i.e., people or businesses). Few studies, however, have addressed the facts that experiences can only exist when consumers consume or participate in events and that they must be willing and able to participate. Further, it is important to examine whether experiences can occur without an orchestrated or staged event. For example, a visit to the ocean is commonly believed to impact people emotionally, physically, intellectually, and spiritually. Therefore, by definition (Arnould & Price, 1993; Csikszentmihalyi, 1990; Hirschman & Holbrook, 1982; Mossberg, 2007; O'Sullivan & Spangler, 1998), this should be an experience, even though it is not staged or orchestrated.

Last, most experiential definitions overlook the operational patterns that are common to many consumer experiences. For instance, Solomon and Corbit (1974) described the standard pattern of affective dynamics which can shed light on "some important empirical features common to many hedonic, emotional or affective experiences" (p. 120). They described this pattern as follows:

First, following the sudden introduction of either a pleasurable or aversive stimulus, an affective or hedonic reaction begins and quickly rises to a peak. It then slowly declines to a steady level where it remains if the stimulus quality and intensity is maintained. Then, at the sudden termination of the stimulus, the affective reaction quickly disappears and gives way to a qualitatively very different type of affective reaction which reaches its own peak of intensity and then slowly disappears with time. (p. 120)

According to Solomon and Corbit (1974), the pattern consists of five distinctive features: (1) the peak of the primary hedonic process or state, precipitated by stimulus onset; (2) a period of hedonic or affective adaptation, during which the intensity of the hedonic state declines even though stimulus intensity is maintained; (3) a steady level of the hedonic process that continues as long as stimulus intensity is maintained; (4) a peak of affective post-reaction, which quickly follows stimulus termination and the quality of which is hedonically different from that of the primary hedonic state; (5) the decay of the after-state, which subsequently disappears.

This description illuminates what a consumer undergoes during a prescribed consumer experience. Researchers and practitioners should understand that the participant not only endures experience peaks (pleasant or unpleasant) but also endures an opposite or "after-reaction" that may be pleasant or unpleasant, depending on the primary affective reaction. In all cases, both the primary affect and affective after-reaction decay and disappear, resulting in the resumption of hedonic neutrality.

Moreover, according to Solomon and Corbit (1974), over a relatively long period of time after many experience stimulations, the peak of primary affection reaction will be less intense, but the peak of affective after-reaction will still be intense and will last a long time. This information could be valuable to practitioners if they were to realize that repeated experience stimulations lose their positive effects. For example, consumers who visit Starbucks every day are less affected by the coffee shop's smells, sounds, and tastes than they were during their first few visits. Yet, they would almost probably notice the absence of one which may result in a negative experience.

With such imprecise and varied definitions and terms, the concept of experience is somewhat blurred and confused. Though the idea of consumer experience is still emerging, the literature review illustrates the considered views of what an experience is and how it might impact the consumer and consumption process. Many definitional interpretations hinder a deeper understanding of this concept. Are experiences self-generated, or not? From whose perspective is experience defined - the orchestrator's or the receiver's? Do experiences involve the same aspects for every person in every scenario (e.g., physical, mental, emotional, social, or spiritual)? Using such varied and imprecise definitions, however, obstructs the quantity and quality of research on consumer experience and delays a deeper understanding of how experiences impact consumers. Because of this variety of definitions and views of consumer experience, it is difficult for both researchers and practitioners to agree completely about this concept. Though the diversity of definitions and perspectives results in an interesting and varied exchange, a precise conceptualization of experience is difficult to find.

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### **Experience Definitions**

Based on the discussion above, a new definition is proposed. It is posited that in order to elucidate the meaning of experience from an economic and marketing perspective; the experiential concept should be approached from two perspectives – the business entity and consumer. The reason for dual perspectives stem from the idea that businesses can only orchestrate the opportunity for an experience. Consumers, on the other hand, depending on their willingness and capacity to have an experience, can choose or default to the types of experiences they want to have. In other words, the decision to embark upon a consumer experience is up to the consumer. In addition, some services and products (e.g., lodging, restaurants, opera) lend themselves to be more experience-oriented, whereas other products (e.g., rice, lumber, longdistance phone service) tend to be more transaction-oriented. Similarly, some consumers may choose to diminish the consumer experience, depending on their willingness (e.g., purpose of trip) or ability (e.g., personality) to engage in an experience. These factors may considerably impact consumer experiences. Therefore, a business cannot force a positive or negative experience on a consumer unless the consumer wants it and is receptive to receiving it. The following summarizes these dual perspectives.

- 1) Business's perspective:
  - Experiential marketing is the process through which a business entity attempts to connect with a consumer by creating and choreographing experiences for consumers via physical environment dimensions (e.g., design, lighting, layout) and/or emotional/human interaction dimensions (e.g., comfort, friendliness, security, relaxation). The purpose of this connection is to foster the consumer's

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awareness or interest in order to create a meaningful and fulfilling consumption/transaction experience that will influence perceived consumption values, satisfaction, and repeat patronage.

- 2) Consumer's perspective:
  - a. A consumer experience is the is the multidimensional takeaway impression or outcome, based on the consumer's willingness and capacity to be affected and influenced by physical and/or human interaction dimensions, formed by people's encounters with products, services, and businesses influencing consumption values (emotive and cognitive), satisfaction, and repeat patronage.

In summary, the literature has demonstrated that the foundation and development of consumer experience has emerged from many different academic fields. This has resulted in a healthy and diverse perspective of this concept. Nevertheless, defining and identifying the composition of consumer experience has been particularly challenging due to the lack of empirical research chiefly in the hospitality field. Additionally, it appears that consumer experiences may vary from consumer to consumer, depending on the specific industry or product.

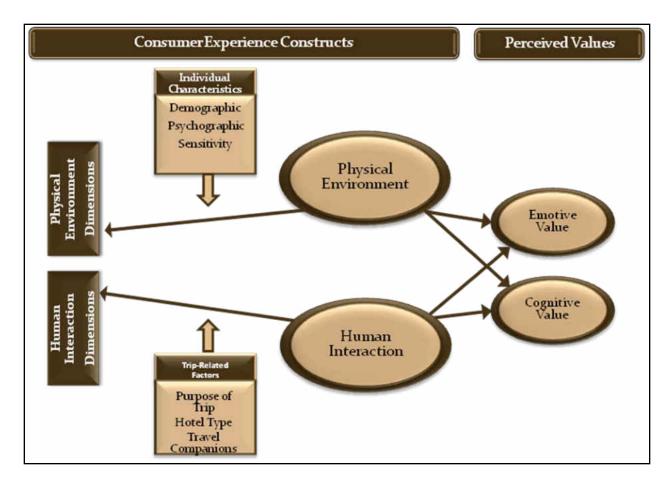
#### Framework for Understanding Consumer Experience

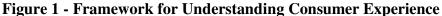
In this section, the study's conceptual framework is presented. A number of important studies support this study's overall conceptual foundation and subsequent hypothesis about hotel experience influences. These theories, which are based on the consumer behavior literature, are the atmospherics, inference theory, the theory of affordances, the schema theory, hedonics, and the servicescapes theories. The later having the most significance and attention in this study. Kotler (1973) was one of the first to describe the influence that the physical environment has on the consumer. In some cases he found that the physical environment or "atmospherics" to have more influence on the purchase decision than the product itself. Knowing that buyers respond to the total environment, this study will investigate the influence that the physical environment has on hotel patrons. The inference theory argues that consumers make judgments about the unknown based on available environmental cues (Huber & McCann, 1982; Nisbett & Ross, 1980). For instance, a consumer in a high-end retail store may infer or anticipate that the prices are high based on the surrounding physical environment. The theory of affordances argues that consumers perceive the physical environment as a meaningful entity that provides significant information for action (Gibson, 1979). In this case for instance, the physical environment (e.g., a formal banquet) may provide clues as to the acceptable social behavior or patrons. The schema theory proffers that schemas, or cognitive structures of organized knowledge, are extracted from experiences in order to help people interpret them or to guide people through inferences and predictions (Fiske, 1982). Schemas are particularly helpful in shaping people's perceptions and resultant expectations in new or ambiguous situations (Fiske & Linville, 1980).

Considered together, these theories imply that consumers pay attention to design, social, and ambient cues when evaluating experience-rich environments because these clues offer reliable information about product- and service-related attributes such as quality, price, and the consumer experience (Baker, Parasuraman, Grewal, & Voss, 2002). Hirschman and Holbrook (1982) also discussed those facets of consumer behavior that relate to the multisensory, fantasy and emotive aspects of product usage experience. They posited that consumer product decision making can be influenced by not only utilitarian attributes but also hedonic attributes that relate to a number of emotionally driven attributes.

These theoretical implications were supported by Bitner's (1992) study on servicescapes in which she posited that physical surroundings help facilitate the achievement of organizational as well as marketing goals. These implications are particularly relevant in the lodging segment where all four theories contribute to the consumer experience. For example, a hotel guest who encounters a hotel with fluorescent light bulbs, inexpensive furnishings, and cheap décor may access from memory a "budget hotel" schema and, hence, may infer that the property is lowquality and offers minimal service. This concept was empirically supported by Ward, Bitner, and Barnes (1992), who demonstrated that patrons' perceptions of and attitudes about fast-food restaurants are strongly influenced by environmental cues.

The interrelated theories outlined above (i.e., interference theory, the theory of affordances, the schema theory and servicescapes theories), support this study's overall conceptual foundation and subsequent hypotheses. Figure 2 outlines an investigative framework designed to meet the research objectives. The framework is composed of three segments that serve as a basis for analysis in this study. First (moving from left to right), experience dimensions will be examined in order to determine which specific items define the main structure of guests' hotel consumer experiences. The objective is to determine empirically whether experiences exist and, if they do, to identify them. In line with previous hospitality research on hedonics and servicescapes, two constructs are used for exploring consumers' perceived experiences: the physical environment (PE) dimension and the human interaction (HI) dimension (Baker et al., 2002; Bitner, 1992; Carbone & Haeckel, 1994; Wakefield & Blodgett, 1999).





Next, situational factors, narrowly defined as trip-related factors, and individual characteristics (Baker, 1998; Belk, 1975; Bitner, 1992; Walls et al., 2009) in this study will be examined in order to determine whether consumers interpret experience dimensions differently based on different trip-related factors (e.g., leisure vs. business) and individual characteristics (e.g., male vs. female, introvert vs. extrovert). For instance, will consumers report differences in understanding and interpreting dimension items of experiences depending on their genders?

The final segment, perceived values, is based on the seminal works of Lavidge and Steiner (1961), Schmitt (1999), Sheth, Newman, and Gross (1991), and Bitner (1992), who agreed that consumer behavior could be divided into three broad components: 1) the affective or emotive component, i.e. the emotional or feeling states; 2) the cognitive component, i.e. the intellectual, mental, or "rational" states; 3) the cognitive, physiological, or motivational component, i.e. the "striving" states relating to the tendency to treat objects as positive or negative goals. Because of the stated research objectives and the fact that physical items will be measured as exogenous variables, this study will only examine emotive and cognitive values.

In sum, it is postulated that, based on available environmental cues and intervening triprelated factors and individual characteristics, consumers will form value judgments about their consumer experiences. The following sections will investigate each of these segments in order to develop a better understanding of each construct, establish a theoretical framework, and provide a research hypothesis to be used as the basis for this study.

### **Consumer Experience – Constructs and Dimensions**

The first segment outlined in the framework (see Figure 1) establishes the main structure of a multi-dimensional experience. In other words, this study seeks empirical support whether experiences exist in a hotel setting and, if they do, determining their composition. As mentioned in the marketing literature, Bitner (1992) hypothesized that experiences do exist and that they are a complex mix of environmental factors. Specifically, she stated that physical dimensions include all of the physical factors controlled by the service firm, such as lighting, colors, quality of materials, layout, etc. Similarly, Gupta and Vajic (1999) defined the experience context as the physical and relational setting in which the consumer consumes the product or interacts with everything related to the service. From a slightly different perspective, environmental psychologists (Bell, Fisher, & Loomis, 1978; Ittelson, Proshansky, Rivlin, & Winkel, 1974; Turley & Milliman, 2000) have asserted that people respond to their environments in a holistic pattern through perceived discrete stimuli. Stated otherwise, the consumer response to the

environment comprises the total holistic configuration of encountered stimuli, not merely any one specific item. Turley and Milliman (2000) exhibit a comprehensive view of studies that illustrate how atmospheric dimensions impact a wide variety of consumer evaluations and behaviors primarily in retail settings.

Despite the previously discussed impact of the physical environment on the consumer experience, the literature does not address what specific experiential items (e.g., design, lighting, smells, layout, etc.) actually affect the consumer in a hotel environment. For example, Milliman (1986) found that variations in the tempo and rhythm of music can affect purchase intentions and alcohol consumption in restaurants. Gueguen and Petr (2006) discovered that olfactory cues in restaurants affect approach/avoidance behaviors. Much effort has been made by lodging companies to enhance their facilities with lighting, pleasant smells, diverse textures, and brandspecific music. Yet questions remain: do consumers actually notice these items during their stay? How do these items impact the stay experience?

Therefore, the first step in this study was to determine what specific service design items (e.g., textures, signage, layout) define the main structure of an experience in a hotel setting. On the basis of a review of relevant literature, two amalgamated constructs (i.e., physical environment and human interaction) were identified as particularly relevant to consumer experiences. These are covered in detail in the next two sections.

### **Perceived Physical Environment**

Berry et al. (2002) outlined two sets of cues that are necessary for managing the consumer's experience journey. One set concerns the actual functionality of the product or service, and the other set comprises emotional cues, which stem from things or people in the

environment that are perceived by the senses. Similarly, Carbone and Haeckel (1994) described two types of context cues, mechanics and humanics. Mechanics are generated by things such as sights, smells, tastes, sounds, and textures – for example, landscaping, textures, lobby music, etc. On the contrary, humanics cues originate from people. In order to create the desired consumer experience, businesses need to focus on providing the right setting that includes physical dimensions that engage and enhance these experiences (Schmitt, 1999; Yuan & Wu, 2008).

From a retail perspective, researchers have argued that physical environment and in-store atmospherics are important determinants of consumers' responses to prices and to entire purchase situations (Kotler, 1973; Nagle, 1987; Turley & Milliman, 2000). Moreover, Helson (1964), in applying the adaptation-level theory, posited that contextual factors (e.g., hotel environment) shape a person's frame of reference or focal stimuli. Practically speaking, this means that consumers assume that the price of a product or service is higher if it is purchased in an upscale environment rather than a run-down environment (Grewal & Baker, 1994; Thaler, 1985). Similarly, Herzberg's (1966) motivation-hygiene theory states that people are dissatisfied if "hygiene" needs (e.g., regarding physical environments and human interactions) are not met. If hygiene needs are met and people are satisfied, however, the effect of this success soon subsides. Though Herzberg's theory is primarily intended for motivating employees, it has palpable implications for a hospitality context (e.g., the implication that people are temporarily satisfied in a pleasant physical environment).

In Bitner's (1992) servicescape context, she directed organizations to think in terms of environmental dimensions, participant mediating, internal responses (both cognitive and emotional), and employee and customer behaviors. Such an organizational focus can result in customers expressing commitment and loyalty, spending money, and staying longer. Further,

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Bitner's (1992) and Forgas (1979) emphasized that "physical environments represent a subset of social rules, conventions and expectations enforce in a behavior setting, serving to define the nature of social interaction" (p. 61). Further, Turley and Milliman (2000) suggested that a wide variety of consumer behaviors and evaluations are influenced by atmospheric variables. In other words, physical environments impact customers' behavior, including their behavior toward each other. The nature of social interactions between and among employees and customers are influenced by the servicescape (Bitner, 1992).

The service provider (in this setting, the hotelier) can enhance the consumer experience by influencing or manipulating the social and physical environment. Therefore, consumers who willfully engage in positive physical and relational aspects of their consumer experiences will encounter positive experiences, which may result in positive satisfaction and loyalty behaviors.

Consequently, the following hypothesis about the perceived physical environment is proposed:

**Hypothesis 1:** Perceived physical environment (PE) is a multidimensional construct composed of a variety of multi-sensory items that guest's encounter during their hotel stay; specifically, the physical environment is composed of a) design, b) layout/function, c) facility upkeep, and d) physiological constructs.

## **Perceived Human Interaction**

The physical environment can influence consumer experiences, as previously mentioned, but how do human interactions affect them? A physician's bedside manner, a lawyer's demeanor, or an actor's stage presence may present a collection of cues that not only influence a client's or observer's choices but may also enhance or undermine confidence, motivation, effectiveness, and satisfaction.

According to Carbone and Haeckel (1994), humanics "are engineered by defining and choreographing the desired behavior of employees and customers involved in the customer encounter" (p. 13). In other words, humanics portray how employees make the consumers feel. Often, this process is not managed or is implicitly delegated to employees who have not been selected for or trained in the highly perceptive skills needed to anticipate and react appropriately to customer needs and desires in a service encounter (Carbone & Haeckel, 1994). It is posited that these skills, often required of the least compensated employees, are critical to creating positive and memorable consumer experiences.

Pullman and Gross (2004) argued that "effective experiential design creates loyalty when the service provider relies on its employees and customers to enact a shared identity and emotional connection during the customer's experience" (p. 556). A company should focus not only on its product or service but also on the entire consumer experience it offers (Yuan & Wu, 2008), including both physical environment dimensions and human interaction dimensions. Schmitt (1999) posited that consumer experiences occur in response to some staged situation. This concept was supported by Bitner's (1992) work, in which she recommended that companies consider environmental dimensions, participant internal responses, and employee and consumer behaviors. Carbone and Haeckel (1994) agreed, stipulating that the most effective interactions occur when physical environment dimensions and human interaction dimensions are concurrently integrated.

According to Gilmore and Pine (2002), the key to creating memorable encounters lies not in improving the functionality of a service but rather in layering an enjoyable experience on top of an existing service. Stated otherwise, memorable guest experiences are achieved when a company engages individual customers in an inherently personal way. This construct lends itself to postulating that, in order for a company to be competitive and to survive in the hospitality industry, it must look for ways to embrace new experience-staging techniques and to employ them in a way that has a maximum effect on service encounters.

In her study of hypothetical travelers, Bitner (1990) established that when employees made customers feel unique or pampered through attentive or lengthy service, satisfactory encounters resulted. An additional study that focused on service experiences was Mattila, Grandey, and Fisk's (2003) analysis of the interplay of gender and affective tone in service counter satisfaction. They found that women were more sensitive to emotional cues than men and were more able to accept both service failure and a wider spectrum of affective tone in employee responses to service failure. In prolonged encounters, perceptions of positive relational contexts (i.e., duration, affective content, and proxemic intimacy between clients and service providers) were found to play a significant role in customers' positive roles and satisfaction (Price, Arnould, & Tierney, 1995). In a study involving consumer experiences in a VIP circus environment, Pullman and Gross (2004) measured human interactions between guests and service providers and between various guests and found that emotionally engaged guest's were more satisfied than unengaged guests. These related experiences often surpass the individual and involve social influence, social roles, kin relations, cultural values, group memberships, brand communities, social identities, and social categorizations.

Consequently, the following hypothesis about the perceived human interaction is proposed:

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**Hypothesis 2:** Perceived human interaction is a multidimensional construct composed of a variety of human-related items that guest's encounter during their hotel stay; specifically, human interaction is composed of a) caring/attentiveness, b) professionalism, c) reliability, d) responsiveness, and e) guest-to-guest constructs.

### **Trip-Related Factors and Individual Characteristics**

The following section will discuss the impact of trip-related factors and individual characteristics within the framework of consumer experience. Based on the work of Belk (1975), Baker (1998), and Bitner (1992), any discussion about the relationship between internal responses (i.e., mediated emotion and cognition) and environmental dimensions would not be complete unless it considered trip-related factors and individual characteristics. These are covered in detail in the next two sections, along with corresponding research hypotheses.

## **Trip-Related factors**

Consumers often preface their predictions of their behavior by stating that "it depends on the situation." In a tourism context, "the situation" could include variables such as receiving the necessary time off, being able to afford the trip, or feeling safe at a particular destination. The challenge for this study is to determine which situational or trip-related factors should be considered in a hotel setting.

Sherif and Sherif (1956) and Sells (1963) developed a subjective categorization of more than 200 situational variables, including group structure, gravity, temperature, environment, characteristics of the individual, and novelty of the situation in relation to prior experiences. Though these studies included individual characteristics (e.g. age, race, gender) and environmental characteristics (e.g., language, food sources, erosion), they excluded physical locale descriptors (e.g., sound, colors, room or area size). Belk (1975) defined situations as "all those factors particular to a time and place of observation, which do not follow from a knowledge of personal (intra-individual) and stimulus (object or choice alternative) attributes and which have a demonstrable and systematic effect on current behavior" (p. 158). The difficulty here, again, is defining "all those factors." Belk established five types of situational variables: physical surroundings, social surroundings, temporal perspectives, task definitions, and antecedent states.

From a tourism and leisure perspective, Iwasaki and Mannell (1999) described how situational influences and personality factors may influence intrinsic motivation in a leisure activity. In their work regarding perceived constraints to visiting state parks, Crompton and Kim (2004) outlined four perceived constraint items: personal and facility constraints, time availability, weather conditions and consequences, and cost dimensions. Ryan (2002) also posited a number of situational factors that may affect the tourist experience, including: travel experiences (e.g., delays, comfort, ease of journey), the nature of the destination (e.g., quality of facility, geographic features, historical or cultural features, ethnicity), and the nature of personal interactions (with, e.g., other group members, other tourists, facility staff). The literature lacks an amalgamated, established set of situational factors that influence the hotel stay experience.

Similarly, three trip-related themes emerged when participants were asked about their hotel-stay experiences (Walls et al., 2009). These included 1) the purpose of the trip, 2) the type of hotel, and 3) the number and type of travel companions. In the first theme, the purpose of the trip, participants indicated that they tended to focus on different aspects of the hotel stay experience, depending on the type of trip (e.g., leisure or business). For example, leisure guests

indicated that they spent more time enjoying the facility and that they noticed more hotel features. Participants also reported that the type of hotel they stayed in impacted their hotel-stay experiences. Some participants, for example, indicated that resort or upscale facilities were more conducive to rich consumer experiences than conventions or limited-service hotels. Lastly, participants also mentioned that travel companions affected their hotel-stay experiences. For example, participants reported that traveling with loved ones or with family members created richer experiences than traveling alone.

Based on the premise that trip-related factors affect participants' propensity to perceive experience dimensions, this study examines whether there are differences in understanding and interpreting consumer experiences depending on trip-related factors, in a hotel setting. The following hypotheses are designed to test this premise. Directionality (+ or -) of the relationship will also be investigated given that the literature does not provide specific examples for each item being explored. Consequently, the following hypotheses about trip-related factors are proposed:

**Hypothesis 3a<sub>1</sub>:** Purpose of trip will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 3a<sub>2</sub>:** Purpose of trip will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 3b**<sub>1</sub>: Type of hotel will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 3b<sub>2</sub>:** Type of hotel will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 3c<sub>1</sub>:** Number of travel companions will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 3c<sub>2</sub>:** Number of travel companions will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 3d**<sub>1</sub>: Who paid for accommodation will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 3d<sub>2</sub>:** Who paid for accommodation will affect how consumers perceive their human interaction experiences during their hotel stay.

### **Individual Characteristics**

Ryan (2002) suggests that a tourist is "not simply a passive consumer but [rather] a proactive partner" (p. 61) and that any tourist behavior model must include the tourist's predisposition to certain actions and motivations. Among other variables, Ryan (2002) posited that personal factors can influence the tourist experience. These factors include motivation for the trip, personality, experience, lifestyle, and life stage. A number of studies have shown that an individual's personal characteristics can influence his or her reactions to physical surroundings (Mehrabian & Russell, 1974; Russell & Snodgrass, 1987). For example, Canter (1983) proposed that, in a retail setting, "place experience" is the "degree to which a person sees a place as helping to achieve that person's goals at various levels of interaction with that place" (p. 659). Therefore, in a store environment, certain physical cues will have more impact because they align better with an individual's goals (e.g., purchasing or browsing).

The extent to which these environmental cues affect a consumer depends on the product and on the consumer's familiarity with the store. Zeithaml's (1988) examination of environmental cues distinguished between intrinsic cues (part of the product) and extrinsic cues (part of the surrounding environment but not part of the product). In addition, as consumers become more familiar with an environment, habituation may become a problem. With each subsequent exposure (habituation) to the new environment, the stimulus may become decreasingly effective (Baker, 1998; Solomon & Corbit, 1974). In a service environment, this becomes increasingly important because a service is intangible and involves simultaneous production and consumption (Zeithaml, Parasuraman, & Berry, 1985; Zeithaml, Berry, & Parasuraman, 1996). Therefore, a facility provides not only extrinsic cues to consumers of its environment but may also become an intrinsic cue that is part of the total service experience. All of this, however, may be directly impacted by individuals' different characteristics.

## Demographic Characteristics and Sensitivity to Surroundings

The literature published over the past decade has provided a substantial body of research that investigates personal characteristics. For example, personal characteristics (e.g., age, gender, education) have been discovered not only in the area of consumer loyalty (Crask & Reynolds, 1978; Korgaonkar, Lund, & Price, 1985) but also in other marketing fields such as decisionmaking (Zeithaml, 1985) and purchasing involvement (Slama & Tashlian, 1985). Incorporating both previous findings and the research from Evanschitzky and Wunderlich's (2006) work on consumer behavior, this study used four personal characteristics as moderating variables: age, gender, income, and education. In addition, a fifth variable, sensitivity, was added, based on the research studies of Baker (1998) and Grossbart, Hampton, Rammohan, and Lapidus (1989) and Walls et al (2009). For instance, consumers who are sensitive are more attuned to the physical environment items and are more likely to draw information from many different cues than a consumer who is less sensitive (Baker, 1998). These studies showed that personal characteristics such as sensitivity can influence a consumer's sensitivity and response to a service encounter (Grossbart et al., 1989). Therefore, depending on the demographic characteristics and sensitivity level of each person, the informational value of the environment and the number and types of available cues may differ from person to person (Baker, 1998).

Based on the premise that individual demographic characteristics affect a participant's propensity to perceive experience dimensions, this study examines whether there are differences in understanding and interpreting experience variables depending on individual consumers' characteristics, in a hotel setting. The following hypotheses are designed to test this premise. Directionality (+ or -) of the relationship will also be tested given that the literature does not provide specific examples for each item being explored. The following hypotheses are designed to test this premise. Directionality (+ or -) of the relationship will also be tested given that the literature does not provide specific examples for each item being explored. The following hypotheses are designed to test this premise. Directionality (+ or -) of the relationship will also be tested given that the literature does not provide specific examples for each item being explored. Consequently, the following hypotheses about individual demographic characteristics are proposed:

**Hypothesis 4a<sub>1</sub>:** Differences in age will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 4a<sub>2</sub>:** Differences in age will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 4b**<sub>1</sub>: Differences in gender will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 4b<sub>2</sub>:** Differences in gender will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis**  $4c_1$ : Differences in marital status will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 4c<sub>2</sub>:** Differences in marital status will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 4d**<sub>1</sub>: Differences in income will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 4d<sub>2</sub>:** Differences in income will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 4e<sub>1</sub>:** Differences in education will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 4e<sub>2</sub>:** Differences in education will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 4f<sub>1</sub>:** Differences in sensitivity will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 4f<sub>2</sub>:** Differences in sensitivity will affect how consumers perceive their human interaction experiences during their hotel stay.

# **Psychographic Characteristics**

Combing psychology and demographics, Demby (1974) was the first to introduce the term psychographics. Demographic segmentations reveal little about consumers underlying motives whereas adding the richness of social and behavioral sciences to demographics enhances

the understanding of consumer behavior (Vyncke, 2002). Psychographics add the meat to the demographic bones giving substance and form.

Psychographic research, as defined by Wells (1975, p. 207), is "quantitative research intended to place consumers on psychological dimensions." These dimensions often include consumer personality types, perceptions, needs, attitudes, interests, opinions, lifestyles, values, and activities (Gladwell, 1990). Beyond demographic characteristics, psychographic variables can produce significant differences between consumer groups and market segments and these differences can be larger than the differences produced by demographic profiles (Abby, 1979). These variables can be particularly useful in identifying different types of travelers, identifying different types of tourism and hospitality segments, and differentiating those segments from each other (Schewe & Calantone, 1978). This can be very valuable to tourism and hospitality marketers as psychographic segmentation, along with demographics, can help gain a better understanding of consumers and help in marketing their destinations and hospitality facilities (Gladwell, 1990).

This is also the case for this research study as both demographic and psychographic are incorporated. This is done in order to see if there are differences in understanding and interpreting experience dimensions, depending on individual characteristics which include psychographic segmentation.

According to Heath (1995) there are five types of psychographic study instruments. These include 1) lifestyle profiles, which refers to how people live, how they spend their money, and how they allocate their time; 2) product-specific psychographics profiles, which consumers are profiled on product relevant dimensions, e.g., dependability, practicality, or styling; 3) personality traits as descriptors, where variables such as physical environment is analyzed

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against various personality traits including extroversion or emotional stability; 4) general lifestyle segmentation in which participants are classified into relatively homogenous groups to form a typology; and 5) product-specific segmentation in which consumers of a specific product category can be grouped. For purposes of this study, personality refers to the unique and internally based dispositions of the person and implies predictably of that person given set of situations or circumstances (Hersen & Thomas, 2006). Life-style, in contrast, refers to the external manifestations of how a person lives (Mowen & Minor, 2001). All five approaches incorporate psychology and lifestyle to demographic inquiry using quantitative survey techniques. For this research study, 'personality traits as descriptors' is used because of its ability of gaining insights into consumers evaluations of consumer experience environments based on reported psychographic characteristics.

One of the most common personality trait scales used is called the 'big five' factor taxonomy (John, 1990). The big five taxonomy outlines five primary dimensions of the personality which include 1) extraversion, 2) agreeableness, 3) conscientiousness, 4) emotional stability, and 5) openness to experience. Table 2 outlines each dimension, its prototypical characteristics and illustrative adjectives.

Dimension	Prototypical Characteristics	Illustrative Adjectives
Extraversion, Sociability	Sociable, talkative, assertive, ambitious, active, dominance, tendency to experience positive emotions	Extroverted, talkative, assertive, gregarious, energetic, self- dramatizing, (reserved), (introverted), (quiet), (shy), (unassertive), (withdrawn)
Agreeableness	Good-natured, cooperative, trusting, sympathy, altruism, (hostility), (unsociability)	Sympathetic, cooperative, warm, tactful, considerate, trustful, (cold), (rude), (unkind), (independent)

Table 2 - Big Five Personality Dimensions and its Characteristics

Conscientiousness	Responsible, dependable, able	Organized, systematic, thorough,
	to plan, organized,	hardworking,
	persistent, need for	planful, neat, dependable, (careless),
	achievement, persistence,	(inefficient),
	scrupulousness	(sloppy), (impulsive), (irresponsible)
Emotional stability	Calm, secure, not nervous;	Unenvious, relaxed, calm, stable,
	(predisposition to	confident, effective, (moody),
	experience anxiety, anger,	(touchy), (nervous), (moody), (self-
	depression, emotional	doubting)
	instability)	doubting)
Openness to experience	Imaginative, artistically	Intellectual, creative, artistic,
	sensitive, aesthetically	imaginative, curious, original,
	sensitive, intellectual, depth of	(unimaginative), (conventional),
	feeling, curiosity, need for	(simple),
	variety	(dull), (literal-minded)

*Note:* Characteristics and adjectives were adopted from McRae and Costa (1989), McRae and John (1992), and Harvey, et al (1995). Items in parenthesis define the opposite pole of each dimension.

A growing consensus among many psychologists is that the basic dimensions of personality can be encompassed by the 'big five' or five-factor model (FFM) of personality (FormyDuval, Williams, Patterson, & Fogle, 1995). As outlined in table 2, FFM is a hierarchical organization of personality traits based on five basic dimensions. This study intends to determine if there are differences in understanding and interpreting experience dimensions, depending psychographic characteristics based on the FFM. For example, are people with extravert characteristics more likely to take notice of physical environment or human interaction dimensions? Are people who have openness to experience characteristics more sensitive to the physical environment or human interaction dimensions? It is posited that along with demographic dimensions, psychographic characteristics will help understand how individuals may categorically respond to experience dimensions.

Based on the premise that individual psychographic characteristics affect a participant's propensity to perceive experience dimensions, this study examines whether there are differences

in understanding and interpreting experience variables depending on individual consumers' characteristics, in a hotel setting. The following hypotheses are designed to test this premise. Directionality (+ or -) of the relationship will also be tested given that the literature does not provide specific examples for each item being explored. Consequently, the following hypotheses about individual psychographic characteristics are proposed:

**Hypothesis 5a<sub>1</sub>:** Differences in extraversion will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 5a<sub>2</sub>:** Differences in extraversion will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 5b**<sub>1</sub>: Differences in agreeableness will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 5b<sub>2</sub>:** Differences in agreeableness will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 5c1:** Differences in conscientiousness will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 5c<sub>2</sub>:** Differences in conscientiousness will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 5d**<sub>1</sub>: Differences in emotional stability will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 5d**<sub>2</sub>: Differences in emotional stability will affect how consumers perceive their human interaction experiences during their hotel stay.

**Hypothesis 5e**<sub>1</sub>: Differences in openness to experiences will affect how consumers perceive their physical environment experiences during their hotel stay.

**Hypothesis 5e<sub>2</sub>:** Differences in openness to experiences will affect how consumers perceive their human interaction experiences during their hotel stay.

### **Perceived Values**

Another important argument proposed by this study is that consumer experiences with hotels will lead to certain consequences that are reflected in consumers' perceived values. In her 1988 work, Zeithaml suggested that perceived value can be regarded as a "consumer's overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given" (p. 14). Zeithaml compared a product's or service's "get" and "give" components (i.e., what a consumer gets in return for what is given in an economic transaction). Her definition of perceived value referred to value as the ratio or trade-off between quality and price or to a value-for-money conceptualization. Quality and price have varying effects on perceived value for money. For example, Zeithaml (1988) posited that some consumers perceive value when there is a balance between quality and price, while others perceive value only when there is a low price, and still others assess value based on all "get" and "give" components. From a retailing perspective, Hartnett (1998, p. 21) stated, "When [retailers] satisfy people-based needs, they are delivering value, which puts them in a much stronger position in the long-term and provides insulation from economic cycles ... a relationship that is less shakable" (p. 21).

It should be noted that some supporting research differentiates between perceived value (i.e. providing value) and satisfaction (i.e., meeting customer needs) (Sweeney & Soutar, 2001). Satisfaction, which is not measured in this study, usually occurs after a purchase, during the postusage evaluation stage, whereas perceived value is typically determined throughout the purchasing process (Sweeney & Soutar, 2001). Stated otherwise, perceived value can be formed throughout the product or service encounter, whereas satisfaction, when viewed as a onedimensional construct (a continuum reaching from unfavorable to favorable), is a dependent variable that is based on the difference between the customer's evaluation of the consumed product or service and its originally perceived value. In the case of a hotel stay which can last many days, consumers do not need to wait until the end of the hotel-service encounter to determine whether they received value and whether they were satisfied. Rather consumers make specific value judgments throughout the stay as well as an overall evaluation post-stay.

Experiential value, according to Mathwick, Malhotra, and Rigdon (2001), refers to the customers' perceptions of products or services based on direct use or indirect observation. Therefore, the main components of customer value include subjectivity, a balance between benefits and sacrifices, and the fact that values are perceived after the use of the product, during the evaluation process (Yuan & Wu, 2008). Though it is not the focus of this study, it is interesting to note that Yaun and Wu's (2008) and Sweeney and Soutar's (2001) explanations seem to contradict each other concerning when perceived values are actually determined (i.e., throughout or after). Value judgments could, conceivably, occur during a hotel stay, considering the length of time spent in the service environment and the consumer's level of involvement.

From a broader perspective, Sheth, Newman, and Gross (1991) suggested that consumer choice is a function of multiple consumption value dimensions and that these values have varying influences in different consumption situations. These dimensions consist of social, emotional, functional, epistemic, and conditional values, and they operate under three axioms: 1) consumer choice is a function of multiple consumption values; 2) consumption values offer differential contributions in any given choice situation; 3) consumption values are independent. For this study, however, two dimensions were selected to measure perceived value. Lavidge and Steiner (1961), Schmitt (1999), Sheth, Newman, and Gross (1991), and Bitner (1992) argued that emotive and cognitive values fundamentally influence consumer behavior. A range of disciplines (including several branches of psychology, sociology, economics, and marketing and consumer behavior) have contributed research and theory development to these two values (Sheth et al., 1991). As mentioned in the environmental psychology literature, individuals in service firms respond cognitively and emotionally to the dimensions of their physical surroundings (Bitner, 1992; Lavidge & Steiner, 1961; Schmitt, 1999; Sheth et al., 1991). Bitner (1992), however, found that a perceived service environment does not directly cause customers to behave in certain ways; nevertheless, perceptions of the servicescape do lead to certain internal responses that, in turn, influence behavior. In other words, behaviors are mediated by individuals' internal responses to the environment (emotive and cognitive values). Emotive and cognitive values, though clearly interdependent, are discussed separately in the next two sections, along with their corresponding research hypothesis.

#### Emotion

As Holbrook (1986) described, "We all recognize emotional phenomena as pervasive components of human behavior in general and consumer behavior in particular. Yet, like the way in which weather reporters treat problematic news about hurricanes and tornadoes, we dutifully note the key role played by emotion in consumers' lives without doing very much about it" (p. 17). Other research has posited that emotional drives are stronger than pragmatic concerns (Decrop & Snelders, 2005). In order to investigate emotive values and their role in the consumer experience, this study will attempt to define emotion and to posit how emotive values might be influenced by consumer experiences. "Affect," often used interchangeably with "emotion," includes emotions and related phenomena such as moods, feelings, and affective disorders such as depression (TenHouten, 2007). The word "emotion" comes from a Latin word, *movere*, meaning "to move" or to "stir up" (TenHouten, 2007, p. 3). In his esteemed work on emotions, Plutchik (1980) reviewed more than 28 definitions of emotion. Many of them, according to Plutchik, lacked consistency and could not provide sufficiently clear characterizations of emotion. When Fehr and Russell (1984) asked over 200 undergraduates who resided in Vancouver to write down all the terms in the category of "emotions" that came to mind, they received more than 380 different examples of emotions. Often individuals define emotions by giving a list of emotional characteristics or describe feelings (Rowe, 2005). Oatley and Jenkins (1996) combine a number of sources and define emotions broadly, using the most recently accepted verbiage, as follows:

1) An emotion is usually caused by a person consciously or unconsciously evaluating an event as relevant to a concern (a goal) that is important; the emotion is felt as positive when a concern is advanced and negative when a concern is impeded.

2) The core of an emotion is readiness to act and the prompting of plans; an emotion gives priority for one or a few kinds of action to which it gives a sense of urgency – so it can interrupt, or compare with, alternative mental processes or actions. Different types of readiness create different outline relationships with others.

3) An emotion is usually experienced as a distinctive type of mental state, sometimes accompanied or followed by bodily changes, expressions, actions. (p. 96)

Richins (1997) accentuated the idea that researchers have examined the role of emotions based on a number of specifics, including products, services, a consumer's favorite possessions, and the relationship between emotions and satisfaction. All of these studies, according to Richins (1997), concluded that emotions are a critical element of consumer behavior. Emotions are context-specific, and the emotions that arise from intense personal relationships usually differ in intensity and quality from the emotions experienced in the purchase or consumption of goods or services (Richins, 1997). For example, anger, at its most intense level, can result in assault or murder. Likewise, love, at its most extreme level, can result in a parent rescuing a son or daughter from a natural disaster, even at the risk of the parent's own life. It is assumed that a product or service consumption could not produce similar emotional responses.

According to Levy (1959, p. 117) he posited that the consumer may not be as functionally oriented as we have traditionally believed. Multi-sensory experiences (visuals, tastes, smells, tactile impressions, and sounds) can involve both cognitive and emotive aspects. For example, children play a game in which one child reaches into a small bag full of odd items (e.g., a plastic spider, a rubber worm, a furry rabbit's foot) and attempts to guess what item he or she is touching. This game often results in not only cognitive reactions (guessing the item) but also emotional reactions (shrilling with fear, surprise, and making gruesome faces as the child recalls or guesses the item). A multi-sensory experience can provoke a wide variety of mental images.

In a discerning paper, Kotler (1973) described "atmospherics (i.e., multi-sensory components)" as the intent to design purchase environments to provoke consumer emotional effects that enhance the purchase likelihood. Bitner (1992) extended Kotler's work by creating a conceptual framework for understanding relationships between environments and users in

service organizations, utilizing the term "servicescapes" to describe how a physical environment can affect consumers and employees equally. Bitner pointed out that environment dimensions (ambient and esthetic conditions) as well as internal responses (emotional and cognitive reactions), among other elements, can affect behavioral responses.

Countryman and Jang (2006) conducted a study in which atmospheric conditions were empirically tested in a hotel environment in order to determine how environmental psychology affects guests' overall perceptions and impressions. The results determined that style, colors, and lighting make the strongest impressions. Countryman and Jang's paper was not free from limitations, but it offered an important suggestion that consumers are affected by multi-sensory substances in hotel environments. Modern society offers many examples – most famously, the iconic, signature, all-white Westin Heavenly Bed, hotel lobbies, which use fresh aromas, expensive lighting packages, and textural fabrics and surfaces that enhance their consumers' multi-sensory experiences.

Though Lazarus (1984) posited that consumers cognitize sensory states before they become emotions, he nonetheless recognized that sensory states do indeed become emotions. He stated,

What would transform sensory states into emotions? The transformation necessary to produce an emotion out of sensory states is an appraisal that those states are favorable or damaging to one's wellbeing. When we cognize an event as pleasant or unpleasant, we are not experiencing an emotion. However, when we further cognize that we are or may be personally benefited or harmed, the cognitive transformation has gone beyond the mere registration of discomfort, and the experience becomes an emotion (p. 126).

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Ittelson (1973), in his analysis of environments as perceptual targets, maintained that people's initial response to an environment is affective. He goes on to state "the direct emotional impact of the situation, perhaps largely a global response to the ambiance, very generally governs the directions taken by subsequent relations with the environment. It sets the motivational tone and delimits the kinds of experiences one expects and seeks" (p. 16).

An individual may experience a flood of memories and feelings when he or she hears a familiar song or smells a familiar aroma. For example, the sound of a steel drum band might foster feelings of relaxation or might provoke images of time spent in the Caribbean, and a specific aroma may initiate feelings and memories of people met previously or of places visited (e.g., the smell of the ocean or forest, the quiet of a desert, the rumble of the subway in a large city).

## **Emotive Values**

Sheth et al. (1991) found that, although functional and social values were most important, emotional value was also fundamental to influencing consumer behavior. Based on their fundamental backdrop, they defined emotional value as:

...the perceived utility acquired from an alternative's capacity to arouse feelings or affective states. An alternative acquires emotional value when associated with specific feelings or when precipitating or perpetuating those feelings. Emotional value is measured on a profile of feelings associated with the alternative. (p. 161)

Bitner (1992) posited that a perceived servicescape may elicit an emotional response, which, in turn, can influence consumer behavior. This idea was supported by a significant amount of research conducted by Mehrabian and Russell (e.g., Mehrabian & Russell, 1974; Russell & Pratt, 1980; Russell & Snodgrass, 1987), who found that environments that produce emotion-eliciting qualities can be evaluated on two dimensions: pleasure and displeasure, and degree of arousal (e.g., excitement or stimulation). This two-dimensional space, which reflects consumers' emotional responses, can be initiated by either natural or man-made environments. For example, consumers will want to spend time and money in environments that elicit feelings of pleasure (Mehrabian & Russell, 1974). Mehrabian and Russell also point out those unpleasant environments, which produce emotional arousal (noise, confusion, and over-stimulation), are generally avoided.

Nevertheless, other researchers (Obermiller & Bitner, 1984) have found that consumers evaluated products and services more positively in emotionally pleasing environments, as compared to subjects who viewed the same products in unpleasant environments. Therefore, the consumer's perception of a service environment appears to influence his or her feelings about the product or service, even though these feelings may be seemingly unrelated to the product or service.

In summary, it is posited that consumers are emotional creatures and that emotions play a critical and valued role in the realm of consumer behavior. Further, environmental cues derived from atmospherics, servicescapes, and man-made or natural materials can and do influence perceived emotive values. The research is inconclusive, however, about which dimensions impact emotions most strongly. For example, it is unclear whether consumers are impacted more by physical environments or by human interaction experiences. It is also uncertain which physical dimensions play the most dominant role in provoking perceived emotional responses.

Therefore, based on the premise that perceived emotive values are affected by consumer experiences, this study will examine consumers' perceived emotive values and how they may be

affected by the physical environment and human interaction dimensions, in a hotel setting. Consequently, the following hypotheses are proposed:

**Hypothesis 6a:** Customer perceptions of physical environment dimensions will be positively related to emotive values.

**Hypothesis 6b:** Customer perceptions of human interaction dimensions will be positively related to emotive values.

## Cognition

Considering that humans are emotional creatures, how does cognition affect this process? As mentioned previously, much has been written and debated about cognition and emotions. According to Hacker (1972),

To be rational means to understand that 'realities' of a problem-situation so that one is able to evaluate the available evidence and to select an acceptable strategy that will maximize the probability of solving the problem. If one by choice or chance adopts irrational strategies, then by definition, one is not maximizing his problem-solving probabilities (Hacker, 1972, p. 259).

This conjecture does not lack challengers, however. Zajonc (1980) proposed that affect reactions are primary (the pre-cognitive school of affect) and are capable of impacting subsequent cognitive process to a considerable degree. He further argued that "affect and cognition are under the control of separate and partially independent systems that can influence each other in a variety of ways, and that both comprise independent sources of effects in information processing" (p. 151). Zajonc recognized that, in nearly all cases, feelings are not free from thoughts, nor is thought free from feeling; hence, he proposed that feelings accompany all

cognitions. In the area of decision-making, Zajonc posited that affect and cognition exist in tension with each other. He wrote,

It is generally believed that *all* decisions require some conscious or unconscious processing of pros and cons. Somehow we have come to believe, tautologically, to be sure, that if a decision has been made, then a cognitive process must have preceded it. Yet there is no evidence that this is indeed so (Zajonc, 1980, p. 155).

Additionally, Kahne and Tversky (1972) demonstrated with numerous decision-theory axioms that decisions do not always follow a rational line of reasoning.

### **Cognitive Values**

Despite the enduring debate about affect and cognition, this study posits that both values are prominent and interrelated in a service environment. Regarding cognition, numerous studies have demonstrated that the service environment elicits functional or cognitive responses (Kaplan, 1987; Mehrabian & Russell, 1974). The functional or cognitive value of an alternative is defined by Sheth et al. (1991):

The perceived utility acquired from an alternative's capacity for functional, utilitarian, or physical performance. An alternative acquires functional value through the possession of salient functional, utilitarian, or physical attributes. Functional value is measured on a profile of choice attributes (p. 160).

Traditionally, a cognitive value or a positivist approach is presumed to be the primary force behind consumer choice. This assumption underlies the economic utility theory advanced by Marshall (1890) and Stigler (1950), which was popularly expressed in terms of a "rational economic man." An alternative's cognitive value may be derived from its characteristics or

attributes (Ferber, 1973), such as reliability, durability, and price. For example, environmental cues about a hotel, such as lighting, décor, textures, furnishings, ambiance, apparel of staff, and fellow guests may influence a guest's potential cognitive beliefs about whether the hotel stay will deliver the expected service, provide a safe and comfortable place to stay, or provide the expected value.

Bitner (1990) showed that customers' ascription of travel agents' behavior was attributable to travel agents' office décor. Additionally, from a categorization perspective, Ward, Bitner, and Barnes (1992) found that consumers were able to categorize and distinguish between types of restaurants due to their environmental cues (e.g., fast food versus haughty, fine-dining environments). In all of these cases, individuals perception of the physical environment and human interaction dimensions appear to influence not only beliefs about the servicescape but also other service attributes (Bitner, 1992).

Moreover, the hotel-service product cannot be classified as either purely tangible or purely intangible; rather, it is a combination or hybrid of the two (Shostack, 1977). The dimension of attributes, which can be classified as either tangible or intangible, will probably affect a customer's evaluation of an encounter (Heide, Gronhaug, & Engset, 1999). Services, which generally have high levels of experience and credence attributes, usually do not rely on intrinsic cues to form consumer beliefs about service quality (Bitner, 1992). Therefore, consumers generally use extrinsic cues (e.g., the physical environment) to infer quality (Zeithaml, 1988).

Like their emotive siblings, cognitive values are impacted by environmental cues and play a critical role in the realm of consumer behavior. Whether they categorize services or distinguish quality and value, environmental cues help shape perceived cognitive values. Similar

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questions have arisen about cognitive values and about what dimensions impact these values the most or the least.

Therefore, based on the premise that perceived cognitive values are affected by consumer experiences, this study will examine consumers' perceived cognitive values and how they may be affected by the physical environment and by human interactions in a hotel. Consequently, the following hypotheses about cognitive values are proposed:

**Hypothesis 7a:** Customer perceptions of physical environment dimensions will be positively related to cognitive values.

**Hypothesis 7b:** Customer perceptions of human interaction dimensions will be positively related to cognitive values.

#### **Summary and Conclusions**

In summary, this chapter began by exploring the theoretical background of consumer experience and its origins from the field of marketing and environmental psychology. Considerable attention was paid to understanding and defining this concept due to the broad and diverse use of this concept being applied in a variety of disciplines. If consumer experiences do indeed exist, then we may reasonably expect consumers in a hotel environment to be influenced by specific experience dimensions. In addition, it is reasonably expected that trip-related and personal characteristics are expected to have some impact on consumer experiences. This study intends to determine which experience dimensions and characteristics have impact and determine if there are any predictive qualities that these may have on perceived values. Based on the postulated terms, a conceptual framework (Figure 1) and corresponding research hypothesis were proposed. The method used to make these determinations is described in the following chapter.

## **CHAPTER THREE: METHODOLOGY**

#### **Introduction**

This chapter provides a description of this study's research methodology. As mentioned previously, the lodging industry has lacked investigative empirical research on consumer experiences. While a number of studies have looked at differing aspects of the consumer experience (e.g., Bitner (1992) conceptualized the physical environment, Carbone and Haeckel (1994) examined the human interaction, and Barsky and Nash (2002) studied the emotions, few have looked at the consumer experience concept holistically using empirical methods. This study examined consumer experiences and investigated the differences between demographic/psychographic segments and trip-related factors and explored whether these segments differentiated between differing experience dimensions. The participant data was also be used to determine if experience dimensions can predict perceived values. As such, one-way ANOVA and structural equation modeling (SEM) was selected to explore and analyze these relationships. This chapter will provide a detailed description of the data collection procedures and measures and the data analysis technique used to test the research hypotheses.

## **Overview of the Study**

Respondents from three hotel market segments including select-service, mid-scale and up-scale/luxury were solicited using an intercept survey procedure. Upon consent, the level of agreement regarding consumer experience dimensions was taken by respondents through a selfadministered questionnaire. Similarly, measures of respondents' trip-related, individual characteristics, and perceived emotive and cognitive values were also taken at the end of the survey. All measures used a 7-point Likert scale with the exception of demographic items. In order to compare distinct hotel market segments, three sectors were targeted in order to determine if there are significant differences in experience dimensions between hotel market segments.

The target population evaluated in this study was adult hotel travelers in the United States. The sampling frame was comprised of respondents who were staying overnight in a limited number of preselected hotels located in an internationally renown destination (Orlando, FL). The formal criteria for the selection of the sampling frame include hotels guests, 18-years or older who have stayed a minimum of one-night at their respective hotel. Since most hotel stay decisions are made by individuals over the age of 18, it was decided that no minors would be included as participants in the current study. Respondents were selected using a purposive sampling procedure over a six week period. Intercepted participants were asked to complete the standardized, self-administered questionnaire.

#### **Data Collection Procedures**

## **Instrument/Measures**

A standardized, self-administered questionnaire was developed from an extensive literature review including Walls et al.'s, (2009) qualitative study and pretested as a pilot study using intercepted respondent's completed questionnaires from the sampling frame. The questionnaire (<u>Appendix A</u>) consisted of four sections: 1) physical environment, 2) human interaction, 3) trip-related and individual characteristics, and 4) perceived values. Based on similar environmental research (e.g., Baker et al., 2002; Sweeney & Soutar, 2001; Wakefield & Blodgett, 1999), most item measures utilized a 7-point Likert scale with "1" equaling strongly disagree and "7" equaling strongly agree. The lengthy survey instrument (99 individual items) and estimated completion time (15 minutes) has the potential for questionnaire-fatigue and may further influence the validity of participant's responses. In order to reduce comprehension errors, it was decided to employ only positively-worded statements (Buttle, 1996). The unintended consequences of this procedure is potentially increasing systematic response bias caused by respondent yea-saying and nay-saying (Churchill Jr., 1979). However, it was believed that this step was necessary in order to avoid data quality problems and avoid dimensionality and validity issues.

In the first two sections, participants were asked to reflect on their current hotel stay experiences. Each participant was asked to indicate his or her level of agreement with statements about the physical environment and human-interaction items (e.g., design, noise, stafffriendliness) that occurred during his or her current hotel stay. In the third section, participants were asked a series of questions regarding trip-related factors and individual characteristics. In the fourth section, participants were asked to evaluate their perceived internal response values (i.e., emotive and cognitive), based on their current hotel-stay experiences. Finally, participant's personal data was captured through a series of questions pertaining to consumer demographics.

The following six sections discuss the scale development based on an extensive review of the literature. These items and there corresponding reported reliability coefficients are discussed below. In addition, <u>Appendix C</u> summarizes the measured variables for each respective construct.

## Measure for perceived physical environment experience items

The literature revealed a number of items that traditionally have been used to measure the messages customers receive from businesses through their physical environments. This set of

items does not represent every possible item that could exist, and it presumes that unexplored areas of the field are yet to be discovered. As a basis for physical-environment dimensions, perception scales were developed, based on the literature on environmental psychology (e.g., Mehrabian & Russell, 1974), retailing (e.g., Baker et al., 2002; Donovan & Rossiter, 1982), marketing (e.g., Bitner, 1992; Gardner & Siomkos, 1986), and leisure services (e.g., Wakefield & Blodgett, 1999). In particular, measured constructs and their reported reliability coefficients are as follows: design (0.83), layout/function and cleanliness (0.83), Wakefield and Blodgett (1999) and physiological/ambient (0.73), Baker et al. (2002).

### Measure for perceived human interaction experience items

As a basis for human interaction items, perception scales were developed, based on the previously mentioned literature on environmental psychology, retailing, marketing, and leisure services. It should be noted that this study does overlap somewhat with the Parasuraman et al. (1985) ServQual study about measuring variables related to human service (e.g., reliability and responsiveness). This study, however, does not intend to evaluate the degree and direction of discrepancies between consumers' perceptions and expectations; rather, it intends to determine the composition of human interaction dimensions and their influence on consumer experiences and perceived values.

A number of items were revealed in the literature that has traditionally been used to measure the subjective perception of how guests interact with other guests and with employees. Variables affecting this issue include privacy, respect, caring/attentiveness, reliability, professionalism, intimacy, interaction with others, and relational experiences (Bitner, 1992; Price et al., 1995; Pullman & Gross, 2004; Schmitt, 1999). Other research has revealed that hotel guests' experiences involve safety and security, employees' appearance, and employees' happy, accommodating demeanors (Walls et al., 2009). Therefore, the human interaction construct measures include caring/attentiveness, professionalism, reliability, responsiveness, and guest-to-guest interaction. Reported reliability coefficient are as follows: Wakefield and Blodgett (1999) – attentiveness (0.95), reliability (0.79) and responsiveness (0.93).

## **Trip-Related Factors**

The literature revealed a number of variables that have been used to measure the subjective perception of trip-related factors. Bitner's (1992), Belk's (1974), Ryan's (2002), and Walls's et al. (2009) studies posited a number of trip-related factors that may affect the tourist experience, including purpose for being in the service environment or destination, nature of vacation product, and number of travel companions. For this study and its stated purpose of determining the impact of physical and relational dimensions on the consumer experience, trip-related factors are gathered in order to determine participant's propensity to perceive experience items. These essential, hotel-specific indicators of trip-related factors include purpose of trip, who was responsible for paying for the overnight accommodations, the type of hotel, number of nights stayed, and the number of travel companions.

## **Individual Characteristics**

Critical determinants of how consumers interpret and respond to cues in a hospitality environment may be influenced by demographic or psychographic characteristics such as income, culture, age, and personality type (Bitner, 1992; Ryan, 2002). Personality factors, such as sensation-seeking, may also influence a consumer's sensitivity and response to a service environment (Grossbart et al., 1989; Walls et al., 2009). Therefore, key indicators of individual characteristics for this study include demographic characteristics (e.g., age, gender, income, marital status, education) and sensitivity. Psychographic indicators for this study encompass five primary dimensions of the personality which include 1) extraversion, 2) agreeableness, 3) conscientiousness, 4) emotional stability, and 5) openness to experience (John, 1990). The five factor model scale has a reported reliability coefficient that exceeded 0.90 for all five dimensions (McCrae & John, 1992).

#### **Perceived Emotive Values**

The literature revealed a number of items that traditionally have been used to measure the subjective perceptions of customers' feelings and attitudes toward some products, businesses, and brands. The concept of emotive value measures was adopted from Yuan and Wu (2008) and from Sweeney and Soutar (2001). Questions that were tailored to a retail setting have been modified for use in a hotel setting by altering the contextual nature of the selected questions. Participants will evaluate their personal emotional utility in terms of enjoyment, relaxation, good feelings, prolonged usage, and pleasure. The perceived emotive value scale has a reported reliability coefficient of 0.94. Due to the human interaction context of this study, additional measurements were added based on Pullman and Gross's (2004) study. The items to be evaluated include positive feelings, relaxation, satisfaction, pleasure, enjoyment, pampering, sophistication, hipness or coolness, and comfortableness. The perceived emotive value scale for these variables has a reported reliability coefficient of 0.93.

#### **Perceived Cognitive Values**

The literature revealed a number of items that have traditionally been used to measure subjective perceptions of cognitive values. Cognitive value measures were adopted from the

research of Yuan and Wu (2008) and Sweeney and Soutar (2001). Questions that were tailored to a retail setting have been modified for use in a hotel setting by altering the contextual nature of the selected questions. The perceived cognitive value scale for both previous studies has a reported reliability coefficient range of between 0.75 and 0.80. Cognitive values measured in this study include economic value (price/quality), quality, and efficiency (Bitner, 1992; Kaplan, 1987; Mathwick et al., 2001; Sweeney & Soutar, 2001).

## **Procedure**

A pilot study was conducted with a standardized questionnaire design before implementing the final survey. Respondents from the sampling frame were selected using a convenience sampling technique. Intercepted respondent's completed questionnaires were used to check for face validity (Dillman, 2007; Hair, Black, Babin, & Anderson, 2010) in order to identify whether there are any problems with the design of the questionnaire, to determine if there are any grammatical or spelling errors, and to make sure that respondents understand the directions and questions. These concerns were addressed by having knowledgeable colleagues and analysts (i.e., hospitality academic researchers and industry professionals) review the questionnaire, conduct a small pilot study to test the overall procedures and reliability, and interview a few pilot study respondents to determine if they have any problems with the guestionnaire (Dillman, 2007). Based on the results of these steps minor revisions were made before distributing the final survey. These revisions are covered in more detail in the findings section.

Once the questionnaire was finalized, data for this study was collected using a regular intercept survey approach among hotel guests in Orlando, FL. For the purpose of the study, a

hotel guest is defined as a person who stayed overnight in a paid accommodation in Orlando, FL, regardless of the distance traveled. Therefore, day visitors and visitors staying with friends and relatives were excluded from participating in the survey. Since this study intends to target adults who are experiencing an overnight stay in a hotel, a purposive-based sample design was employed. Purposive samples are often used in research on travel and tourism (Cole, 2005; Litvin & Kar, 2001; Ravichandran & Arendt, 2008).

The participants were recruited from three different hotel segments (i.e., up-scale, midscale, select-service), in order to ensure maximum heterogeneity. Previous studies on experience dimensions (e.g., Barsky & Nash, 2002; Knutson et al., 2006; Zemke & Pullman, 2008) have not differentiated between hotel market segments. It was anticipated that differing hotel segments offer various physical environment and human interaction dimensions of consumer's hotel consumer experiences. Given that participating hotels were particularly concerned about use of their own staff and the privacy of their guests, it was decided that a regular intercept survey approach would be the most agreeable to the participating hoteliers and efficient data collection procedure. With permission from preselected participating hotels representative of the three lodging product categories, the researcher approached guests in public areas (i.e. lobby, pool) and asked them to complete the self-administered questionnaire. This was done consistently in each hotel throughout the six-week data collection period. Data collection was rotated weekly between the three hotel segments in order to ensure a heterogeneous sample of guests. Upon completion of the questionnaire and a quick review to make sure all items were answered, participants were offered a token gift (i.e. pen, pad of paper) as a gesture of appreciation. Further, it was predicted that recall bias was significantly reduced due to respondents being asked to reflect on their current hotel stay when answering the survey questions.

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Measurement error, or the deviation of participants' answers from their true values (Couper, 2000), is a noteworthy concern. Typically, measurement errors results from the respondents' lack of motivation or comprehension problems or from technical flaws such as the survey instrument's poor wording or design. Following Couper's (2000) suggestions, a number of steps were taken in order to minimize these errors, including: 1) crafting an instrument that is easy to read, understand, and complete, 2) employing an instrument design that maintains the participants' interest and motivates them to provide optimal answers, and 3) providing reassurance of confidentiality.

#### **Data Analysis Technique**

As mentioned in the model-measurement section, the first step in this study was to determine which specific items constituted guests' hotel-stay experiences. Based on the reviewed literature, it was expected that two constructs (i.e., physical environment and human interaction) were identified as particularly relevant to consumer experiences. Therefore, the data analysis comprised the following steps.

After the data was collected, it was coded and loaded into SPSS ver. 17.0 in order to check for errors to ensure that scores are not missing or out of range. Additional procedures were taken to verify that the data did not violate any of the assumptions of statistical procedures (e.g., normal distribution, homogeneity of variance).

Next, it was necessary to check the reliability of the scale. Since the scale has not been previously explored in a hotel setting, a main issue concerns the scale's internal consistency or the degree to which the items that comprise the scale join together. Internal consistency was checked using the Cronbach alpha coefficient. Ideally, the Cronbach alpha scale for internal consistency should be above 0.7 (Pallant, 2005). Items that rate below the recommended alpha level of 0.7 may be removed in order to improve the scale's reliability.

Subsequently, this step was followed by exploratory factor analysis (EFA) in order to explore the underlying structure or relationships of this set of variables. When possible, this technique searched for ways to reduce or summarize the data into a smaller set of factors (Hair et al., 2010). This analysis technique was utilized at this phase of the data analysis because previous studies have not been done in the lodging industry. Therefore it was decided to see how well the constructs measured in the new setting. Since multiple constructs were previously identified, confirmatory factor analysis (CFA) was then used to confirm how well the measured variables represent the constructs (Hair et al., 2010).

The next step involved testing the proposed framework and analyzing the data through structural equation modeling (SEM). SEM uses various types of models (e.g., path and confirmatory models) to depict both latent and observed relationships among variables in order to provide a quantitative test for a theoretical model hypothesized by a researcher (Schumacker & Lomax, 2004). Latent variables (constructs or factors) were not directly observed or measured but rather were inferred from the prescribed set of variables (e.g., emotive or cognitive values) that are measured by a survey, whereas, observed variables (measured or indicated) were used to define or infer latent variables (Schumacker & Lomax, 2004). In this study, the observed variables, including human interactions and physical environment measured items, are considered independent variables, whereas the latent variables represent the dependent variables (e.g., physical environment and human interaction constructs).

In order to address the third research question (i.e., predicting consumers' perceived values based on experience constructs) SEM statistical technique was employed. The following

section addresses the advantages of using SEM and presents the model fit indices used as guidelines for interpreting the findings.

Advantages of SEM. Two major advantages of using SEM for this study are measurement precision and simultaneous analysis. First, traditional data analysis, such as univariate analysis of variance and linear regression, assumes that measurement error is nonexistent, which is nearly impossible when using indirectly measured constructs (Byrne, 2001). In contrast, SEM techniques assume imperfect measurement and analyze measurement errors associated with all variables (Gefen, Straub, & Boudreau, 2000). Second, SEM allowed the researcher to investigate a set of interrelated research hypotheses (i.e., Th 6-8) simultaneously and comprehensively. A complete picture of the research model is presented and tested through a series of regression equations that represent the relationships between different constructs (Gefen et al., 2000). SEM was preferred over other statistical techniques because it allowed the modeling of relationships among several independent and dependent variables simultaneously (Gerbing & Anderson, 1988). Based on these reasons, SEM was chosen for this study's data analysis.

*Goodness of model fit*. The goal in SEM model-generating is to not only find a model that fits the data well, statistically, but also to reveal practical and substantive theoretical meaning (Schumacker & Lomax, 2004). Specification search (the process of finding the bestfitting model) implies that if the data does not initially fit, then the model can be modified to fit more appropriately (Marcoulides & Drezner, 2003). According to Schumaker and Lomax (2004), a researcher typically uses three criteria in judging the statistical significance and substantive meaning of a theoretical model. The first criterion comprises the non-statistical significance of the chi-square test and the root-mean-square error of approximation (RMSEA) values, which are measures of global fit. A RMSEA value of less than or equal to 0.08 were considered acceptable. The second criterion is the statistical significance of individual parameter estimates for the paths in the model, which are critical values computed by dividing the parameter estimates by their respective standard errors. This is referred to as a *t* value or a critical value and is typically compared to a tabled *t* value of 1.96 at a 0.05 level of significance. The third criterion is the magnitude and direction of the parameter estimates, particularly concerning whether a positive or a negative coefficient makes sense for the parameter estimate. For example, a theoretically significant coefficient may not be practically meaningful.

*Fit Indices.* In order to test the goodness of model fit in SEM a number of fit index statistics were used. Over 30 such measures are listed in the LISREL statistical package. In general there are three types of fit indexes, absolute, incremental, and parsimony fit indexes. Absolute indices indicate how well the researcher theoretical model fits the sample data (Hair et al., 2010). Examples include  $\chi^2$  statistic, goodness-of-fit index (GFI), root mean square error of approximation (RMSEA) and root mean square residual (RMR). Incremental fit indices differ from absolute indices as they assess how well the proposed model fits relative to some alternative baseline model (Hair et al., 2010). Common examples include normed fit index (NFI), Tucker Lewis index (TLI) and comparative fit index (CFI). Last, parsimony fit indices help the researcher make side-by-side comparisons of models in order to select the best model (Hair et al., 2010). These typically include adjusted goodness of fit index (AGFI) and parsimony normed fit index (PNFI).

Gefen et al. (2000) and Schumacker and Lomax (2004) have suggested that four of these measures should be reported: the chi-square ( $\chi^2$ ) degrees-of-freedom ratio, the goodness-of-fit index (GFI), the normed fit index (NFI) and the adjusted goodness-of-fit index (AGFI). In

addition, Schumacker and Lomax (2004) and Byrne (2001) have proposed using the root mean square error of approximation (RMSEA). Also, Hair et al. (2010) suggests using standardized root mean square residual (SRMR). Therefore for this study, seven indices will be used as recommended by Hair et al. (2010) and Schumacker and Lomax (2004). These include  $\chi^2$  statistic, GFI, RMSEA, SRMR, NFI, CFI and AGFI. A brief synopsis of each index follows below.

The chi-square goodness of fit statistic tests the difference between the observed covariance matrix and the population covariance matrix (Bollen, 1989). The difference should be zero for a perfect model fit. A value that is significant, relative to the degrees of freedom, indicates that observed and implied variance-covariance matrices differ. A non-significant chi-square value indicates that the two matrices are similar and that the implied theoretical model significantly reproduces the sample variance-covariance relationships in the matrix (Schumacker & Lomax, 2004). A researcher's ideal goal is to obtain a non-significant chi-square value with appropriate degrees of freedom.

The goodness-of-fit index (GFI) measures the proportion of variance and covariance that can be explained by the proposed model (Schumacker & Lomax, 2004). The adjusted goodnessof-fit (AGFI) index is adjusted for a model's degrees of freedom, relative to its number of variables. Both AGFI and GFI indices range from 0 to 1, where 1 indicates a perfect fit, and both can be used to compare the fit of two different models that are based on the same data. Accordingly, for a well-fitted model, the GFI should be larger than 0.90 and the AGFI should be bigger than 0.80 (Gefen et al., 2000).

The RMSEA measures how well a model would fit the population covariance with optimal parameter values. A value less than 0.05 or 0.08 indicates a good model fit (Schumacker

& Lomax, 2004). The SRMR measures the overall residual values which are deviations of individual covariance term. Typically, a SRMR value over 0.1 suggests a problem with fit (Hair et al., 2010). The Normed Fit Index (NFI) rescales chi-square into a range that extends from 0.0 (no fit) to 1.0 (perfect fit) (Bentler & Bonett, 1980). The NFI is used to measure the normed difference between the null model and the hypothesized model. NFI values that are close to 0.95 reflect good model fits (Schumacker & Lomax, 2004). Comparative fit index (CFI) is an incremental fit index which tends to be insensitive to model complexity. CFI values above 0.90 are usually associated with a good model fit (Hair et al., 2010).

Hair et al. (2010) suggests that there is not a hard and fast set of rules that distinguishes a good model from a poor model fit across all situations. Rather they suggest using multiple indices of differing types, adjust the cutoff values based on sample size, degrees of error, and model complexity, compare similar models whenever possible, and beware of finding a better fit at the expense of finding the most appropriate theory.

Once the overall measurement model and the underlying relationships were verified and confirmed through SEM, the next step involved conducting a one-way between-groups analysis of variance (ANOVA) to explore the impact of trip-related and individual characteristics (independent variables) on the latent constructs (dependent variables) as measured by the hotel experience survey. This statistic can indicate whether there are significant differences in the mean scores on the latent variables (Pallant, 2005). In addition, post-hoc tests were used to find out where these differences may lie.

In summary, this chapter provided a description of the research methodology used in this study. The purpose of the questionnaire and description of the instrument was detailed in order to demonstrate how hotel guests were solicited for their hotel consumer experiences and related factors. A regular survey intercept approach was employed using three distinct hotel market segments. Data analysis involved a variety of statistical procedures including reliability and validity analysis, factor and confirmatory analysis, SEM, and one-way ANOVA.

# **CHAPTER FOUR: FINDINGS**

This chapter reports the results of the primary data collection analysis. The chapter covers pilot study results, descriptive statistics, exploratory and confirmatory factor analysis - including model validity and reliability, reports the impact of trip-related and individual characteristics on the latent constructs using one-way ANOVA, and examines the proposed framework and analyzed data through structural equation modeling (SEM).

#### **<u>Pilot Study</u>**

Prior to collecting data for the main study, a pilot study was conducted in order to determine face validity by identifying whether there are any problems with the design of the questionnaire, to determine if there are any grammatical or spelling errors, and to make sure that respondents understand the directions and questions. Thirty-five questionnaires were distributed utilizing an intercept survey approach to respondents who were members of the target sampling frame. The researcher was present as the respondents completed the survey and immediately asked for their feedback regarding the questionnaire. Based on their feedback there were a few minor changes to the survey. In particular there were 5 questions that were worded in the pasttense and one question (#14) was worded in a cumbersome manner. It was also suggested to use more clear examples regarding type of hotel questions. For all of these requests, changes were made to clarify each question. In general however, nearly all participants found the questionnaire to be clear, well-laid out, kept their interests, and expressed confidence about their confidentiality due to the survey administration. Further, recall bias was significantly reduced since all participants were currently participanting in their hotel stay.

The four scales within this survey have good internal consistency, with a Cronbach alpha coefficient reported as reported in Table 3. According to Pallant (2005) the ideal Cronbach alpha coefficient of a scale should be above 0.7.

Scale	Cronbach Alpha	# of Items	
Physical Environment Dimensions	0.943	19	
Human Interaction Dimensions	0.985	25	
Emotive/Cognitive Values	0.936	13	
Personality Characteristics Identifier	0.768	15	

 Table 3 - Pilot Study Scale Reliability Analysis

Based on these changes and reliability conclusions, it was decided to continue with the data collection procedures.

#### Main Data Collection

The main data was collected over a six-week period from three distinct hotel market segments. The three hotel segments were broken down as follows: select-service segment utilized three adjacent Marriott properties (Courtyard by Marriott, Residence Inn by Marriott, and Fairfield Inn by Marriott); the mid-scale segment consisted of a Crowne Plaza Hotel; and the up-scale/luxury segment consisted of the Rosen Shingle Creek Hotel, an independent facility. The questionnaire was personally administered along with one professionally trained and paid assistant using an intercept approach to the targeted sampling frame using a purposive sampling method. Data collection was collected over a three days period for each market segment and then rotated to the next segment. This ensured heterogeneity by collecting data on different days of the week/weekend and was collected with different in-house guest/group mixes. It was generally found that in each segment that guests lounging at the pool were the most receptive to completing the survey. Upon completion of the survey, guess were offered a token gift of a

pen/pad paper which proved to be a worthwhile token of appreciation. Approximately 8 out of 10 approached guests agreed to partake in the research study. Four hundred sixty-two (462) surveys were completed during the data collection phase. After inputting the data into SPSS, it was determined that 11 questionnaires were missing substantially large amounts of data and thereby were eliminated. This brought the total number of usable questionnaires to four hundred fifty-one (451).

## **Individual Characteristics**

As noted in Table 4, participants were closely divided between females (55.7%) and males (44.3%) with the majority of respondents between the ages of 31-40 (23.7%) and 41-50 (32.4%). Most were married (70.7%) while college graduates (39.5%) and master's degree (19.3%) made up the majority of the education levels. Annual gross household salaries were spread evenly across all income levels with the exception of \$100,000-\$149,999 bracket which made up 24.4%.

Characteristics		Frequency	Percent
Gender	Female	251	55.7%
	Male	200	44.3%
Age	Under 21	23	5.1%
	21-30	53	11.8%
	31-40	107	23.7%
	41-50	146	32.4%
	51-60	91	20.2%
	61-70	24	5.3%
	Over 70	7	1.6%
Marital Status	Single	90	20.0%
	Married	319	70.7%
	Divorced	30	6.7%
	Separated	5	1.1%
	Widowed	7	1.6%
Education *	Did not finish high school	15	3.3%
	High School Graduate	88	19.5%
	Junior College Graduate	45	10.0%
	College Graduate	178	39.5%
	Master's Degree	87	19.3%
	PhD, MD, etc	33	7.3%
Annual Gross Houshold Salary *	Under \$30,000	30	6.7%
	\$30,000-\$54,999	46	10.2%
	\$55,000-\$74,999	55	12.2%
	\$75,000-\$99,999	\$54,999 46 \$74,999 55 \$99,999 63	13.7%
	\$100,000-\$149,999	110	24.4%
	\$150,000-\$199,999	56	12.4%
	\$200,000 and over	64	14.2%
* Percentages do not add up to 10	0% because of missing value	<u></u>	

# **Table 4 - Demographic Characteristics**

Table 5 reports personality characteristics. Of the 451 Orlando visitors surveyed the majority of the participants' reported that they consider themselves moderately extroverted (60.8%) while 30.3% perceived themselves as highly extroverted. Agreeableness scores were closely spilt between moderate (46.3%) and high (49.7%). A larger majority (73.4%) of the participants indicated that they perceived themselves as conscientiousness while nearly a quarter (22.4%) reported that they were moderately conscientious. Ninety-six percent of the participants indicated that they were either high (63.0%) or moderate (33.0%) when it comes to their emotional stability. With the open-to-experience trait, the majority of participants indicated that they were moderately open-to-experience (67.8%) while the remaining was split nearly even between low (16.2%) and high (14.4%).

Personality Characteristics	Score					
	Low	Moderate	High	Missing	Total	
Extrovert	8.0%	60.8%	30.3%	0.9%	100.0%	
Agreeableness	3.1%	46.3%	49.7%	0.9%	100.0%	
Conscientiousness	3.3%	22.4%	73.4%	0.9%	100.0%	
Emotional Stability	3.1%	33.0%	63.0%	0.9%	100.0%	
Open-to-Experience	16.2%	67.8%	14.4%	1.6%	100.0%	

**Table 5 - Personality Characteristics** 

## **Trip-Related Factors**

Table 6 reports trip-related factors. Of the 451 Orlando visitors surveyed the majority of the participants' primary purpose was for leisure/vacation (64.7%) followed by business/convention (30.6%). 73.6% of the respondents had not previously stayed in their respective properties and the majority (60.1%) personally paid for their accommodations. Regarding nights stayed in participant's hotels, 3 nights (25.7%) accounted for the most common nights stayed followed by 7 or more (19.5%). The least common number of nights stayed was 6 which accounted for 5.8% of the respondents.

Trip-Related Category		Frequency	Percent
Primary Purpose of Trip	Leisure/Vacation	292	64.7%
	Business/Convention	138	30.6%
	Personal Business	21	4.7%
Previous Stay at this Hotel	No	332	73.6%
	Yes	119	26.4%
Who paid for Stay?	Personally paid	271	60.1%
	Someone else paid	162	35.9%
	Complimentary	18	4.0%
Hotel Type Currently Using	Select-Service	136	30.2%
	Mid-Scale	163	36.1%
	Up-Scale/Luxury	152	33.7%
Nights Stayed in Current Hotel	1	43	9.5%
	2	63	14.0%
	3	116	25.7%
	4	59	13.1%
	5	56	12.4%
	6	26	5.8%
	7 or more	88	19.5%
Hotel Type Typically Used	Select-Service	108	23.9%
	Mid-Scale	253	56.1%
	Up-Scale/Luxury	90	20.0%
# of Annual Overnight Hotel Stays	1	41	9.1%
	2	51	11.3%
	3	65	14.4%
	4	47	10.4%
lights Stayed in Current Hotel	5	33	7.3%
	6	25	5.5%
	7 or more	189	41.9%
# of people in travel party	1	46	10.2%
	2	141	31.3%
	3	59	13.1%
	4	96	21.3%
	5 or more	109	24.2%
# of children in travel party	1	71	15.7%
	2	81	18.0%
	3	25	5.5%
	4	6	1.3%
	5 or more	15	3.3%
	Does not apply	253	56.1%

# Table 6 - Trip-Related Factors

Since data was intentionally collected from three distinct market segments,

approximately 30%-36% of the completed questionnaires came from each segment (i.e., hotel type currently using). Regarding hotel travel experience among participants the majority stated that they typically use mid-scale properties most often (56.1%). Respondents indicated that they traveled overnight often with nearly 42% stating that they 7 or more nights annually. Nearly 90% of the participants reported traveling with at least one other companion while only 10.2% indicated that they were traveling alone. Finally, while the majority stated that they were not traveling with children (56.1%), the remaining majority (33.7%) traveled with 1-2 minors.

## **Factor Analysis**

Most of the dimensions used in this study (i.e., physical, human interaction, emotive and cognition) were derived from the literature from other disciplines such as environmental psychology and consumer behavior. Since these dimensions have not been previously used in a hotel setting, it was decided to use exploratory factor analysis (EFA) to uncover the underlying items of the guest's hotel experiences. EFA will help analyze the structure of the interrelationship (correlations) among the items by defining sets of variables that are highly interrelated (Hair et al., 2010). These interrelated sets are known as factors. EFA will be helpful in providing insight into the structure of the measurement items and proposed model by establishing the factors and indicators to be used. Confirmatory factor analysis (CFA) will then be used to perform an exact test on the measurement theory and by identifying the association between indicators and constructs (Hair et al., 2010). In other words, CFA will allow the researcher to specify the items associated for each construct and the correlations between these constructs.

There are three main steps in conducting EFA that include 1) assessment of the suitability of the data for factor analysis, 2) factor extraction, and 3) factor rotation and interpretation (Pallant, 2005). The following sections will cover each of these steps in detail.

#### Assessment of the Suitability of the Data for Factor Analysis

Two issues were considered when determining suitability of the data. These were sample size and the strength of the relationship among the items (or variables) (Pallant, 2005). In determining the sample size, two issues were taken into account. First, since this study combines exploratory and confirmatory factor analysis, it is recommended that factor analysis be done using separate data sets (DeCoster, 1998; Hair et al., 2010). The separate data sets allow the researcher to test the theoretical construct under consideration. Using the same data set merely fits EFA results directly into the CFA. Therefore an initial sample will be examined using EFA subsequently followed by a drawn sample used to perform the CFA. It is recommended that a sample size of n=150 is sufficient for EFA given that there are several high loadings marker variables (above 0.80) (Tabachnick & Fidell, 2001). The EFA sample (n=151) was randomly drawn from the data set (n=451). Based on this recommendation, the remaining mutually exclusive sample (n=300) was used for CFA. Second, to address the concerns of the intercorrelations among items, two statistical measures are generated to help assess the factorability. These include Kaiser-Myer-Olkin (KMO) and Bartlett's Test of Sphericity (Pallant, 2005).

To determine if the data was suitable for EFA, the correlation matrices were examined and the Kaiser-Myer-Olkin (KMO) measure of sampling and Bartlett's Test of Sphericity was calculated. Inspection of the correlation matrix revealed the presence of many coefficients of .3 or above. For each of these 57 measured items (see <u>Appendix E</u>) correlations were reported as significant at the 0.01 level (2-tailed).

The KMO index ranges from 0 to 1, with any value over 0.6 being suggested as the minimum value for a good factor analysis (Tabachnick & Fidell, 2001). Likewise, the Bartlett's Test of Sphericity is considered appropriate for factor analysis with any significant value (p<0.05). Table 7 identifies the results for all three dimensions. Kaiser-Meyer-Olkin value ranged from 0.880 for physical environment to 0.912 for emotive and cognitive values, exceeding the recommended value of 0.6.

	Physical Human		Emotive and	
KMO and Bartlett's Test	Environment	Interaction	Cognitive	
	Dimension	Dimension	Values	
Kaiser-Meyer-Olkin Measure of Sampling	0.880	0.894	0.912	
Bartlett's Test of Sphericity	0.000	0.000	0.000	

Table 7 - KMO and Bartlett's Test

Similarly, Bartlett's Test of Sphericity for all three constructs were found to be significant with all values less than 0.05. Therefore, based on these results the data are suitable for factor analysis.

## **Factor Extraction**

Before factor extraction can be conducted, consideration was given to two distinct methods, principal component analysis (PCA) and common factor analysis (FA), of defining (or extracting) factors in determining the structure of the variables. Determining which method to employ depends on how the researcher intends to deal with common, specific, and error variances. According to Hair et al. (2010), PCA is most appropriate when 1) data reduction is a primary concern, and 2) prior knowledge suggests that specific and error variance represent a relatively small proportion of the total variance. Alternatively, common factor analysis is most appropriate when 1) the primary objective is to identify the latent dimensions or constructs represented in the variables, and 2) the researcher has little knowledge about the amount of specific and error variance and therefore wishes to eliminate this variance (Hair et al., 2010, p. 107). Since the primary objective of this research study is more closely aligned with common factor analysis and a theoretical application, this method will be used in EFA. Given the research objectives and the desire of this research to explain as much of the variance in the original data set as possible, two factor extraction methods were employed: maximum likelihood and principal axis factoring methods.

## **Factor Rotation and Interpretation**

To aid in the interpretation of these three factors, Promax rotation was performed for all three measured factors. This oblique method was chosen over the orthogonal rotation method because the former allows more flexibility in determining the extent to which the factors are actually correlated with each other (Hair et al., 2010). In addition, due to the nature of the questionnaire it is assumed that the underlying constructs are correlated and the oblique method accounts for these correlations more accurately than the orthogonal method (Hair et al., 2010). As a guideline, factor loadings of +/- .30 to +/- .40 are considered minimally acceptable given the sample size (Hair et al., 2010). The factor loadings for this study varied from 0.425 to 1.043, suggesting that the factors (i.e., physical environment, human interaction, and perceived values) were minimally acceptable given the sample size (see Table 8). The Cronbach Alphas for the ten factors ranged from 0.71 to 0.94, meeting the generally agreed upon lower limit of 0.70 (Hair et al.

al., 2010). This indicates an acceptable level of internal consistency among the dimensions within each factor.

## **Factor Extraction Rotation and Interpretation**

## **Physical Environment Items**

The 19 physical environment items (e.g., architectural design, signage, pleasant noise levels) of the hotel experience survey were subjected to maximum likelihood analysis (MLA) using SPSS Version 17. Maximum likelihood analysis revealed the presence of three latent factors with Eigen values exceeding 1, explaining 45.3 percent, 7.9 percent, and 6.2 percent of the variance respectively demonstrating a cumulative 59.5% variance explained.

Inspection of the scree plot revealed a leveling off after the third latent factor. Using Catell's (1966) scree test, it was decided to retain three factors for further investigation compared to four constructs as originally modeled. This was further supported by the results of Monte Carlo Parallel Analysis, which showed only three factors with Eigen values exceeding the corresponding criterion values for a randomly generated data matrix of the same size (19 variables x 151 respondents).

The rotated solution revealed the presence of a number of strong loadings. However, a number of items were determined to be either below the 0.40 loading guideline or were cross-loading on more than one factor. Through the process of eliminating the poorly loading items and cross-loading items, an optimal solution was obtained with all items loading substantially on only one factor. The three factor solution (Table 8) explained a total of 69.57 percent of the variance, with factor 1 contributing 48.8 percent, factor 2 contributing 11.95 percent, and factor 3 contributing 8.81 percent.

The interpretation of the three factors (design, upkeep, physiological) was slightly different than the initially proposed research model (design, layout, upkeep, physiological). Factor one, the design construct, is represented here by four out of the five items, leaving out high quality materials. Factor two, the facility/upkeep construct, consists of the quality of materials, furnishings, and upkeep of the facility. Factor three, the physiological construct, consists of three of the seven original items measuring this construct.

The results of this analysis, though different to the original framework, are consistent showing that the physical environment constructs (e.g., design, quality materials and physiological) and corresponding items are part of hotel guest's hotel experience.

## Human Interaction Items

The 25 human interaction items (e.g., caring, treated with respect, privacy is valued) of the hotel experience survey were subjected to principle axis factoring analysis (PAF) using SPSS Version 17. The method was selected because it resulted in a better interpretation of the underlying relationship of the variables than did maximum likelihood method. The initial analysis revealed the presence of four latent factors with Eigen values exceeding 1, explaining 54.6 percent, 9.2 percent, 5.9 percent, and 4.1 percent of the variance respectively demonstrating a cumulative 73.7% variance explained.

Inspection of the scree plot revealed a leveling off after the third factor. Using Catell's (1966) scree test, it was decided to retain four factors for further investigation compared to five constructs as originally modeled. This was further supported by the results of Monte Carlo Parallel Analysis, which showed only four factors with Eigen values exceeding the

corresponding criterion values for a randomly generated data matrix of the same size (25 variables x 151 respondents).

# Table 8 – Exploratory factor analysis – underlying items (n = 151)

	Eigenvalue	Explained (%)	Cumulative variance	Cronbach alpha	Factor Loadings
Physical Environment Dimensions				·	
Factor 1 - Design	5.37	48.80	48.80	0.88	
The hotel's outside architectural design is attractive.					0.96
The hotel's interior architectural design is attractive.					0.95
The hotel's interior decorations and personal artifacts are attractive.					0.59
The design of hotel incorporates the surrounding natural resources.					0.49
Factor 2 - Property Upkeep	1.32	11.95	60.76	0.85	
The hotel has upkeep/maintenance standards throughout the facility.					0.93
The hotel maintains the condition of the furnishings.					0.86
The arrangement of hotel furnishings is done right.					0.44
The materials used in the hotel facilities are of high quality.					0.43
Factor 3 - Physiological/Ambience	0.97	8.82	69.57	0.71	
The hotel noise level is pleasant throughout the hotel.					0.95
The hotel played music that is enjoyable.					0.56
The indoor temperature of the hotel is comfortable.					0.45
luman Interaction Dimensions	10.10	FF 20	FF 20	0.02	
Factor 1 - Attentiveness/Caring	10.49	55.20	55.20	0.93	0.07
Hotel staff has guests' best interests at heart.					0.97
Employees of the hotel understand guests' specific needs.					0.89
Employees of the hotel show a sincere interest in solving guest problems.					0.80
Hotel staff seem to care about their customers.					0.62
Individual attention is given by the hotel staff.					0.60
Employees of the hotel perform the service right the first time.					0.57
Factor 2 - Professionalism	2.18	11.45	66.65	0.93	
Employees of the hotel are friendly.					0.86
Employees of the hotel conduct themselves in a professional manner.					0.84
Employees of the hotel treat guests with respect.					0.78
Employees of the hotel are well-groomed.					0.67
Employees of the hotel are always willing to help you.					0.64
Employees of the hotel are consistently courteous to guests.					0.64
Factor 3 - Guest-to-Guest	1.00	5.28	71.93	0.87	
Hotel guests display proper behavior toward other guests.					0.87
Hotel guests value the privacy of other guests.					0.76
Hotel guests respect other guests by being peaceful and quiet.					0.73
Hotel guests are of an appropriate socio-economic level.					0.69
Factor 4 - Reliability	0.98	5.15	77.09	0.81	
Guests feel like privacy is valued by hotel staff.					0.88
Hotel employees make you feel safe during your hotel stay.					0.77
The hotel staff makes sure that everything is ready before guests arrive.					0.53
Emotive/Cognitive Values					
Factor 1 - Emotive	7.64	63.68	63.68	0.96	
My current hotel-stay experience is pleasurable.					1.04
My current hotel-stay experience makes me feel relaxed.					1.01
My current hotel-stay experience gives me enjoyment.					0.87
My current hotel-stay experience arouses positive feelings.					0.81
My current hotel-stay experience makes me feel satisfied.					0.80
My current hotel-stay experience makes me feel comfortable.					0.69
Factor 2 - Cogntive	1.74	14.46	78.14	0.94	
My current hotel-stay experience is reasonably priced.					1.02
My current hotel-stay experience offers a good value for the price.					0.97
The overall hotel experience I am encountering is good for the price paid.					0.82
Factor 3 - Social/Self Concept	0.94	7.84	85.98	0.90	
My current hotel-stay experience makes me feel pampered.					1.07
My current hotel-stay experience makes me feel sophisticated.					0.71
My current hotel-stay experience makes me feel hip and cool.					0.61

The rotated solution revealed the presence of a number of strong loadings. In this case the most optimal solution was found using the principal axis factoring extraction method. The four factor solution (Table 8) explained a total of 77.09 percent of the variance, with factor 1 contributing 55.2 percent, factor 2 contributing 11.45 percent, factor 3 contributing 5.28 percent, and factor 4 contributing 5.15 percent.

The interpretation of the four factors (caring/attentiveness, professional, reliable, guestto-guest) was slightly different than the initially proposed five construct research framework (caring/attentiveness, professional, reliable, responsiveness, guest-to-guest). Factor one, the caring/attentiveness construct, is represented here by all five original items plus one additional item – *performing the service right the first time*. Factor two, the professionalism construct, consists of the five of the seven original items plus *employee's willingness to always help* from the responsiveness construct. Factor three, the guest-to-guest (G2G) construct, maintained all four of its original items. Finally, factor four, the reliability construct, consists of three of the four original items measuring this construct.

The results of this analysis, though different to the original framework, are consistent that human interaction items are part of guest's hotel experience. The results demonstrate that only one unique item representing the responsiveness construct was absorbed into the professionalism construct while the remaining loadings proved to be below the acceptable threshold.

#### **Emotive and Cognitive Items**

The 13 emotive and cognitive items of the hotel experience survey were subjected to maximum likelihood analysis (MLA) using SPSS Version 17. The initial analysis revealed the

presence of two factors with Eigen values exceeding 1, explaining 63.2 percent and 13.4 percent of the variance respectively demonstrating a cumulative 76.6% variance explained.

Inspection of the scree plot revealed a leveling off after the third factor. Using Catell's (1966) scree test, it was decided to retain three factors for further investigation compared to two constructs as originally modeled. This was further supported by the results of Monte Carlo Parallel Analysis, which showed three factors with Eigen values exceeding the corresponding criterion values for a randomly generated data matrix of the same size (13 variables x 151 respondents).

The rotated solution revealed the presence of a number of strong loadings. However, it was determined that a number of items were either below the 0.40 loading guideline or were cross-loading on more than one factor. Through the process of eliminating the poorly loading items and cross-loading items, an optimal solution was obtained with all items loading substantially on only one factor. The three factor solution (Table 8) explained a total of 85.96 percent of the variance, with factor 1 contributing 63.7 percent, factor 2 contributing 14.5 percent, and factor 3 contributing 7.8 percent.

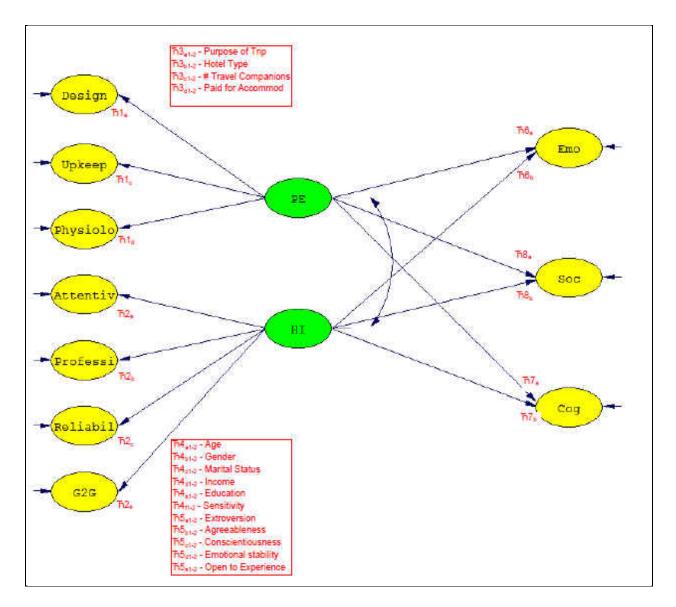
The interpretation of the items was slightly different than the initially proposed research framework and resulted in three constructs (emotive, social/self-concept, cognitive) compared with the two originally proposed (emotive, cognitive). The emotive values construct, originally represented by 10 emotive items, was determined through EFA that the items represented two constructs. Factor one, the emotive values construct is comprised of 6 of the 10 original items. Factor 2, the social/self-concept value, included hotel experiences that invoke feelings of hip and cool, sophisticated and pampering. Factor 3, the cognitive values construct, maintained all three of its original items.

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The results of this analysis, though different to the original framework, are consistent signifying that emotive, social/self-concept, and cognitive values are part of hotel guest's hotel experience. The social/self-concept value, is consistent with the literature that finds that consumers often find value through the image associated with the product or service (Sheth et al., 1991).

# **Summary of Exploratory Factor Analysis**

The results did not confirm the researchers' *a priori* conceptualization but rather a new theoretical framework emerged (Figure 5). Within this new framework, the physical environment dimensions construct is now represented by three factors (design, facility upkeep and physiological/ambience) instead of the original four. It was determined that the layout factor items were unstable and loaded poorly or in other factors and were thereby eliminated. The human interaction dimensions construct was also modified from five to four representing factors consisting of caring/attentiveness, professionalism, reliability and guest-to-guest interactions. The responsiveness factor was eliminated due to items that poorly loaded or loaded into other factors. Finally, perceived values construct, originally represented by emotive and cognitive factors, now include a third factor indentified as the social/self-concept. This demonstrates that the data fits the overall theoretical model including the outlined modifications.



**Figure 2 - Final Theoretical Framework** 

## **Confirmatory Factor Analysis (CFA)**

CFA was used to access the items of each construct more rigorously using the correlation matrix of the items (<u>Appendix E</u>). In particular, CFA is used to identify unidimensionality of each construct or find evidence that a single trait or construct underlies a set of unique measures (Anderson & Gerbing, 1988). As mentioned previously, EFA explores the data and offers

information about how many factors (or constructs) are needed to best represent the data. These emerging factors are derived after statistical analysis and not from theory. CFA, on the other hand, allows the researcher to specify the number of existing factors and which factor each variable will load on before results can be computed (Hair et al., 2010). CFA provides a more rigorous interpretation of dimensionality than does EFA. Therefore, CFA will be used as a confirmatory test of the measurement theory and will specify the series of relationships that suggest how the measured variables represent the latent factor that are not directly measured (Hair et al., 2010). Accordingly, CFA will be used as confirmatory test of the results of the EFA above to confirm and validate the proposed hotel experience framework.

## **Measurement Model Fit Statistics**

CFA was run on the randomly selected data (*n*=300) using LISREL version 8.80 (Jöreskog & Sörbom, 2006) and showed that all 42 items were loaded highly on their corresponding constructs. One issue that was encountered with LISREL was its inability to handle missing data. Since the sample data contains less than one percent missing data, mean substitution was used to replace missing items. Table 9 assesses measurement model validity by demonstrating a number of model fits for each dimension. The clean factor patterns demonstrated in EFA were consistently found in CFA.

# **Physical Environment Items**

Based on the recommendation of Hair et al. (2010) and Schumacker and Lomax (2004) the appropriateness of model fit was assessed using  $\chi^2$ , RMSEA, NFI, CFI, and SRMR. Generally,  $\chi^2$ /df less than 3; RMSEA less than 0.08; NFI greater than 0.95; CFI greater than 0.95 and SRMR less than 0.08 are indicators of a good model fit. Further,  $\chi^2$  was used when comparing fit of similar or alternate models. Two models were tested to determine the best fit. The original conceptual model (4 latent constructs) fit indexes were assessed and was determined that the model was not a good fit. Utilizing the EFA results (3 latent constructs) the physical environment items were assessed using CFA and were found to have a good model fit with the greatest variance explained. The physical environment measurement model fit statistics ( $\chi^2_{(41)}$  = 147.79) were as follows: Root Mean Square Error of Approximation (RMSEA) = 0.10, Normed Fit Index (NFI) = 0.96, Comparative Fit Index (CFI) = 0.97, and Standardized Root Mean Square Residual (SRMR) = 0.061. These scores indicate a reasonable level of model fit (Schumacker & Lomax, 2004).

Model	Measurement	CFA Sample	df	χ²	% Var	# of Latent	# of Variables	RMSEA	NFI	GFI	AGFI	CFI	SRMR	Other
		Size		05	> 60%	Construct	Measured	< .08	>.95	>.90	. 00	. 00	< .08	
Original	PE Dimensions	300	146	p > .05 912.17	65.0%	4	19	0.110	0.940	0.820	> .80 0.760	>.90 0.950		Not a good model fit.
Based on EFA (n=151)	PE Dimensions	300	41	147.79	69.6%	3	11	0.100	0.960	0.910	0.850	0.970	0.054	Better conceptual model fit with greatest explained variance.
Original	HI Dimensions	300	242	1127.29	74.0%	5	25	0.111	0.950	0.760	0.700	0.960	0.056	Model a good fit as conceptually hypothesized.
Based on EFA (n=151)	HI Dimensions	300	146	601.04	77.0%	4	19	0.100	0.960	0.820	0.770	0.970	0.049	Better conceptual model fit with greatest explained variance.
Original	Emo and Cog Values	300	64	634.44	83.0%	2	13	0.180	0.930	0.750	0.640	0.930	0.084	Not a good model fit.
Based on EFA (n=151)	Emo, Social, and Cog Values	300	51	282.39	85.9%	3	12	0.120	0.960	0.870	0.790	0.970	0.070	Better conceptual model fit with greatest explained variance.
Composite Model	All Dimensions	451	774	2656.05	83.0%	10	All (42)	0.064	0.970	0.780	0.750	0.980	0.051	Reasonable level of fit for overall

Table 9 - Comparison of Model Fits - Split Sample (EFA - n=151, CFA - n=300)

## Human Interaction Items

Similar to the PE constructs, two human interaction models were assessed using CFA to determine the best fit. The original conceptual model indexes (5 latent constructs) indicated that the model was a good fit. However, utilizing the EFA results the human interaction items were

measurement model.

assessed and were found to have a better model fit (4 latent constructs) with the greatest variance explained. The human interaction measurement model fit statistics ( $\chi^2_{(146)} = 601.04$ ) were as follows: Root Mean Square Error of Approximation (RMSEA) = 0.10, Normed Fit Index (NFI) = 0.96, Comparative Fit Index (CFI) = 0.97, and Standardized Root Mean Square Residual (SRMR) = 0.049.

## Emotive, Social and Cognitive Value Constructs

The researchers' *a priori* conceptualization of the perceived values model incorporating emotive and cognitive factors was determined to be a poor model fit due to inadequate model fit indexes. EFA, however, found that incorporating a third factor (social/self concept) was found to have a better model fit with the greatest variance explained. CFA confirmed this assessment (Table 10) by demonstrating adequate model fit indices. The perceived values measurement model fit values ( $\chi^2_{(51)} = 282.39$ ) were as follows: Root Mean Square Error of Approximation (RMSEA) = 0.120, Normed Fit Index (NFI) = 0.96, Comparative Fit Index (CFI) = 0.97, and Standardized Root Mean Square Residual (SRMR) = 0.070.

### **Composite Model Fit Statistics**

Composite measurement model (n=451) fit statistics for the ten first order constructs ( $\chi^2$ (774) = 2656.05) were as follows: Root Mean Square Error of Approximation (RMSEA) = 0.064, Standardized Root Mean Square Residual (SRMR) = 0.051, Goodness-of-Fit Index (GFI) = 0.81, Adjusted Goodness-of-Fit Index (AGFI) = 0.78, Normed Fit Index (NFI) = 0.97, Non-Normed Fit Index (NNFI) = 0.98, Comparative Fit Index (CFI) = 0.98, and Incremental Fit Index (IFI) = 0.98. These scores indicate a reasonable level of model fit (Schumacker & Lomax, 2004).

## **Unidimensionality and Model Identification**

A unidimensionality check was used to confirm that one underlying construct can explain a set of measured variables or indicators (Hair et al., 2010). This unidimensionality check updates the previous scale development and construct validity (Yoo, Donthu, & Lee, 2000). The measurement model was set to have ten first-order factors (latent variables) and two secondorder variables. Each measurement item was loaded solely on one latent first-order construct. For instance, a design measurement item was related to the design factor and not to any other factor. Using LISREL 8.80 maximum likelihood method (Jöreskog & Sörbom, 2006), a complete standardized solution demonstrates that all 42 indicators were loaded highly on their respective constructs (Table 10). Table 10 also reports the average variance extracted and scale composite reliability.

	Item	Standardized Loading	t Value
Physical Characte	erisitics		
Design (pc=.87; V	E=0.83) <sup>b</sup>		
Q1.2	The hotel's interior architectural design is attractive.	0.88	22.85
Q1.4	The hotel's interior decorations and personal artifacts are attractive.	0.84	21.27
Q1.1	The hotel's outside architectural design is attractive.	0.80	19.91
Q1.3	The design of hotel incorporates the surrounding natural resources.	0.66	15.08
Physiological (pc=	71; VE=0.84) <sup>b</sup>		
Q1.14	The hotel noise level is pleasant throughout the hotel.	0.68	14.31
Q1.18	The indoor temperature of the hotel is comfortable.	0.67	13.91
Q1.15	The hotel played music that is enjoyable.	0.45	9.02
Upkeep (pc=.85; '	VE=0.87) <sup>b</sup>		
Q1.10	The hotel maintains the condition of the furnishings.	0.84	21.39
Q1.5	The materials used in the hotel facilities are of high quality.	0.78	19.12
Q1.9	The hotel has upkeep/maintenance standards throughout the facility.	0.77	18.62
Q1.7	The arrangement of hotel furnishings is done right.	0.67	15.51
Human Interactio	on		
Caring/attentive	(ρc=.93; VE=0.91) <sup>b</sup>		
Q2.5	Hotel staff seem to care about their customers.	0.89	23.73
Q2.3	Hotel staff has guests' best interests at heart.	0.87	23.12
Q2.2	Individual attention is given by the hotel staff.	0.85	22.21
Q2.4	Employees of the hotel understand guests' specific needs.	0.85	22.27
Q2.1	Employees of the hotel show a sincere interest in solving guest problems.	0.77	18.95
Q2.13	Employees of the hotel perform the service right the first time.	0.74	18.10
Professionalism (	ρc=.93; VE=0.94) <sup>b</sup>		
Q2.6	Employees of the hotel treat guests with respect.	0.87	23.27
Q2.7	Employees of the hotel are consistently courteous to guests.	0.85	22.35
Q2.12	Employees of the hotel conduct themselves in a professional manner.	0.85	22.41
Q2.19	Employees of the hotel are always willing to help you.	0.85	22.09
Q2.10	Employees of the hotel are friendly.	0.82	21.01
Q2.9	Employees of the hotel are well-groomed.	0.71	17.08

# Table 10 - Operational Measures and Scale Reliability Values

= 2207.05, Root Mean Square Error of Approximation (RMSEA) = .064, Standardized Root Mean Square Residual (SRMR) = .051, Goodness-of-Fit Index (GFI) = .81, Adjusted Goodness-of-Fit Index (AGFI) = .78, Normed Fit Index (NFI) = .97, Non-Normed Fit Index (NNFI) = .98, Comparative Fit Index (CFI) = .98, and Incremental Fit Index (IFI) = .98.

b. Scale composite reliability and variance extracted.

\*. critical value [(t) with 0.05 alpha level, two-tailed, and n > 120] = 1.96. LisRel does not provide p-values associated with t-values and assumes the sample size > 120. The t-distribution can be approximated by the z (standard normal) distribution. The critical values of t would thus be -1.96 and +1.96 based on an alpha level of .05, two-tailed.

	Item	Standardized Loading	t Value 🔹
Reliability (pc=.	81; VE=0.82) <sup>b</sup>		
Q2.16	Hotel employees make you feel safe during your hotel stay.	0.88	23.05
Q2.17	Guests feel like privacy is valued by hotel staff.	0.87	22.21 *
Q2.14	The hotel staff makes sure that everything is ready before guests arrive.	0.64	14.49 *
G2G (pc=.87; V	E=0.65) <sup>b</sup>		
Q2.23	Hotel guests display proper behavior toward other guests.	0.83	20.99 *
Q2.22	Hotel guests value the privacy of other guests.	0.82	20.57 *
Q2.24	Hotel guests respect other guests by being peaceful and quiet.	0.82	20.30
Q2.25	Hotel guests are of an appropriate socio-economic level.	0.70	16.36 *
Emotive/Cogni	tive values		
Emotive (pc=.9	6; VE=0.77) <sup>b</sup>		
Q3.4	My current hotel-stay experience is pleasurable.	0.95	26.97
Q3.3	My current hotel-stay experience makes me feel satisfied.	0.92	25.79 *
Q3.5	My current hotel-stay experience gives me enjoyment.	0.91	25.14
Q3.2	My current hotel-stay experience makes me feel relaxed.	0.90	24.67 *
Q3.1	My current hotel-stay experience arouses positive feelings.	0.89	23.95
Q3.9	My current hotel-stay experience makes me feel comfortable.	0.82	21.24 *
Social (pc=.90;	VE=0.71) <sup>b</sup>		
Q3.7	My current hotel-stay experience makes me feel sophisticated.	0.94	26.70 *
Q3.8	My current hotel-stay experience makes me feel hip and cool.	0.85	22.05
Q3.6	My current hotel-stay experience makes me feel pampered.	0.84	21.35 *
Cognitive (pc=.	94; VE=0.52) <sup>b</sup>		
Q3.12	My current hotel-stay experience offers a good value for the price.	0.98	18.59 *
Q3.13	The overall hotel experience I am encountering is good for the price paid.	0.90	24.47 *
Q3.11	My current hotel-stay experience is reasonably priced.	0.87	23.15 *

= 2207.05, Root Mean Square Error of Approximation (RMSEA) = .064, Standardized Root Mean Square Residual (SRMR) = .051, Goodness-of-Fit Index (GFI) = .81, Adjusted Goodness-of-Fit Index (AGFI) = .78, Normed Fit Index (NFI) = .97, Non-Normed Fit Index (NNFI) = .98, Comparative Fit Index (CFI) = .98, and Incremental Fit Index (IFI) = .98.

b. Scale composite reliability and variance extracted.

\*. critical value [(t) with 0.05 alpha level, two-tailed, and n > 120] = 1.96. LisRel does not provide p-values associated with t-values and assumes the sample size > 120. The t-distribution can be approximated by the z (standard normal) distribution. The critical values of t would thus be -1.96 and +1.96 based on an alpha level of .05, two-tailed.

The results demonstrate support for the independence of the latent factors and presented

strong empirical evidence of their validity. These findings also support that the EFA factor

patterns were consistently found in CFA as well. The t values demonstrated adequate convergent

validity with loadings ranging from 9.02 to 26.97. The proposed model is over-identified because

the number of unique covariance and variance terms 903 [p(p+1)/2 = 42(42+1)/2=903)] (p = #

of measured items) is more than parameters to be estimated (861 error variances and covariances) (Hair et al., 2010).

## **Assessing Measurement Model Validity**

To assess construct validity, convergent, discriminant, and nomological validities were examined. The composite reliability ( $\rho$ c), or internal consistency reliability measure, offers evidence of convergent validity (Yoo et al., 2000). Composite reliability as found using LISREL 8.80 maximum likelihood method ranged from 0.63 to 0.96. The average variance extracted was found to exceed the minimum level of 0.50 (see Yoo et al., 2000) and ranged from 0.52 to 0.94. All in all, the measurement items met the minimum standards required for reliable and valid measures for the ten research factors. <u>Appendix E</u> contains the intercorrelation means and standard deviations of the constructs. Table 11 shows the correlations between the factor scores for each construct. The results support the prediction that the experience constructs are positively correlated to each other and suggest that the constructs of the model were measured reliably.

		1	2	3	4	5	6	7	8	9	10	11	12
1	PE.Design	1.00											
2	PE.Upkeep	.621**	1.00										
3	PE.Physiological	.608**	.559**	1.00									
4	HI.Caring	.403**	.302**	.410**	1.00								
5	HI.Professionalism	.411**	.351**	.430**	.764**	1.00							
6	HI.Reliability	.526**	.477**	.452**	.599**	.664**	1.00						
7	HI.G2G	.542**	.324**	.522**	.439**	.468**	.581**	1.00					
8	Value.Emotive	.566**	.511**	.519**	.541**	.518**	.523**	.471**	1.00				
9	Value.Cognitive	.327**	.358**	.308**	.341**	.340**	.336**	.237**	.569**	1.00			
10	Value Social	.563**	.424**	.462**	.405**	.328**	.407**	.556**	.681**	.419**	1.00		
11	PE	.816**	.804**	.785**	.418**	.439**	.531**	.494**	.597**	.377**	.536**	1.00	
12	н	.549**	.415**	.522**	.783**	.791**	.816**	.734**	.580**	.346**	.516**	.548**	1.00
	**. Correlation is significa	nt at the	0.01 le	vel (2-ta	uiled).								

**Table 11 - Construct Intercorrelations** 

# **Convergent Validity**

Convergent validity, or the extent to which items of a specific construct should converge or share a high proportion of variance in common (Hair et al., 2010), was accessed using three methods. These include factor loadings, average variance extracted (AVE) and construct reliability (CR). High factor loadings indicate that the items are converging on a common point, that being the latent construct. Two rules of thumb generally apply to factor loadings. These are statistical significance and standardized loading estimates of 0.5 or higher (Hair et al., 2010). The AVE is the average percentage of variation extracted (or explained) among the items of a latent construct (Hair et al., 2010). AVE of 0.5 or higher suggests adequate coverage. It is calculated

using the following formula:  $AVE = \frac{\sum_{i=1}^{n} L_{i}^{2}}{n}$ , where  $(L_{i})$  represents factor loadings and (i) represents the number of items. Another indicator of convergent validity is construct reliability (CR). CR is a measure of reliability and internal consistency of the measured variables representing a latent construct (Hair et al., 2010). CR is mathematically represented by: R =

 $\frac{(\sum_{i=1}^{n} L_i)^2}{(\sum_{i=1}^{n} L_i)^2 + (\sum_{i=1}^{n} e_i)}$ , where  $(L_i)$  represents factor loadings and  $(e_i)$  represents error variance terms

for a construct. Reliability scores greater than 0.7 suggest good reliability while scores between 0.6 and 0.7 may be considered acceptable (Hair et al., 2010). Table 12 represents the AVE and CR scores for the 10 constructs. Based on the guidelines presented above the overall convergent reliability score is acceptable, meaning that the measures consistently represent the same latent construct.

	AVE-Avg Var Extracted <sup>1</sup>	CR-Construct Reliability <sup>2</sup>
Physical Charateristics		
Design	60.0%	80.0%
Upkeep	49.6%	80.0%
Physiolo	47.0%	75.0%
Human Interaction		
Caring/Attentive	57.4%	85.7%
Professionalism	55.3%	85.7%
G2G	58.9%	80.0%
Reliability	55.1%	75.0%
Perveived Values		
Emotive	76.9%	85.7%
Social	67.7%	75.0%
Cognitive	88.3%	75.0%

Table 12 - Average Variance Extracted and Construct Reliability

1. An AVE of 0.5 or higher indicates that there is adequate variation explained among the items of a construct.

2. CR is a good indicator of convergent validity. An CR estimate of 0.7 or higher suggests good reliability and that internal consistency exists.

## Discriminant and Nomological Validity

Discriminant validity, as described by Hair et al. (2010), is the extent to which each construct is truly distinct from other constructs. High discriminant validity provides evidence

that one construct captures unique phenomena that other measures do not. Typically, the presence of high cross-loadings on each factor indicates the presence of discriminant validity problems. However, this was not the case with the hotel experience data as all variables that did not meet the minimum loading criteria (+/- .30 to +/- .40 minimally acceptable given the sample size) were eliminated from analysis. In cases of cross-loadings, predictors were removed until an optimal solution was found with minimally loading unique items on each factor. Sample size also plays a key role in discriminant validity problems. The ratio of sample size to the number of predictor variables can impact discriminant analysis which tends to be quite sensitive to sample size. The minimum recommended sample size is five observations per independent variable and an ideal sample size of twenty (Hair et al., 2010; Schumacker & Lomax, 2004). For this study, there were a total of ten observations per independent variable (451 sample size / 42 variables = 10.7 observations) meeting an acceptable level of discriminant validity.

Finally, some attention should be focused on nomological validity. This test of validity determines whether the measurement scale and correlations between constructs demonstrate the relationships shown to exist based on theory or prior research (Hair et al., 2010). The resulting theoretical model that emerged from EFA and CFA is very similar to the original framework based on a sound theoretical background and is supported by the literature. It is not surprising to see some minor changes to the model based on the fact that the data was collected from a setting that is different from the existing literature.

## **Structural Equation Modeling (SEM)**

There are five steps involved in SEM construction. These include 1) model specification, 2) model identification (some authors include this step under specification or estimation), 3) model estimation, 4) testing model fit, and 5) model manipulation (Schumacker & Lomax, 2004).

#### **Model Specification**

Model specification involves deciding every relationship and parameters in the model. This was covered in detail in the Framework for Understanding Consumer Experience section above. To this point three methods were used to access and select the final measurement items and theoretical framework that would be used for hypothesis testing. These steps included Cronbach's reliability, EFA and CFA. A new structural framework emerged (Figure 6) based on the outcome of these steps. The physical environment (PE) second-order construct is now composed of design, facility upkeep and physiological aspects of the physical environment. Property layout/functionality which was not supported through EFA was consequently removed. Similarly, the human interaction (HI) second-order construct is composed of caring/attentiveness, professionalism, reliability and guest-to-guest relations. EFA did not support responsiveness and it was removed. Finally, perceived values were theoretically supported by two constructs that included emotive (Emo) and cognitive (Cog) values. However, after further analysis with EFA it was determined that perceived values in the hotel setting was supported by a third construct derived from the emotive measurement items consequently named social/self-concept (Soc). As a result an eighth hypothesis (8a-b) was proposed to examine whether customer perceptions of PE and HI items will be positively related to social/self-concept (Soc) values (see Table 30) for complete list of hypothesis).

SEM was used to estimate the parameters of the structural framework and the resulting standardized solutions (Figure 7) as computed by LISTREL 8.80 maximum likelihood method are reported in the structural model estimates below (Table 30).

The structural model specified the perceived hotel experiences as the exogenous PE construct (design, upkeep, physiological) and the exogenous HI construct (caring/attentiveness, professionalism, reliability and guest-to-guest). The first-order exogenous constructs are explained by second-order factor structure (PE and HI).

Perceived values were represented by three exogenous constructs (emotive, social/selfconcept and cognitive). Therefore, it is hypothesized that the latent second-order variables of PE and HI are believed to predict latent dependant variables of consumer's perceived values (emotive, social/self-concept and cognition).

#### **Model Identification**

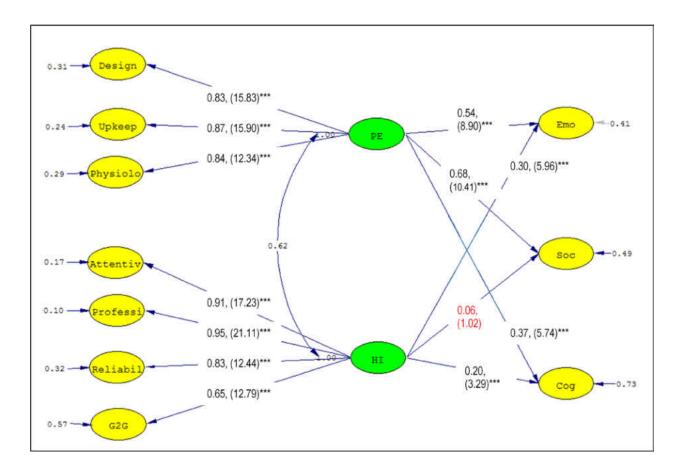
Model identification looks for unique set of parameter estimates given the sample data covariance and theoretical model (Schumacker & Lomax, 2004). The sample correlation matrix contains 903 [p(p + 1)/2 = 42(42+1)/2=903)] distinct variances and covariance among the 42 variables. The measurement model specifies that we want to estimate 85 parameters, that is, 42 factor loadings, 42 corresponding measurement errors and the correlation between the PE and HI latent constructs. Because we have more distinct values in the sample correlation matrix that the free parameters in the model to be estimated (i.e. degrees of freedom) then order condition is therefore met.

#### **Model Estimation**

LISREL 8.80 maximum likelihood method (MLE) was used for estimating the population parameters in the measurement model and structural model from sample data. The MLE technique was selected because the data met the MLE model assumptions which include multivariate normality assumption, no missing data, no outliers and continuous variable data (Hair et al., 2010). As mentioned previously, since LISREL 8.80 could not run CFA with missing data and less than one percent of the sample data were missing, mean substitution was used to replace missing items.

#### Model Testing – Assessing Measurement Model Validity

Goodness-of-fit statistics were analyzed to determine the overall acceptability of the structural model. Figure 3 shows the standardized path estimates of the hotel experience structural model. The results indicate that the proposed model (*n*=451, 10 first order and 2 second order constructs) has an acceptable fit based on sample size, degrees of error, and model complexity (Hair et al., 2010):  $\chi^2_{(805)} = 2656.05$ , Root Mean Square Error of Approximation (RMSEA) = 0.071, Standardized Root Mean Square Residual (SRMR) = 0.081, Goodness-of-Fit Index (GFI) = 0.78, Adjusted Goodness-of-Fit Index (AGFI) = .75, Normed Fit Index (NFI) = .96, Non-Normed Fit Index (NNFI) = 0.97, Comparative Fit Index (CFI) = 0.97, and Incremental Fit Index (IFI) = 0.97. The hypothesis testing was based on the critical value (*t*) with 0.05 alpha level, two tailed test and a sample size greater than 120, *df* = 1.96.



Chi-Square=2656.05, df=805, *P*-value=0.0000, N=451, 10, 1<sup>st</sup> order and 2, 2<sup>nd</sup> order constructs, RMSEA=0.071, SRMR = 0.081, GFI = .78, NFI = .96, CFI = .97  $\beta$  Estimate, (*t* value), p<0.001\*\*\*, values in red not significant

Figure 3 - Standardized Path Estimates for the Hotel Experience Structural Model (*n*=300)

This model demonstrates PE and HI have a positive relationship with emotive, social/self-concept and cognitive values. The two endogenous variables explain 59% of the variance in emotive values, 51% of the variance in social/self-concept values, and 27% of the variance in cognitive values. PE is influenced by Design ( $\beta$ =0.83, p<.05), Facility Upkeep ( $\beta$ =0.87, p<.05), and Physiological ( $\beta$ =0.84, p<.05). HI is influenced by Caring/attentiveness (β=0.91, p<.05), Professionalism (β=0.95, p<.05), Reliability (β=0.83, p<.05) and Guest-to-guest (β=0.65, p<.05).

#### **Model Modification**

Since the measurement model fit the sample data well, no model modification was required.

### **Model Validation and Reliability**

In order to further assess the structural model validity, the SEM model was replicated using another random sample (*n*=300) drawn from the same data set in order to conduct a multiple-sample analysis (Schumacker & Lomax, 2004). The results indicate that the proposed model has an acceptable fit:  $\chi^2_{(805)}$  = 3555.79, Root Mean Square Error of Approximation (RMSEA) = 0.089, Standardized Root Mean Square Residual (SRMR) = 0.086, Goodness-of-Fit Index (GFI) = 0.72, Adjusted Goodness-of-Fit Index (AGFI) = 0.69, Normed Fit Index (NFI) = 0.95, Non-Normed Fit Index (NNFI) = 0.96, Comparative Fit Index (CFI) = 0.96, and Incremental Fit Index (IFI) = 0.96. The hypothesis testing was based on the critical value (*t*) with 0.05 alpha level, two tailed test and greater than 120, *df* = 1.96.

#### **Trip-Related Factors and Individual Characteristics**

A one-way between groups analysis of variance (ANOVA) was conducted to explore the impact of trip-related factors and individual characteristics on PE and HI constructs. Under the physical environment and human interaction constructs, individual items (e.g., purpose of trip)

are explored to see if there are differences between the groups (e.g., leisure, business, personal business). Table 13 displays the outcome of the ANOVA.

# Table 13 – Trip-Related Factor Difference by PE and HI Constructs

	PE Constructs						HI Constructs								
Individual Items	Design	SD	Physio	SD	Facility Upkeep	SD	Caring / Atten	SD	Profess	SD	Reliability	SD	G2G	SD	n = %
Purpose of Trip															451
Leisure/Vacation	5.96 ª	0.80	5.97 ª	0.79	6.14 <sup>a</sup>	0.95	6.17 ª	0.84	6.35 <sup>a</sup>	0.69	6.18 <sup>a</sup>	0.86	5.88 ª	0.99	292 64.79
Business/Conv	5.97 ª	0.87	5.74 <sup>a</sup>		6.16 <sup>a</sup>	0.86	6.12 <sup>a</sup>	0.87	6.29 <sup>a</sup>	0.74	6.20 <sup>a</sup>	0.74	5.94 <sup>a</sup>	0.88	138 30.69
	5.66 ª	0.73	5.49 <sup>b</sup>	1.00	5.86 ª	0.91	5.99 ª	1.06	6.06 <sup>a</sup>	0.83	6.02 ª	0.80	5.71 ª	0.94	21 4.79
Personal Business F Ratio	1.380	0.75	4.374	1.00	1.022	0.91	0.519	1.00	0.519	0.85	0.519	0.80	0.519	0.94	21 4.77
	0.253		0.013 *	•	0.361		0.596		0.596		0.596		0.596		
Sig.* Who Paid for Accommodations	0.255		0.013		0.501		0.590		0.590		0.590		0.590		451
	5.95 ª	0.85	5.98 <sup>b</sup>	0.79	6.17 ª	0.99	6.18 ª	0.87	6.34 ª	0.71	6.17 ª	0.89	5.84 ª	1.02	
Personally															271 60.19
Someone else	5.98 ª	0.87	5.76 ª	0.98	6.13 <sup>ab</sup>		6.09 ª	0.85	6.27 ª	0.72	6.19 ª	0.71	5.96 ª	0.84	162 35.9%
Complimentary	5.79 ª	0.76	5.47 ª	0.85	5.61 <sup>b</sup>	0.85	6.01 <sup>a</sup>	0.87	6.29 <sup>a</sup>	0.69	6.19 <sup>a</sup>	0.71	5.97 <sup>a</sup>	0.84	18 4.0%
F Ratio	0.405		4.267		3.146		0.743		0.509		0.044		0.685		
Sig.*	0.667		0.015 *		0.044 *		0.476		0.602		0.957		0.504		
Hotel Type															451
Select-Service	5.73 ª	0.80	5.65 ª	0.76	5.84 <sup>a</sup>	1.06	6.03 ª	0.80	6.26 ª	0.66	6.04 <sup>a</sup>	0.82	5.64 ª	1.02	136 30.29
Mid-Scale	5.79 ª	0.85	5.84 ª	0.89	6.08 <sup>a</sup>	0.93	6.18 <sup>a</sup>	0.85	6.28 <sup>a</sup>	0.73	6.15 <sup>ab</sup>	0.83	5.85 <sup>a</sup>	0.90	163 36.1%
Up-Scale/Luxury	6.32 <sup>b</sup>	0.77	6.11 <sup>b</sup>	0.87	6.44 <sup>b</sup>	0.84	6.22 <sup>a</sup>	0.94	6.41 <sup>a</sup>	0.73	6.34 <sup>b</sup>	0.79	6.17 <sup>b</sup>	0.90	152 33.79
F Ratio	25.467		8.305		16.386		1.804		2.061		5.321		9.604		
Sig.*	0.000 ***	•	0.000 *		0.000 **	•	0.166		0.129		0.005 **		0.000 **	*	
# Nights in Current Stay															451
Short Stay (1-2 nights)	6.07 <sup>a</sup>	0.76	5.95 ª	0.89	6.00 <sup>a</sup>	1.08	6.08 <sup>a</sup>	0.95	6.29 <sup>a</sup>	0.77	6.13 <sup>a</sup>	0.83	6.00 <sup>a</sup>	0.84	106 23.5%
Medium Stay (3-5 nights)	6.03 <sup>a</sup>	0.89	6.01 ª	0.89	6.21 <sup>a</sup>	0.96	6.16 ª	0.84	6.35 ª	0.71	6.18 <sup>a</sup>	0.82	5.97 <sup>a</sup>	0.94	231 51.29
Long Stay (6 + nights)	5.87 ª	0.87	5.95 ª	0.82	6.10 ª	0.87	6.12 ª	0.84	6.35 ª	0.66	6.24 <sup>a</sup>	0.81	5.78 ª	1.06	114 25.3%
F Ratio	1.816		0.294		1.761		0.316		0.301		0.453		1.888		
Sig.*	0.164		0.745		0.173		0.729		0.740		0.636		0.153		
# People in Travel Party															451
Alone	6.09 <sup>a</sup>	0.76	6.00 <sup>a</sup>	1.07	6.26 <sup>a</sup>	0.80	6.17 <sup>a</sup>	0.82	6.35 <sup>a</sup>	0.67	6.30 <sup>a</sup>	0.63	6.13 <sup>a</sup>	0.69	46 10.29
2 or more	5.99 ª	0.87	5.98 ª	0.85	6.12 ª	0.99	6.12 ª	0.87	6.34 ª	0.72	6.17 <sup>a</sup>	0.84	5.91 <sup>a</sup>	0.98	405 89.8%
F Ratio	0.557		0.021		0.917		0.140		0.007		1.142		2.288		
Sig.*	0.456		0.884		0.339		0.708		0.931		0.286		0.131		
#Children < 18 in Travel Party	0.720		0.007		0.000		0.700		0.901		0.200		0.101		451
Without Children	6.02 ª	0.86	5.94 ª	0.92	6.15 ª	0.94	6.14 ª	0.90	6.33 ª	0.73	6.19 <sup>a</sup>	0.83	5.89 ª	1.03	253 56.1%
With Children	5.97 <sup>a</sup>	0.85	6.04 <sup>a</sup>	0.80	6.10 <sup>a</sup>	1.02	6.12 ª	0.81	6.35 <sup>a</sup>	0.68	6.17 <sup>a</sup>	0.80	5.98 ª	0.84	198 43.9%
F Ratio	0.380	0.05	1.573	0.00	0.331	1.02	0.073	0.01	0.060	0.00	0.120	0.00	1.208	0.04	198 43.97
Sig.*	0.538		0.210		0.565		0.787		0.807		0.729		0.272		
# Nights in any hotel in past 12-mos	0.558		0.210		0.505		0.787		0.807		0.729		0.272		451
Light Traveler (1-2 times)	6.04 <sup>a</sup>	0.77	6.08 ª	0.76	6.08 <sup>a</sup>	0.89	6.22 ª	0.71	6.43 <sup>a</sup>	0.56	6.21 <sup>a</sup>	0.70	5.99 ª	0.86	92 20.4%
	6.01 ª	0.89	5.98 ª	0.88	6.10 ª	1.03	6.10 ª	0.87	6.33 ª	0.71	6.17 <sup>a</sup>	0.78	5.92 ª	0.99	145 32.29
Moderate Traveler (3-5 times)	5.97 ª	0.89	5.94 ª	0.88	6.17 ª	0.97	6.11 ª	0.87		0.71	6.18 ª	0.78	5.92 °	0.99	214 47.59
Heavy Traveler (6 + times) F Ratio	0.292	0.87	0.740	0.91	0.403	0.97	0.622	0.92	1.110	0.77	0.054	0.90	0.230	0.97	214 47.57
F Rano Sig.*	0.292		0.740		0.403		0.622		0.331		0.054		0.230		

Note: F and significant levels are presented for the initial One-Way ANOVA analysis. Statistical significance differences within individual dimensions for each PE or HI construct based on the Tukey test are indicated by letters a, b, or c. Pairs of means that do not have the same letter are significantly different whereas those pairs of means that have the same superscript are not significantly different. *n* ≠ 451 due to null values.

\*. The mean difference is significant: <sup>\*</sup> p< 0.05, <sup>\*\*</sup>p<0.01, <sup>\*\*\*</sup>p<0.001 levels.

+. Tukey reveals that Sig level is a result of null values.

## **Trip-Related Factors – Physical Environment**

For trip-related factors, there was a statistically significant difference at the p< 0.05 level in the physiological construct [physiological- $F(_{2, 395})=4.374$ , p=0.01] for two of the *purpose-oftrip* groups (Table 14). Despite reaching statistical significance the actual difference in mean scores between the groups (leisure=5.96, SD=0.79 vs. personal business=5.48, SD=1.0) was quite small.

		Sum of Squares	df	Mean Square	F	Sig.
PE.Design	Between Groups	1.842	2	.921	1.380	.253
	Within Groups	293.070	439	.668		
	Total	294.912	441			
PE.Physiological	Between Groups	7.098	2	3.549	4.374	.013
	Within Groups	320.488	395	.811		
	Total	327.586	397			
PE.Upkeep	Between Groups	1.733	2	.866	1.022	.361
	Within Groups	372.013	439	.847		
	Total	373.746	441			

Table 14 - Primary Purpose of Trip on Physical Environment

The effect size, calculated using eta squared (sum of square between-groups/total sum of squares), was 0.02. Cohen (1988) classifies 0.14 as a large effect, 0.06 as a moderate effect, and 0.01 as a small effect and, accordingly, the resulting eta squared value would be considered as a small effect. Post-hoc comparisons using Tukey HSD test indicated that the mean score for leisure/vacation (M=5.97, SD=0.79) was significantly different from personal business (M=5.49, SD=0.99). Business/convention (M=5.74, SD=1.10) did not differ significantly from either of the other two groups.

There was also statistical significance at the p < 0.05 level in the physiological and facility upkeep constructs [physiological-F(2, 395)=4.267, p=0.015] and [facility upkeep-F(2, 439)=3.146, *p*=0.04] for two *who paid for accommodation* groups (Table 15).

		Sum of Squares	df	Mean Square	F	Sig.
PE.Design	Between Groups	.544	2	.272	.405	.667
-	Within Groups	294.369	439	.671		
	Total	294.912	441			
PE.Physiological	Between Groups	6.927	2	3.464	4.267	.015
	Within Groups	320.659	395	.812		
	Total	327.586	397			
PE.Upkeep	Between Groups	5.281	2	2.641	3.146	.044
	Within Groups	368.465	439	.839		
	Total	373.746	441			

Table 15 - Who Paid for Accommodations on Physical Environment

Despite reaching statistical significance the actual difference in mean scores between physiological group (personally paid=5.98, SD=0.79 vs. someone else paid=5.76, SD=0.98) and facility upkeep group (personally paid=6.17, SD=0.99 vs. complimentary=5.61, SD=0.85) was quite small. The effect size was 0.021 and 0.014 respectively and is considered a small effect. Post-hoc comparisons using Tukey HSD test indicated that the mean score for the physiological group personally paid (M=5.98, SD=0.79) was significantly different from someone else paid (M=5.76, SD=0.98). The mean score for the facility upkeep group personally paid (M=6.17, SD=0.99) was significantly different from *complimentary* (M=5.61, SD=0.85). The mean score for the physiological group *complimentary* (M=5.47, SD=1.00) and facility upkeep's *someone* else paid did not differ significantly from either of the other two respective groups.

Hotel type category (Table 16) produced statistically significant differences at the p = <0.05 level in the design, physiological, and upkeep constructs [Design-F(2, 439)=25.467, p=0.001], [Physiological-F(2, 395)=8.305, p<0.001], and [Upkeep-F(2, 439)=16.467, p<0.001] for two of the *hotel type* groups. Statistical significance was reached within the design construct and the actual difference in mean scores between the *hotel type* groups (select-service=5.73, SD=0.80 vs. up-scale=6.32, SD=0.77) and (mid-scale=5.79, SD=0.85 vs. up-scale=6.32, SD=0.77) was moderate to large. The effect size, calculated using eta squared, was 0.10 which is considered moderate to large. Post-hoc comparisons using Tukey HSD test indicated that the mean score for select-service (M=5.73, SD=0.80) and mid-scale (M=5.79, SD=0.85) was significantly different from up-scale (M=6.32, SD=0.77). Select-service and mid-scale did not differ significantly from each other.

		Sum of Squares	df	Mean Square	F	Sig.
PE.Design	Between Groups	30.660	2	15.330	25.467	.000
	Within Groups	264.253	439	.602		
	Total	294.912	441			
PE.Physiological	Between Groups	13.220	2	6.610	8.305	.000
	Within Groups	314.366	395	.796		
	Total	327.586	397			
PE.Upkeep	Between Groups	25.963	2	12.982	16.386	.000
	Within Groups	347.783	439	.792		
	Total	373.746	441			

 Table 16 - Hotel Type on Physical Environment

The physiological construct also reached statistical significance in regards to *hotel type*. The actual difference in mean scores between the *hotel type* groups (select-service=5.65, SD=0.76 vs. up-scale=6.11, SD=0.87) and (mid-scale=5.84, SD=0.89 vs. up-scale=6.11, SD=0.87) was small to moderate. The effect size, calculated using eta squared, was 0.04. Post-hoc comparisons using Tukey HSD test indicated that the mean score for select-service (M=5.65, SD=0.76) and mid-scale (M=5.84, SD=0.89) was significantly different from up-scale (M=6.11, SD=0.87). Select-service and mid-scale did not differ significantly from each other. The upkeep construct reached statistical significance as well with the actual difference in mean scores between the *hotel type* groups (select-service=5.84, SD=1.06 vs. up-scale=6.44, SD=0.84) and (mid-scale=6.08, SD=0.93 vs. up-scale=6.44, SD=0.84) was moderate. The effect size, calculated using eta squared, was 0.07. Post-hoc comparisons using Tukey HSD test indicated that the mean score for select-service (M=5.84, SD=1.06) and mid-scale (M=6.08, SD=0.93) was significantly different from up-scale (M=6.44, SD=0.84). Select-service and mid-scale did not differ significantly from each other.

### **<u>Trip-Related Factors – Human Interaction</u>**

Trip-related factors regarding HI constructs also reached statistical significance. *Hotel type* category produced statistically significant differences at the p=<0.05 level in the reliability and guest-to-guest constructs [Reliability-F(<sub>2, 437</sub>)=5.321, p=0.005] and [G2G-F(<sub>2, 397</sub>)=9.604, p<0.001] for two of the *hotel type* groups (Table 17).

		Sum of Squares	df	Mean Square	F	Sig.
HI.Caring	Between Groups	2.567	2	1.284	1.804	.166
	Within Groups	298.201	419	.712		
	Total	300.768	421			
HI. Professionalism	Between Groups	1.960	2	.980	2.061	.129
	Within Groups	206.893	435	.476		
	Total	208.854	437			
HI.Reliability	Between Groups	6.739	2	3.369	5.321	.005
	Within Groups	276.744	437	.633		
	Total	283.483	439			
HI.G2G	Between Groups	17.747	2	8.873	9.604	.000
	Within Groups	366.795	397	.924		
	Total	384.542	399			

 Table 17 - Hotel Type on Human Interaction Constructs

The reliability construct reached statistical significance with the actual difference in mean scores between the *hotel type* groups (select-service=6.04 vs. up-scale=6.34) was small. The

effect size, calculated using eta squared, was 0.02. Post-hoc comparisons using Tukey HSD test indicated that the mean score for select-service (M=6.04, SD=0.087) and was significantly different from up-scale (M=6.34, SD=0.786). Select-service and mid-scale did not differ significantly from each other.

The G2G construct reached statistical significance with the actual difference in mean scores between the *hotel type* groups (select-service=5.64 vs. up-scale=6.17) and (mid-service=5.85 vs. up-scale=6.17) was small to moderate. The effect size, calculated using eta squared, was 0.04. Post-hoc comparisons using Tukey HSD test indicated that the mean score for select-service (M=5.64, SD=1.06) and mid-scale (M=5.85, SD=0.916) was significantly different from up-scale (M=6.17, SD=0.914). Select-service and mid-scale did not differ significantly from each other.

## **Individual Characteristics**

Individual characteristics examine general demographics, sensitivity to the environment and personality types. Table 18 examines general demographics and sensitivity to the environment. Within the general demographics category, only *education* reached statistical significance regarding PE constructs. Individual sensitivity to the environment produced statistically significant differences in both PE and HI constructs. Personality differences are reported below (Table 22).

			PE Constru	ucts						HI C	HI Constructs						
Individual Items	Design	SD	Physio	SD	Facility Upkeep	SD	Caring / Atten	SD	Profess	SD	Reliability	SD	G2G	SD	<i>n</i> =	%	
Gender															451		
Male	5.92 ª	0.78	5.84 ª	0.79	6.21 <sup>a</sup>	0.79	6.21 <sup>a</sup>	0.79	6.33 <sup>a</sup>	0.69	6.18 <sup>a</sup>	0.77	5.89 ª	0.94	251	55.7%	
Female	5.98 <sup>a</sup>	0.91	5.91 <sup>a</sup>	0.93	6.07 <sup>a</sup>	1.09	6.09 <sup>a</sup>	0.92	6.30 <sup>a</sup>	0.73	6.18 <sup>a</sup>	0.86	5.89 <sup>a</sup>	0.97	200	44.3%	
F Ratio	0.707		0.653		2.359		2.111		0.175		0.000		0.003				
Sig.*	0.401		0.420		0.125		0.147		0.676		0.984		0.955				
Age															451		
Young Adult (under 30)	5.93 ª	0.91	6.01 <sup>a</sup>	0.96	6.18 ª	1.04	6.17 <sup>a</sup>	0.74	6.36 <sup>a</sup>	0.69	6.22 <sup>a</sup>	0.83	6.03 <sup>a</sup>	1.07	76	16.9%	
Middle Adult (31-60)	5.99 ª	0.86	5.98 ª	0.87	6.11 <sup>a</sup>	0.96	6.10 <sup>a</sup>	0.88	6.32 <sup>a</sup>	0.72	6.15 <sup>a</sup>	0.84	5.91 ª	0.91	344	76.3%	
Older Adult (61 or older)	6.19 ª	0.54	5.97 ª	0.71	6.19 ª	0.91	6.35 ª	0.95	6.52 ª	0.68	6.42 ª	0.56	5.87 ª	1.15	31	6.9%	
F Ratio	1.026		0.059		0.234		1.358		1.110		1.642		0.501				
Sig.*	0.359		0.943		0.792		0.258		0.330		0.195		0.606				
Marital Status															451		
Not Married	5.98 ª	0.86	5.98 <sup>a</sup>	0.88	6.14 ª	0.97	6.17 <sup>a</sup>	0.77	6.36 <sup>a</sup>	0.71	6.13 <sup>a</sup>	0.89	5.91 <sup>a</sup>	1.01	132	29.3%	
Married	6.00 <sup>a</sup>	0.86	5.98 <sup>a</sup>	0.87	6.13 ª	0.97	6.11 <sup>a</sup>	0.90	6.33 <sup>a</sup>	0.71	6.20 <sup>a</sup>	0.79	5.94 <sup>a</sup>	0.93	319	70.7%	
F Ratio	0.043		0.002		0.034		0.361		0.104		0.779		0.081			-	
Sig.*	0.837		0.968		0.854		0.548		0.747		0.378		0.775				
Education #															446		
DNF High School	6.20 ª	0.64	6.36 ab	0.64	6.44 <sup>a</sup>	0.52	6.13 <sup>a</sup>	0.74	6.40 ª	0.52	6.20 ª	0.94	6.16 ª	0.88	15	3.3%	
HS Graduate	6.07 <sup>a</sup>	0.85	6.12 <sup>a</sup>	0.77	6.26 ª	1.05	6.25 <sup>a</sup>	0.80	6.45 <sup>a</sup>	0.64	6.31 <sup>a</sup>	0.76	6.02 <sup>a</sup>	0.96	88	19.5%	
JC Graduate	6.07 <sup>a</sup>	0.79	6.01 ab	0.71	6.16 ª	0.85	6.25 <sup>a</sup>	0.79	6.27 ª	0.65	6.25 <sup>a</sup>	0.67	6.00 ª	0.80		10.0%	
College Graduate	5.93 ª	0.85	5.76 <sup>b</sup>	0.88	6.08 <sup>a</sup>	1.02	6.08 <sup>a</sup>	0.93	6.28 ª	0.71	6.13 <sup>a</sup>	0.84	5.86 ª	0.93		39.5%	
Master's Degree	5.84 ª	0.90	5.74 ab	0.99	5.99 ª	0.99	6.13 ª	0.87	6.28 ª	0.80	6.17 ª	0.90	5.82 ª	0.93		19.3%	
PhD, MD, etc.	5.81 ª	0.98	5.82 ab	0.91	6.30 ª	0.69	6.15 <sup>a</sup>	0.76	6.34 <sup>a</sup>	0.73	6.12 ª	0.80	5.67 ª	1.34	33		
F Ratio	1.212		2.972		1.327		0.522		0.826		1.010		1.084			1.6%	
Sig.*	0.299		0.012 *		0.244		0.792		0.550		0.418		0.371			1.070	
Income #															423		
Under \$30,000	6.09 ª	0.57	5.96 ª	0.82	6.26 ª	0.69	6.10 ª	0.85	6.29 ª	0.76	6.20 ª	0.70	5.96 ª	0.85	30	6.7%	
\$30,000-\$54,999	5.77 ª	0.98	5.79 <sup>a</sup>	0.89	5.93 ª	1.23	6.14 <sup>a</sup>	0.93	6.29 ª	0.76	6.08 ª	0.95	6.08 ª	0.84		10.2%	
\$55,000-\$74,999	6.13 ª	0.76	5.94 <sup>a</sup>	0.86	6.22 ª	0.86	6.34 <sup>a</sup>	0.71	6.40 <sup>a</sup>	0.60	6.33 ª	0.64	6.15 <sup>a</sup>	0.67		12.2%	
\$75,000-\$99,999	5.95 ª	0.91	5.86 <sup>a</sup>	0.91	6.13 ª	0.91	6.27 ª	0.87	6.40 <sup>a</sup>	0.67	6.30 <sup>a</sup>	0.86	5.89 ª	1.04		13.7%	
\$100,000-\$149,999	5.85 ª	0.83	5.93 ª	0.85	6.14 ª	0.92	6.05 ª	0.85	6.32 <sup>a</sup>	0.66	6.12 ª	0.77	5.78 <sup>a</sup>	0.93		24.4%	
	6.03 ª	0.69	5.82 ª	0.89	6.13 ª	0.94	6.05 ª	0.92	6.25 <sup>a</sup>	0.73	6.13 <sup>a</sup>	0.86	5.75 <sup>a</sup>	0.93		12.4%	
\$150,000-\$199,999	5.99 ª	1.07	5.82 °	0.85	6.16 ª	1.15	6.16 ª	0.92	6.25 ª	0.87	6.20 ª	0.92	6.04 ª	1.03			
Over \$200,000 <i>F Ratio</i>	1.110	1.07	0.216	0.91	0.487	1.15	0.864	0.90	0.423	0.87	0.772	0.92	2.559	1.05	04	14.2%	
F Rano Sig.*	0.355		0.216		0.487		0.884		0.425		0.610		0.014 +			_	
Sensitivity to Hotel Environment	0.555		0.982		0.844		0.555		0.000		0.010		0.014 +		451		
Low Sensitivity	5.17 <sup>a</sup>	1.67	5.92 <sup>ab</sup>	0.89	5.39 <sup>a</sup>	2.26	5.67 <sup>ab</sup>	0.82	6.07 <sup>ab</sup>	0.63	5.50 <sup>a</sup>	1.52	5.41 <sup>ab</sup>	1.22		1.3%	
Moderate Sensitivity	5.77 <sup>ab</sup>		5.72 <sup>a</sup>	0.88	5.98 <sup>a</sup>	0.97	5.99 <sup>a</sup>	0.87	6.23 <sup>a</sup>	0.70	6.09 <sup>a</sup>	0.79	5.67 <sup>a</sup>	0.97		55.4%	
	6.20 <sup>b</sup>	0.71	6.11 <sup>b</sup>	0.83	6.32 b	0.88	6.32 <sup>b</sup>	0.87	6.43 <sup>b</sup>	0.70	6.09	0.81	6.15 b	0.87			
High Sensitivity F Ratio	19.393	0.71	6.11 - 12.516	0.83	6.32 - 9.658	0.68	6.32 - 9.726	0.83	5.250	0.71	6.32	0.81	6.15 15.946	0.87	192	43.2%	
	0.000 **	*	0.000 ***		0.000 **	*	0.000 ***		0.006 **		0.001 **	*	0.000 ***				
Sig.*	0.000		0.000		0.000		0.000		0.000		0.001		0.000			<u> </u>	

# Table 18 - Demographic Difference by PE and HI Constructs

Note: F and siginifcant levels are presented for the initial One-Way ANOVA analysis. Statistical significance differences within individual dimensions for each PE or HI construct based on the Tukey test are indicated by letters a, b, or c. Pairs of means that do not have the same letter are significantly different whereas those pairs of means that have the same superscript are not significantly different.

#.  $n \neq 451$  due to null values.

\*. The mean difference is significant: <sup>\*</sup> p< 0.05, <sup>\*\*</sup>p<0.01, <sup>\*\*\*</sup>p<0.001 levels.

+. Tukey reveals that Sig level is a result of null values.

*Education* category produced statistically significant differences at the p=<0.05 level in the physiological construct groups [Physiological-F(<sub>5, 387</sub>)=2.972, p=0.012].

		Sum of Squares	df	Mean Square	F	Sig.
PE.Design	Between Groups	4.588	5	.918	1.366	.236
	Within Groups	289.395	431	.671		
	Total	293.982	436			
PE.Physiological	Between Groups	12.081	5	2.416	2.972	.012
	Within Groups	314.667	387	.813		
	Total	326.748	392			
PE.Upkeep	Between Groups	5.912	5	1.182	1.393	.226
	Within Groups	365.830	431	.849		
	Total	371.742	436			

Table 19 - Education Level on Physical Environment

The physiological construct reached statistical significance with the actual difference in mean scores between the *education* groups (high-school=6.12, SD=0.77 vs. college grade=5.76, SD=0.88) was small to moderate. The effect size, calculated using eta squared, was 0.04. Posthoc comparisons using Tukey HSD test indicated that the mean score for high-school (M=6.12, SD=0.77) and was significantly different from college grad (M=5.76, SD=0.88). The other *education* categories did not differ significantly from each other.

Sensitivity of the individual (Table 20) category produced statistically significant differences at the p=<0.05 level in the design, physiological, and upkeep constructs [Design-F(<sub>2, 448</sub>)=19.393, p<0.001], [Physiological-F(<sub>2, 448</sub>)=12.516, p<0.001], and [Upkeep-F(<sub>2, 448</sub>)=9.658, p<0.001] for all three of the groups (Table 20).

		Sum of	df	Mean	F	Sig.
		Squares	ui	Square	Г	Sig.
PE.Design	Between Groups	23.901	2	11.951	19.393	.000
	Within Groups	276.073	448	.616		
	Total	299.975	450			
PE.Physiological	Between Groups	16.430	2	8.215	12.516	.000
	Within Groups	294.043	448	.656		
	Total	310.473	450			
PE.Upkeep	Between Groups	15.640	2	7.820	9.658	.000
	Within Groups	362.746	448	.810		
	Total	378.385	450			

Table 20 - Sensitivity of Individual on Physical Environment

Statistical significance was reached within the design construct and the actual difference in mean scores between the *sensitivity* groups and design (low-sensitivity=5.17, SD=1.76 vs. high-sensitivity=6.20, SD=0.71), physiological (low-sensitivity=5.92, SD=0.89 vs. highsensitivity=6.11, SD=0.83), and upkeep (low-sensitivity=5.39, SD=2.26 and moderatesensitivity=5.98, SD=0.97 vs. high-sensitivity=6.32, SD=0.88) ranged from moderate to large and small to moderate. The effect size, calculated using eta squared, was 0.08, 0.05 and 0.04 respectively. Post-hoc comparisons using Tukey HSD test indicated that the mean score in the design construct for low-sensitivity (M=5.17, SD=1.67) was significantly different from highsensitivity (M=6.32, SD=0.71). Moderate-sensitivity did not differ significantly from the other two groups. The mean score in the physiological construct for low-sensitivity (M=5.92, SD=0.89) was significantly different from high-sensitivity (M=6.11, SD=0.83). Moderatesensitivity did not differ significantly from the other two groups. The mean score in the upkeep construct for low-sensitivity (M=5.39, SD=2.26) and moderate-sensitivity (M=5.98, SD=0.97) was significantly different from high-sensitivity (M=6.32, SD=0.88). Moderate-sensitivity did not differ significantly from low-sensitivity.

Sensitivity of the individual category (Table 21) produced statistically significant

differences at the p=<0.05 level in the human interaction constructs of caring/attentiveness, professionalism, reliability and G2G [Caring/attentiveness -F(<sub>2,448</sub>)=9.726, p<0.001], [Professionalism-F(<sub>2,448</sub>)=5.250, p=0.006], [Reliability-F(<sub>2,448</sub>)=6.982, p=0.001], and [G2G-F(<sub>2,448</sub>)=15.946, p<0.001] for all three of the groups.

		Sum of Squares	df	Mean Square	F	Sig.
HI.Caring	Between Groups	13.196	2	6.598	9.726	.000
	Within Groups	303.929	448	.678		
	Total	317.125	450			
HI.Professionalism	Between Groups	4.813	2	2.406	5.250	.006
	Within Groups	205.351	448	.458		
	Total	210.164	450			
HI.Reliability	Between Groups	8.625	2	4.312	6.982	.001
	Within Groups	276.714	448	.618		
	Total	285.338	450			
HI.G2G	Between Groups	27.007	2	13.503	15.946	.000
	Within Groups	379.382	448	.847		
	Total	406.389	450			

Table 21 - Sensitivity of Individual on Human Interaction

Each construct reached statistical significance within the caring/attentiveness construct with the actual difference in mean scores between the *sensitivity* groups and caring/attentiveness (moderate-sensitivity=5.99,SD=0.87 vs. high-sensitivity=6.32 SD=0.83), professionalism (moderate-sensitivity=6.23 SD=0.70 vs. high-sensitivity=6.43 SD=0.71), reliability (low-sensitivity=5.50 SD=1.52 and moderate-sensitivity=6.09 SD=0.79 vs. high-sensitivity=6.32 SD=0.81), and G2G (moderate-sensitivity=5.67 SD=0.97 vs. high-sensitivity=6.15 SD=0.87) ranging from small to moderate. The effect size, calculated using eta squared, was 0.04, 0.02, 0.03 and 0.06 respectively. Post-hoc comparisons using Tukey HSD test indicated that the mean

score in the caring/attentiveness construct for moderate-sensitivity (M=5.99, SD=0.87) was significantly different from high-sensitivity (M=6.32, SD=0.83). Low-sensitivity did not differ significantly from the other two groups. The mean score in the professionalism construct for moderate-sensitivity (M=6.23, SD=0.70) was significantly different from high-sensitivity (M=6.43, SD=0.71). Low-sensitivity did not differ significantly from the other two groups. The mean score in the reliability construct for low-sensitivity (M=5.50, SD=1.52) and moderate-sensitivity (M=6.09, SD=0.79) was significantly different from high-sensitivity (M=6.32, SD=0.81). Moderate-sensitivity did not differ significantly from low-sensitivity. Finally, the mean score in the G2G construct for moderate-sensitivity (M=5.67, SD=0.97) was significantly different from high-sensitivity. (M=6.15, SD=0.87). Low-sensitivity did not differ significantly from differ significantly from high-sensitivity.

## **Personality Difference on PE and HI Constructs**

Personality differences on PE and HI constructs are outlined in Table 22. *Agreeableness* category (Table 23) produced statistically significant differences at the p=<0.05 level [Physiological-F(<sub>2, 444</sub>)=5.629, p=0.004] in the physiological constructs groups. Despite reaching statistical significance within the physiological construct the actual difference in mean scores between the *agreeableness* and physiological (low-score=5.36,SD=0.74 vs. high-score=6.08, SD=0.74) was small.

		PE Constructs					HI Constructs									
Individual Items	Design	SD	Physio	SD	Facility Upkeep	SD	Caring / Atten	SD	Profess	SD	Reliability	SD	G2G	SD	<i>n</i> =	%
Extraversion															447	
a Low-Score	5.78 <sup>a</sup>	0.76	5.72 <sup>a</sup>	0.81	6.11 <sup>a</sup>	1.01	6.00 <sup>a</sup>	0.86	6.28 <sup>a</sup>	0.70	5.89 <sup>a</sup>	0.95	5.64 <sup>a</sup>	1.25	36	8.19
b Modererate-Score	5.99 ª	0.86	6.00 <sup>a</sup>	0.86	6.12 a	0.94	6.11 ª	0.88	6.34 <sup>a</sup>	0.72	6.17 <sup>a</sup>	0.79	5.93 ª	0.92	274	61.3%
c High-Score	6.04 <sup>a</sup>	0.87	6.01 <sup>a</sup>	0.90	6.14 <sup>a</sup>	1.04	6.18 ª	0.84	6.36 <sup>a</sup>	0.69	6.27 <sup>a</sup>	0.83	5.98 <sup>a</sup>	0.94	137	30.6%
F Ratio	1.384		1.689		0.016		0.800		0.182		2.993		1.918			
Sig.	0.252		0.186		0.984		0.450		0.834		0.051		0.148			
Agreeableness															447	
a Low-Score	5.64 <sup>a</sup>	0.63	5.36 <sup>a</sup>	0.74	5.57 <sup>a</sup>	1.09	6.36 <sup>ab</sup>	0.63	6.36 <sup>ab</sup>	0.50	6.00 <sup>at</sup>	0.68	5.50 <sup>a</sup>	1.51	14	3.19
b Modererate-Score	5.99 ª	0.87	5.91 <sup>ab</sup>	0.93	6.12 <sup>a</sup>	0.97	6.00 <sup>a</sup>	0.93	6.24 <sup>a</sup>	0.75	6.07 <sup>a</sup>	0.87	5.86 ª	0.92	209	46.8%
c High-Score	6.02 <sup>a</sup>	0.85	6.08 <sup>b</sup>	0.81	6.17 <sup>a</sup>	0.96	6.22 <sup>b</sup>	0.80	6.42 <sup>b</sup>	0.67	6.28 <sup>b</sup>	0.77	6.00 <sup>a</sup>	0.94	224	50.1%
F Ratio	1.277		5.629		2.512		4.182		3.530		3.899		2.648			
Sig.	0.280		0.004 **		0.082		0.016 *		0.030 *		0.021 *		0.072			
Conscientiousness															447	
a Low-Score	5.53 <sup>a</sup>	0.74	5.60 <sup>ab</sup>	0.74	5.80 <sup>a</sup>	1.32	6.20 <sup>ab</sup>	0.68	6.27 <sup>ab</sup>	0.46	5.87 <sup>at</sup>	0.92	5.53 <sup>a</sup>	<sup>b</sup> 1.46	15	3.4%
b Modererate-Score	5.80 <sup>a</sup>	0.96	5.79 <sup>a</sup>	0.91	6.01 <sup>a</sup>	0.87	5.93 <sup>a</sup>	0.91	6.17 <sup>a</sup>	0.78	5.92 <sup>a</sup>	0.90	5.62 ª	0.95	101	22.6%
c High-Score	6.08 <sup>b</sup>	0.81	6.05 <sup>b</sup>	0.86	6.18 <sup>a</sup>	0.98	6.18 <sup>b</sup>	0.85	6.39 <sup>b</sup>	0.69	6.27 <sup>b</sup>	0.77	5.96 <sup>b</sup>	0.91	331	74.0%
F Ratio	6.380		4.953		2.163		3.347		3.871		8.502		7.191			
Sig.	0.002 **		0.007 **		0.116		0.036 *		0.022 *		0.000 **	18	0.001 *	**		
Emotional stability															447	
a Low-Score	5.50 ª	0.76	5.57 ª	0.65	5.50 °	1.34	6.21 <sup>a</sup>	0.70	6.36 <sup>a</sup>	0.50	5.79 <sup>at</sup>	0.89	5.64 <sup>a</sup>	1.45	14	3.19
b Modererate-Score	5.99 ª	0.89	5.89 ª	0.90	6.11 ab	0.93	6.01 ª	0.90	6.24 <sup>a</sup>	0.74	6.08 <sup>a</sup>	0.86	5.82 ª	0.92	149	33.3%
c High-Score	6.02 <sup>a</sup>	0.84	6.05 <sup>a</sup>	0.85	6.17 <sup>b</sup>	0.96	6.19 <sup>a</sup>	0.84	6.39 <sup>a</sup>	0.69	6.25 <sup>b</sup>	0.79	6.00 <sup>a</sup>	0.94	284	63.5%
F Ratio	2.542		2.910		3.177		2.225		2.219		3.674		2.439			
Sig.	0.080		0.056		0.043 *		0.109		0.110		0.026 *		0.088			
Open-to-experience															444	
a Low-Score	6.23 <sup>a</sup>	0.72	6.18 <sup>a</sup>	0.73	6.26 <sup>a</sup>	0.97	6.17 ª	0.87	6.30 <sup>a</sup>	0.74	6.29 <sup>a</sup>	0.77	6.03 <sup>a</sup>	1.01	73	16.4%
b Modererate-Score	5.92 <sup>b</sup>	0.89	5.94 <sup>a</sup>	0.88	6.07 <sup>a</sup>	1.00	6.07 <sup>a</sup>	0.88	6.28 <sup>a</sup>	0.71	6.13 <sup>a</sup>	0.83	5.81 <sup>a</sup>	0.96	306	68.9%
c High-Score	6.09 <sup>ab</sup>	0.80	5.91 <sup>a</sup>	0.95	6.23 <sup>a</sup>	0.86	6.29 <sup>a</sup>	0.80	6.41 <sup>a</sup>	0.71	6.24 <sup>a</sup>	0.83	5.97 <sup>a</sup>	0.80	65	14.69
F Ratio	4.643		2.474		1.543		1.859		0.746		1.333		1.799			
Sig.	0.010 **		0.085		0.215		0.157		0.475		0.265		0.167			

# Table 22 – Personality Difference by PE and HI Constructs

indicated by letters a, b, or c. Pairs of means that do not have the same letter are significantly different whereas those pairs of means that have the same superscript are not significantly different. \*. The mean difference is significant: \*p<0.05, \*\*p<0.01, \*\*\*p<0.001 levels. The effect size, calculated using eta squared, was 0.02. Post-hoc comparisons using Tukey HSD test indicated that the mean score in the physiological construct for low-score (M=5.36, SD=0.74) was significantly different from high-score (M=6.08, SD=0.81). Moderatesensitivity did not differ significantly from the other two groups.

		Sum of Squares	df	Mean Square	F	Sig.
PE.Design	Between Groups	1.864	2	.932	1.277	.280
	Within Groups	324.100	444	.730		
	Total	325.964	446			
PE.Physiological	Between Groups	8.402	2	4.201	5.629	.004
	Within Groups	331.374	444	.746		
	Total	339.776	446			
PE.Upkeep	Between Groups	4.727	2	2.363	2.512	.082
	Within Groups	417.748	444	.941		
	Total	422.474	446			

Table 23 - Agreeableness on Physical Environment

*Conscientiousness* category (Table 24) produced statistically significant differences at the p = <0.05 level in the design [Design-F(<sub>2, 444</sub>)=6.38, p = 0.002] and physiological [Physiological-F(<sub>2, 444</sub>)=4.053, p = 0.007] constructs though the difference in mean scores was small.

 Table 24 - Conscientiousness on Physical Environment

		Sum of Squares	df	Mean Square	F	Sig.
PE.Design	Between Groups	9.106	2	4.553	6.380	.002
	Within Groups	316.885	444	.714		
	Total	325.991	446			
PE.Physiological	Between Groups	7.416	2	3.708	4.953	.007
	Within Groups	332.361	444	.749		
	Total	339.776	446			
PE.Upkeep	Between Groups	4.064	2	2.032	2.163	.116
	Within Groups	417.148	444	.940		
	Total	421.213	446			

The effect size, calculated using eta squared, was 0.03 and 0.01 respectively. Post-hoc comparisons using Tukey HSD test indicated that the mean score in the design construct for low-score (M=5.53, SD=0.74) and moderate-score (M=5.80, SD 0.96) was significantly different from high-score (M=6.08, SD=0.81). Low and moderate-score did differ statistically. The mean score in the physiological construct for moderate-score (M=5.79, SD=0.91) was significantly different from high-score (M=6.05, SD=0.86). Low-score did not differ significantly from the other two categories.

*Emotional stability* category (Table 25) produced statistically significant differences at the p = <0.05 level in the upkeep construct [Upkeep-F(<sub>2, 444</sub>)=3.177, p = 0.043] though the difference in mean scores was small.

		Sum of Squares	df	Mean Square	F	Sig.
PE.Design	Between Groups	3.690	2	1.845	2.542	.080
U U	Within Groups	322.301	444	.726		
	Total	325.991	446			
PE.Physiological	Between Groups	5.160	2	2.580	3.464	.032
	Within Groups	330.697	444	.745		
	Total	335.857	446			
PE.Upkeep	Between Groups	5.949	2	2.975	3.177	.043
	Within Groups	415.782	444	.936		
	Total	421.732	446			

Table 25 - Emotional Stability on Physical Environment

The effect size, calculated using eta squared, was 0.01. Post-hoc comparisons using Tukey HSD test indicated that the mean score in the upkeep construct for the high-score (M=6.17, SD 0.96) was significantly different from low-score (M=5.50, SD=1.34). Moderatescore did not significantly differ from low and high scores. *Open-to-experience* category (Table 26) produced statistically significant differences at the p = <0.05 level in the design construct group [Design-F(<sub>2, 441</sub>)=4.643, p = 0.010] thought the difference in mean scores was small.

		Sum of Squares	df	Mean Square	F	Sig.
PE.Design	Between Groups	6.702	2	3.351	4.643	.010
	Within Groups	318.278	441	.722		
	Total	324.980	443			
PE.Physiological	Between Groups	3.724	2	1.862	2.474	.085
	Within Groups	331.951	441	.753		
	Total	335.676	443			
PE.Upkeep	Between Groups	2.925	2	1.463	1.543	.215
	Within Groups	418.012	441	.948		
	Total	420.937	443			

 Table 26 - Openness-to-Experience on Physical Environment

The effect size, calculated using eta squared, was 0.02. Post-hoc comparisons using Tukey HSD test indicated that the mean score in the design construct for low-score (M=6.23, SD=0.72) was significantly different from moderate-score (M=5.92, SD 0.89). High and moderate-and high and low scores did not differ significantly.

In regards to human interaction constructs, *agreeableness* category (Table 27) produced statistically significant differences at the p=<0.05 level (Table 27) in the caring/attentiveness, professionalism, and reliability construct group [Caring/Attentiveness-F(<sub>2, 444</sub>)=4.182, p=0.016], [Professionalism-F(<sub>2, 444</sub>)=3.430, p=0.030] and [Reliability-F(<sub>2, 444</sub>)=3.899, p=0.021] though the difference in mean scores was relatively small.

		Sum of Squares	df	Mean Square	F	Sig.
HI.Caring	Between Groups	6.179	2	3.090	4.182	.016
	Within Groups	328.054	444	.739		
	Total	334.233	446			
HI. Professionalism	Between Groups	3.527	2	1.764	3.530	.030
	Within Groups	221.806	444	.500		
	Total	225.333	446			
HI.Reliability	Between Groups	5.185	2	2.592	3.899	.021
	Within Groups	295.205	444	.665		
	Total	300.389	446			
HI.G2G	Between Groups	4.788	2	2.394	2.648	.072
	Within Groups	401.472	444	.904		
	Total	406.260	446			

Table 27 - Agreeableness on Human Interaction

The effect size, calculated using eta squared, was 0.01, 0.02 and 0.01 respectively. Posthoc comparisons using Tukey HSD test indicated that the mean score in the caring/attentiveness construct for moderate-score (M=6.00, SD=0.93) was significantly different from high-score (M=6.22, SD 0.80). Low-score did not differ significantly from the other two categories.

The mean score in the professionalism construct for moderate-score (M=6.24, SD=0.75) was significantly different from high-score (M=6.42, SD 0.67). Low-score did not differ significantly from the other two categories. The mean score in the reliability construct for moderate-score (M=6.07, SD=0.87) was significantly different from high-score (M=6.28, SD=0.77). Low-score did not differ significantly differ from the other two categories.

*Conscientiousness* category (Table 28) produced statistically significant differences at the p=<0.05 level (Table 29) in all four HI constructs [Attentiveness-F(<sub>2, 444</sub>)=3.347, p=0.036], [Professionalism-F(<sub>2, 444</sub>)=3.871, p=0.022], [Reliability-F(<sub>2, 444</sub>)=8.502, p<0.001], and [G2G-F(<sub>2, 444</sub>)=7.191, p=0.001] though the difference in mean scores was small in all categories.

		Sum of Squares	df	Mean Square	F	Sig.
HI.Caring	Between Groups	4.946	2	2.473	3.347	.036
	Within Groups	328.039	444	.739		
	Total	332.984	446			
HI. Professionalism	Between Groups	3.867	2	1.934	3.871	.022
	Within Groups	221.797	444	.500		
	Total	225.664	446			
HI.Reliability	Between Groups	11.054	2	5.527	8.502	.000
	Within Groups	288.628	444	.650		
	Total	299.682	446			
HI.G2G	Between Groups	12.666	2	6.333	7.191	.001
	Within Groups	391.043	444	.881		
	Total	403.709	446			

Table 28 - Conscientiousness on Human Interaction

The effect size, calculated using eta squared, was 0.02, 0.02, 0.04, and 0.02 respectively. Post-hoc comparisons using Tukey HSD test indicated that the mean score in the caring/attentiveness construct for moderate-score (M=5.03, SD=0.91) was significantly different from high-score (M=6.18, SD 0.85). The mean score in the professionalism construct for moderate-score (M=6.17, SD=0.78) was significantly different from high-score (M=6.39, SD=0.69). The mean score in the reliability construct for moderate-score (M=5.92, SD=0.90) was significantly different from high-score (M=6.27, SD=0.77). The mean score in the G2G construct for moderate-score (M=5.62, SD=0.95) was significantly different from high-score (M=5.96, SD=0.91).Low-scores did not differ significantly from the other two items in all HI constructs.

*Emotional Stability* category (Table 29) produced statistically significant differences at the p=<0.05 level in the reliability construct group [Reliability-F(<sub>2, 444</sub>)=3.674, p=0.026] though the difference in mean scores was small.

		Sum of Squares	df	Mean Square	F	Sig.
HI.Caring	Between Groups	3.272	2	1.636	2.225	.109
	Within Groups	326.460	444	.735		
	Total	329.732	446			
HI.Professionalism	Between Groups	2.181	2	1.090	2.219	.110
	Within Groups	218.132	444	.491		
	Total	220.313	446			
HI.Reliability	Between Groups	4.901	2	2.450	3.674	.026
	Within Groups	296.137	444	.667		
	Total	301.038	446			
HI.G2G	Between Groups	4.388	2	2.194	2.439	.088
	Within Groups	399.322	444	.899		
	Total	403.709	446			

Table 29 - Emotional Stability on Human Interaction

The effect size, calculated using eta squared, was 0.01. Post-hoc comparisons using Tukey HSD test indicated that the mean score in the reliability construct for moderate-score (M=6.08, SD=0.86) was significantly different from high-score (M=6.25, SD 0.79). Low-score did not differ significantly from the other two categories.

#### **Results for Hypothesis Tests**

In the subsequent section the proposed relationships as outlined in the model were examined to verify whether the variables were significantly related as predicted by the research hypotheses. Based on the hotel experience data, Table 42 summarizes the results in comparison to the research hypothesis.

#### **Physical Environment and Human Interaction Constructs**

Hypothesis 1 predicted that perceived physical environment (PE) is a multidimensional construct composed of a variety of multi-sensory items (within design, layout/function, facility upkeep and physiological constructs) that guest's encounter during their hotel stay. Empirical

results supported the premise that the PE construct is a multidimensional construct in a hotel setting. The results for the research hypothesis, as determined through EFA and CFA however, established that the internal items and corresponding constructs were different than originally hypothesized. Based on the emerging structure, the original hypothesis was revised to include design, facility upkeep and physiological constructs and exclude the layout/function construct. The three measurement items that made up the layout/function construct item (#6-good signage and item #8-good layout of hotel) were eliminated due to poor factor loadings, while item #7arrangement of hotel furnishings loaded at an acceptable level on facility upkeep construct. The relationship between the latent construct PE and design ( $F_{1a} = .83$ , t value = 15.83, p<0.05), facility/upkeep ( $\kappa_{1b} = .87$ , t value = 15.90, p<0.05), and physiological ( $\kappa_{1c} = .84$ , t value = 12.34, p<0.05) constructs were nearly identical. Consistent with previous research on the impact of the physical environment (e.g., Bitner, 1992; Turley & Milliman, 2000) these finding show that the total PE of a hotel stay can be decomposed into design, facility upkeep and physiological constructs. Hence, the perceived PE is a multidimensional environment composed of a variety of physical items that guests encounter - hypothesis 1 is supported.

Hypothesis 2 predicted that perceived human interaction (HI) is a multidimensional construct composed of a variety of human-related items (within caring/attentiveness, professionalism, reliability, responsiveness, and guest-to-guest relation constructs) that guest's encounter during their hotel stay. As hypothesized, caring/attentiveness ( $\pi_{2a}$ ), professionalism ( $\pi_{2b}$ ), reliability ( $\pi_{2c}$ ), and guest-to-guest ( $\pi_{2e}$ ) were significant constructs comprising the human interaction latent construct. The responsiveness ( $\pi_{2d}$ ) construct was eliminated due to poor loadings or cross loadings with #18-*prompt service*, #20-*staff tells when service will be* 

*performed*, and #21-staff *provides unexpected service* while #19-*staff always willing to help* loaded satisfactorily on the professionalism construct.

The relationship between caring/attentiveness ( $F_{2a}$  = .91, *t* value = 17.23, p<0.05), professionalism ( $F_{2b}$  = .95, *t* value = 21.11, p<0.05), reliability ( $F_{2c}$  = .83, *t* value = 12.44, p<0.05) and the perceived HI latent construct were nearly identical, while guest-to-guest ( $_{B2e}$  = .65, *t* value = 12.79, p<0.05) on HI was somewhat weaker. Consistent with previous research on the impact of the human interaction on consumer experiences (e.g., Baker et al., 2002; Wakefield & Blodgett, 1999) these findings show that the total HI construct of a hotel stay can be decomposed into caring/attentiveness, professionalism, reliability, and guest-to-guest constructs. Hence, perceived HI is a multidimensional construct composed of a variety of human interaction items that guests encounter - hypothesis 2 is supported.

### Table 30 - Structural Model Estimates

			Estimate <sup>a</sup>	t Value <sup>c</sup>	
ypothesized Relatio	nship	Parameter	F ratio <sup>b</sup>	sig. *	Conclusion
elationshin of the d	imensions of physical environment on physical characteristics				
Hypothesis 1a	Design dimensions $\rightarrow$ physical characteristics	Ћ1 <sub>а</sub>	0.83ª	15.83 <sup>c</sup>	Supported
Hypothesis 1c	Facility Upkeep dimensions → physical characteristics	π1 <sub>c</sub>	0.87 <sup>a</sup>	15.90 <sup>c</sup>	Supported
Hypothesis 1d	Physiological dimensions $\rightarrow$ physical characteristics	Π <sub>d</sub>	0.84 <sup>a</sup>	12.34 <sup>c</sup>	Supported
Trypo theolo 14			0.01	12101	Supported
elationship of the d	imensions of human interaction on human interaction				
Hypothesis 2a	Caring/attentiveness → human interaction	Ћ2 <sub>а</sub>	0.91 <sup>a</sup>	17.23 <sup>c</sup>	Supported
Hypothesis 2b	Professionalism → human interaction	Ћ2 <sub>b</sub>	0.95 <sup>a</sup>	21.11 <sup>c</sup>	Supported
Hypothesis 2c	Reliability → human interaction	Τ <sub>c</sub>	0.83 <sup>a</sup>	12.44 <sup>c</sup>	Supported
Hypothesis 2e	$G2G \rightarrow$ human interaction	Ћ2 <sub>е</sub>	0.65ª	12.79 <sup>c</sup>	Supported
		··e			
elationship of the d	imensions of trip-related factors on hotel stay experience				
Hypothesis 3a1	Purpose of Trip $\rightarrow$ physical characteristics	ЋЗ <sub>а1</sub>	0.542 <sup>b</sup>	0.582*	Not Supported
Hypothesis 3a2	Purpose of Trip $\rightarrow$ human interaction	ЋЗ <sub>а2</sub>	0.464 <sup>b</sup>	0.629*	Not Supported
Hypothesis 3b1	Type of Hotel $\rightarrow$ physical characteristics	Ћ3 <sub>b1</sub>	17.585 <sup>b</sup>	0.000*	Supported
Hypothesis 3b2	Type of Hotel → human interaction	Ћ3 <sub>b2</sub>	5.972 <sup>b</sup>	0.003*	Supported
Hypothesis 3c1	# of People in Travel Party → physical characteristics	Ћ3 <sub>с1</sub>	.792 <sup>b</sup>	0.374*	Not Supported
Hypothesis 3c2	# of People in Travel Party $\rightarrow$ human interaction	ЋЗ <sub>с2</sub>	1.137 <sup>b</sup>	0.287*	Not Supported
Hypothesis 3d1	Who Paid for Accommodations $\rightarrow$ physical characteristics	Ћ3 <sub>d1</sub>	2.71 <sup>b</sup>	0.068*	Partially Supporte
Hypothesis 3d2	Who Paid for Accommodations $\rightarrow$ human interaction	Т.З <sub>d2</sub>	0.031 <sup>b</sup>	0.969*	Not Supported
.,,					
elationship of the d	emographic factors on hotel stay experience				
Hypothesis 4a1	Age $\rightarrow$ physical characteristics	Ћ4 <sub>а1</sub>	0.422 <sup>b</sup>	0.656*	Not Supported
Hypothesis 4a2	Age $\rightarrow$ human interaction	Ћ4а2	1.183 <sup>b</sup>	0.307*	Not Supported
Hypothesis 4b1	Gender $\rightarrow$ physical characteristics	Ћ4 <sub>b1</sub>	0.001 <sup>b</sup>	0.979*	Not Supported
Hypothesis 4b2	Gender → human interaction	Ћ4 <sub>b2</sub>	0.243 <sup>b</sup>	0.622*	Not Supported
Hypothesis 4c1	Marital Status → physical characteristics	Б4 <sub>с1</sub>	0.056 <sup>b</sup>	0.814*	Not Supported
Hypothesis 4c2	Marital Status → human interaction	Ћ4 <sub>с2</sub>	0.165 <sup>b</sup>	0.685*	Not Supported
Hypothesis 4d1	Income $\rightarrow$ physical characteristics	Ћ4 <sub>d1</sub>	0.510 <sup>b</sup>	0.801*	Not Supported
Hypothesis 4d2	Income $\rightarrow$ human interaction	Ћ4 <sub>d2</sub>	0.866 <sup>b</sup>	0.520*	Not Supported
Hypothesis 4d2	Education $\rightarrow$ physical characteristics	Б4 <sub>е1</sub>	2.599 <sup>b</sup>	0.025*	Supported
			0.917 <sup>b</sup>	0.469*	
Hypothesis 4e2	Education → human interaction	Ћ4 <sub>е2</sub>	15.427 <sup>b</sup>	0.409	Not Supported
Hypothesis 4f1	Sensitivity $\rightarrow$ physical characteristics	Ћ4 <sub>f1</sub>	15.427 12.325 <sup>b</sup>		Supported
Hypothesis 4f2	Sensitivity $\rightarrow$ human interaction	Ћ4 <sub>f2</sub>	12.325	0.000*	Supported
elationship of the s	ensitivity on hotel stay experience				
Hypothesis 5a1	Extroversion $\rightarrow$ physical characteristics	Ћ5 <sub>а1</sub>	1.266 <sup>b</sup>	0.283*	Not Supported
Hypothesis 5a2	Extroversion → human interaction	Ћ5а2	2.047 <sup>b</sup>	0.130*	Not Supported
Hypothesis 5b1	Agreeableness $\rightarrow$ physical characteristics	П5 <sub>а2</sub>	3.866 <sup>b</sup>	0.022*	Supported
Hypothesis 5b2	Agreeableness → human interaction		4.412 <sup>b</sup>	0.013*	Supported
		Τ5 <sub>b2</sub>	6.088 <sup>b</sup>	0.002*	
Hypothesis 5c1	Conscientiousness → physical characteristics	Τ.5 <sub>c1</sub>		0.002	Supported
Hypothesis 5c2	Conscientiousness → human interaction	Τ.5 <sub>c2</sub>	7.882 <sup>b</sup>		Supported
Hypothesis 5d1	Emotional Stability → physical characteristics	Ћ5 <sub>d1</sub>	4.298 <sup>b</sup>	0.014	Supported
Hypothesis 5d2	Emotional Stability $\rightarrow$ human interaction	Ћ5 <sub>d2</sub>	3.842 <sup>b</sup>	0.022*	Supported
Hypothesis 5e1	Openness to Experiences $\rightarrow$ physical characteristics	Ћ5 <sub>е1</sub>	2.725 <sup>b</sup>	0.067*	Not Supported
Hypothesis 5e2	Openness to Experiences $\rightarrow$ human interaction	Ћ5 <sub>е2</sub>	2.363 <sup>b</sup>	0.095	Not Supported
	otel experiences on emotive values		0 = 43	0.005	
Hypothesis 6a	Physical environment $\rightarrow$ emotive values (+) <sup>d</sup>	Ћ6а	0.54 <sup>a</sup>	8.90 <sup>c</sup>	Supported
Hypothesis 6b	Human interaction $\rightarrow$ emotive values (+)	Ћбь	0.30 <sup>a</sup>	5.96 <sup>c</sup>	Supported
alationship of the h	atal experiences on cognitive values				
Hypothesis 7a	otel experiences on cognitive values Physical environment → cognitive values (+)	τ7	0.37 <sup>a</sup>	5.74 <sup>c</sup>	Supported
		Ћ7 <sub>а</sub>	0.37 0.20 <sup>a</sup>	3.29 <sup>c</sup>	
Hypothesis 7b	Human interaction $\rightarrow$ cognitive values (+)	Ћ7 <sub>b</sub>	0.20	5.29	Supported
elationship of the h	otel experiences on social/self-concept values				
Hypothesis 8a	Physical environment $\rightarrow$ social values (+)	Ћ8 <sub>а</sub>	0.68 <sup>ª</sup>	10.41 <sup>c</sup>	Supported
Hypothesis 8b	Human interaction $\rightarrow$ social values (+)	Πδ <sub>a</sub> Τδ <sub>b</sub>	0.06 <sup>a</sup>	1.02 <sup>c</sup>	Not Supported
Typothesis ob		nob	0.00	1.02	Not Supported
a. Completely stan	dardized estimates - Confirmatory Factor Analysis			1	
	ficant level are presented for the initial One–Way ANOVA analysis.	ratio and significar	nce is based o	n Total PE or T	otal HI.
	the statistical significance of the factor loading with .05 alpha level				
. Hypothesized dir					
Values are statis	tical significant at the 0.05 level.				

#### Hotel Experiences on Perceived Values

Hypothesis 6a and 6b predicted that customer perceptions of physical environment and human interaction latent constructs will be positively related to emotive values. Empirical support was found for the relationship of the PE and HI latent constructs on emotive values. As mentioned previously, through EFA and CFA it was determined that two factors emerged from the emotive measurement items – emotive and social/self-concept. Three items were loaded to the newly formed social/self-concept construct (i.e., pampered, sophisticated and hip and cool) while the remaining items were retained for the emotive construct.

PE ( $F_{6a} = .54$ , *t* value = 8.90, p<0.05) and HI ( $F_{6b} = .30$ , *t* value = 5.96, p<0.05) were positively related to emotive values though HI was somewhat weaker than its PE counterpart. Thus, positive PE and HI latent constructs have a positive emotive consequence supporting both 6a and 6b hypotheses.

Hypothesis 7a and 7b predicted that customer perceptions of physical environment and human interaction latent constructs will be positively related to cognitive values. Empirical support was found for the relationship of the PE and HI latent constructs on cognitive values. There was a statistically significant relationship between PE ( $\kappa_{7a} = .37$ , *t* value = 5.74, p<0.05) and HI ( $\kappa_{7b} = .20$ , *t* value = 3.29, p<0.05) on cognitive values. PE appears to be somewhat stronger than its HI counterpart. Thus, positive PE and HI latent constructs have a positive cognitive consequence supporting both 7a and 7b hypotheses.

Hypothesis 8a and 8b predicted that customer perceptions of physical environment and human interaction latent constructs will be positively related to social/self-concept values. Empirical support was found for the relationship of the PE latent construct on social/self-concept values. There was a statistically significant relationship between PE ( $\kappa_{8a} = .68$ , *t* value = 10.41, p<0.05) and social/self-concept values. However, the relationship of HI construct on social/self-concept was weak and insignificant ( $\kappa_{8b} = .06$ , *t* value = 1.02, p>0.05). Thus, the PE construct has a positive effect on social/self-concept consequently supporting hypothesis 8a, while HI does not statistically support positive social/self-concept values hypothesis 8b.

#### **Trip-Related Factors on Physical Environment and Human Interaction**

Hypotheses  $3a_1-3d_2$  predicted that *purpose of trip*, *type of hotel*, *number of travel companions*, and *who paid for accommodations* would affect how consumers perceive their physical environment and human interaction latent constructs. Within *purpose of trip*, leisure/vacation and personal business grouping had statistically significant relationships with PE-physiological construct [F(<sub>2,395</sub>)=4.374, *p*=0.01]. The business/convention grouping was not significant with any of the PE constructs. Purpose of trip items found no statistical significant relationships within the HI constructs. In general, *purpose of trip* mean scores tended to be larger, albeit not statistically significant, for leisure/vacation than for business/convention or personal business. Hence, one could argue that consumers on leisure/vacation or personal business are more affected by the physical environment and human interaction than by business/convention or personal business travelers. Accordingly, hypothesis  $3a_1$  and  $3a_2$  are not supported.

The *type of hotel* items had statistically significant relationships with all PE constructs [Design-F( $_{2, 439}$ )=25.467, p<0.001], [Physiological-F( $_{2, 395}$ )=8.305, p<0.001], and [Upkeep-F( $_{2, 439}$ )=16.386, p<0.001] and two of the HI constructs [Reliability-F( $_{2, 437}$ )=5.321, p=0.005] and [G2G-F( $_{2, 397}$ )=8.873, p<0.001]. The HI constructs of caring/attentiveness and professionalism

were not statistically significant. In particular, there is a statistically significant difference in the way PE and HI constructs are perceived depending on the hotel type. In general, *type of hotel* mean scores tended to be larger and statistically significant for the upscale/luxury segment than for both the select-service and mid-scale segments. Therefore, hypothesis 3b<sub>1</sub> and 3b<sub>2</sub> are supported.

The *number of people in travel party* had no statistically significant relationships with any PE constructs or HI constructs. In general, *number of people in travel party* mean scores tended to be larger, albeit not statistically significant, for people who traveled alone than for people who traveled with companions. Therefore, hypotheses  $3c_1$  and  $3c_2$  are not supported.

Who paid for travel accommodations had statistically significant relationships with two PE constructs [physiological- $F(_{2, 395})=4.267$ , p=0.015] and [facility upkeep- $F(_{2, 439})=3.146$ , p=0.04] and found no significant relationships within the HI constructs. The relationship between PE-physiological and facility upkeep constructs and *who paid for accommodations* was more positive for a people who personally paid for their accommodation than those whose bill was paid for by someone else or was received complimentary. In other words, *who paid for travel accommodations* mean scores tended to be larger for people who traveled alone than for people who traveled with companions, albeit this relationship is not statistically significant. This outcome partially supports hypothesis  $3d_1$  while  $3d_2$  is unsupported.

#### **Individual Characteristics on Physical Environment and Human Interaction**

**Demographics on Physical Environment and Human Interaction** 

Hypotheses  $4a_1-4f_2$  predicted that demographic characteristics involving age, gender, marital status, income, education, and sensitivity would affect how consumers perceive their physical environment and human interaction experiences. Within *age, gender marital status and income* items, there were no statistically significant relationships with PE or HI constructs.

*Education level* had statistically significant relationships with one PE construct [Physiological- $F(_{5, 387})=2.972$ , p=0.012] and found no significant relationships within the HI constructs. The relationship between *education level* and PE-physiological construct was more positive for high-school graduates than with college graduates. Generally speaking, *education level* mean scores tended to be larger for less educated individuals than for more educated individuals, however, only the PE construct found this relationship statistically significant. This outcome supports hypothesis  $4e_1$  while  $4e_2$  is unsupported.

Sensitivity had statistically significant relationships with all PE constructs [Design-F( $_{2,448}$ )=19.393, p < 0.001], [Physiological-F( $_{2,448}$ )=12.516, p < 0.001], and [Upkeep-F( $_{2,448}$ )=9.658, p < 0.001] and all HI constructs [Caring/attentiveness -F( $_{2,448}$ )=9.726, p < 0.001], [Professionalism-F( $_{2,448}$ )=5.250, p=0.006], [Reliability-F( $_{2,448}$ )=6.982, p=0.001], and [G2G-F( $_{2,448}$ )=15.946, p < 0.001]. The statistically significant relationships between *sensitivity* and the PE-design, physiological, upkeep and education level constructs were more positive for self-reported more-sensitive individuals than less-sensitive individuals. Similarly, the relationships between *sensitivity* and HI-caring/attentiveness, professionalism, reliability and G2G constructs were more positive for self-reported more-sensitive individual than less-sensitive individuals. The mean scores for *sensitivity* to the hotel environment tended to be larger for the individuals who reported themselves more highly sensitive than those who reported themselves as less sensitive. This outcome fully supports hypothesis 4f<sub>1</sub> and 4f<sub>2</sub>.

#### Personality on Physical Environment and Human Interaction

Hypotheses  $5a_1-5e_2$  predicted that five differing personality types involving *extraversion*, *agreeableness*, *conscientiousness*, *emotional stability* and *open-to-experience* would affect how consumers perceive their physical environment and human interaction experiences. *Extraversion* item found no statistical significance with either PE or HI constructs. Hypothesis  $5a_2$  and  $5a_1$  are unsupported.

The *Agreeableness* item found statistical significance with one PE construct [Physiological-F( $_{5,444}$ )=3.474, p=0.032] and three HI constructs [Caring/attentiveness -F( $_{2,444}$ )=4.182, p=.025], [Professionalism-F( $_{2,444}$ )=3.718, p=.025] and [Reliability-F( $_{2,444}$ )=3.170, p=.043]. The statistically significant relationships between *agreeableness* and the PEphysiological and agreeableness constructs were more positive for individuals with high-scores than with individuals with low-scores. HI- caring/attentiveness, professionalism, reliability and agreeableness constructs were also more positive for individuals with high-scores than with individuals with low-scores. This outcome fully supports hypothesis 5b<sub>1</sub> and 5b<sub>2</sub>.

*Conscientiousness* was determined to be statistical significance with PE [Design-F(2, 444)=6.910, p=.001] and [Physiological-F(2, 444)=3.280, p=.039] and HI constructs [Attentiveness-F(2, 444)=3.926, p=.020], [Professionalism-F(2, 444)=4.214, p=.015], [Reliability-F(2, 444)=8.463, p=.000], and [G2G-F(2, 444)=6.066, p=.003]. The statistically significant relationships between *conscientiousness* and the PE-design and physiological constructs were more positive for individuals with high-scores than with individuals with low to moderatescores. HI-attentiveness, professionalism, reliability, and G2G and agreeableness constructs were also more positive for individuals with high-scores than with individuals with moderatescores. This outcome fully supports hypothesis 5c<sub>1</sub> and hypothesis 5c<sub>2</sub>. *Emotional stability* had statistical significance with one PE construct [Upkeep-F(2, 2)]

 $_{444}$ )=3.355, *p*=.036] and one HI construct [Reliability-F(<sub>2, 444</sub>)=3.170, *p*=.043]. The statistically significant relationships between PE-upkeep and agreeableness constructs were more positive for individuals with moderate to high-scores than with individuals with low-scores. HI- reliability and agreeableness constructs was also more positive for individuals with high-scores than with individuals with high-scores than with individuals with moderate scores. This outcome partially supports hypothesis 5d<sub>1</sub> and 5d<sub>2</sub>.

*Open-to-experience* had statistical significance with only one PE [Design-F( $_{2, 441}$ )=4.643, p=.010] construct and no HI constructs. The relationship between open-to-experience and PE-design constructs was more positive for individuals with low-scores than with individuals with moderate-scores. This outcome partially support hypothesis 5e<sub>1</sub> (total PE was not statistically significant) and provides no support for 5e<sub>2</sub>.

#### **Summary**

This chapter has presented the results of several analyses to determine the effects of latent independent variables on PE and HI constructs as well as determine what effects trip-related factors and individual characteristics had on PE and HI constructs. Additionally, analysis was taken on the resulting effects of the PE and HI constructs on perceived values.

Significant differences were found in respondents' perceptions of what constitutes the physical environment and human interaction in the hotel environment. Through EFA and CFA a new model emerged (Figure 6) representing items respondents recognized which impacted their hotel stay experience. Statistically significance differences were also found in trip-related factors and individual characteristics. Though respondent demographic data showed little significance, trip-related, sensitivity to hotel environment, and personality types showed various statistically significant relationships and supported a number of hypotheses.

Finally, it was predicted that PE and HI constructs would be statistically significant predictors of perceived values. It was found that both PE and HI had statistically significant effects on all three perceived values. As such the null hypotheses of PE and HI construct effects cannot be rejected.

Conclusions, implications, future research directions and managerial implications are described in the following chapter.

#### **CHAPTER FIVE: SUMMARY AND CONCLUSIONS**

The primary aim of this research was to investigate the concept of consumer experience and its role in influencing hotel guests' perceived values. A theoretical model and intercept survey was develop from an extensive literature review. Based on this research, hypotheses were developed and investigated in order to determine the affect of PE and HI items have on consumer hotel experiences. This chapter summarizes the methods and results, draws conclusions, provides suggestions for future research and recognizes limitations.

#### **Objectives**

The objectives of this study were threefold. The primary objective was to determine which specific items comprised the PE and HI constructs. In other words, which physical and human items do hotel guests recognize as affecting their hotel stay experience.

A second objective, knowing all humans and consumption situations differ, was to examine what trip-related factors and individual characteristics impact the perceived PE and HI constructs. While this topic is investigated at length in other settings, little research has focused on this in a hotel setting.

The final objective was to investigate the phenomenon of consumer experiences on perceived values in a hotel setting. A model was developed based on the literature which proposed that hotel-based experiences were comprised of physical environment and human interactions which in turn affected consumer's perceived values.

#### **Summary of Methods and Results**

A standardized questionnaire was developed and distributed to the sampling frame through a filed intercept methodology to capture data regarding respondents' hotel stay experiences. The questionnaire was designed and pre-tested for use to capture information about the physical environment, human interaction, perceived values, trip-related factors, and individual characteristics including demographic and psychographic information. The main study was conducted over a six-week period where four hundred sixty-two hotel guests were recruited from three distinct Orlando, FL hotel market segments to participate in the study. Four hundred fifty-one usable questionnaires were used for data input and analysis. Physical environment, human interaction and perceived values were measured utilizing a 7-item Likert scale.

#### **PE and HI Constructs**

Though nine variables were originally hypothesized, seven first-order latent independent variables emerged statistically significant which comprised the PE and HI constructs. Respondents reported that the design, facility upkeep and physiological aspects of the physical environment impacted their hotel experience. As expected, the physical environment items had a significant and positive impact on hotel guests overall hotel experience. This is consistent with Bitner's (1992) model indicating that the physical environment and its surroundings can have a positive impact on customers and employees. Similarly, human interaction items had a significant and positive impact on hotel guests overall hotel experience. Respondents reported that staff attentiveness, professionalism, reliability, and guest-to-guest relations impacted their hotel experience. This is also supported in the literature by researchers who found that positive

human interactions are more apt to have a positive impact on customers and their satisfaction (e.g., Baker et al., 2002; Wakefield & Blodgett, 1999). Though other components may exist, a contribution of this study is the identification of specific PE and HI items of a hotel environment that contributed to guest's perceived experience. In a hotel setting for example, respondents found that an attractive architectural design, suitably arranged interior furnishings of quality materials, pleasant noise levels and indoor air temperature all impacted their physical environment experiences. Likewise, influential human interaction items included employee behavior such as sincerity, individual attention, friendliness, respect and privacy. Whereas, guest-to-guest experiences of proper behavior, respect and privacy impacted human interaction experiences.

#### **Perceived Value Constructs**

Two variables were initially hypothesized to constitute perceived values. However, three latent dependent variables emerged statistically significant from the study. The analysis found that that emotive, social/self-concept and cognitive values were statistically affected due to their hotel stay experience. This finding is consistent with previous researchers who found that consumer experiences impacted a number of values that include both utilitarian and intrinsic aspects (e.g., Hirschman & Holbrook, 1982; Sheth et al., 1991; Sweeney & Soutar, 2001). This may be impart due to the type of product or service being considered (Sweeney & Soutar, 2001).

Based on EFA, a third factor emerged comprised of pampering, sophistication, and hip and cool. This factor was aptly named the "social/self-concept" factor based on the research by Sheth et al. (1991). They defined this value concept as the utility that is derived from association with positively or negatively stereotyped items or groups. For instance, a particular make of automobile (e.g., BMW) may be chosen for the social value or image evoked rather than the 143 practical function. Based on the items that emerged from EFA, it is reasonable to expect that consumers in a hotel setting derive utility by being associated with a property that provides pampering, sophistication and hip and cool experiences. Consequently, all three constructs were shown to be statistically significant and contributed to our understanding of hotel guests' perceived values.

#### **Trip-Related Factors**

As hypothesized, trip-related factors, in this case purpose of trip, type of hotel, number of travel companions, and who paid for accommodations, were shown to have a statistically significant affect on perceived PE and HI constructs. These findings are consistent with previous research who found that situational or trip-related factors exert an influence on consumer behavior (e.g., Belk, 1975; Crompton & Kim, 2004; Evanschitzky & Wunderlich, 2006; Iwasaki & Mannell, 1999). However, these types of studies focused on situational factors and their affects on consumer motivation, behavior or loyalty. This study's contribution focuses on the relationship between trip-related factors and physical environment and human interaction. In other words, this study examined how trip-related factors affected how hotel guests perceived PE and HI constructs. Accordingly, these findings suggest that differences in trip-related factors may determine how PE and HI constructs are perceived and consequently alter hotel guest's stay experiences.

#### **Individual Characteristics**

Similar to trip-related factors, individual characteristics, such as demographics, sensitivity to hotel environment and personality differences, were found to have a statistically significant affect on perceived PE and HI constructs. Previous research on individual characteristics demonstrated that differences between how individuals interpret and respond to cues in the environment may be affected by demographic or psychographic characteristics (e.g., Bitner, 1992; Ryan, 2002). A contribution of this study is the finding of statistically significant differences between demographic and psychographic characteristics and perceived PE and HI constructs. In other words, differences in personality and sensitivity to the environment among individuals were found to affect consumer's perceptions of the perceived physical and human interaction constructs differently.

#### PE and HI Constructs on Perceived Values

The findings of this study support the positive relationship between PE and HI constructs and perceived values (i.e., emotive, social/self-concept, and cognitive). As consumers perceived the physical environment of the hotel there was a positive effect on perceived emotive, social, and cognitive values with the strongest impact on social values and the weakest influence on cognitive values. These findings are consistent with other researchers (e.g., Mehrabian & Russell, 1974; Obermiller & Bitner, 1984; Sheth et al., 1991; Zeithaml, 1988) who found that the service environment can produce emotive- and cognitive-eliciting qualities. A contribution of this study is the addition of social/self-concept in a hotel setting which was the most significant construct of the three. Based on the research by Sheth et al. (1991), it makes sense that the PE constructs weigh most heavily on this construct. It is postulated that hotel guests derive social/self-concept value through positive associations with facilities whose physical environment enhance their social/self-concept value.

Alternatively, hotel guests perceive human interaction characteristics of the hotel staff and fellow guests as a positive influence with the strongest impact on emotive values and the weakest influence on social/self-concept. Other researchers concur with these findings, indicating that positive and meaningful human service encounters played a significant role in customer's positive roles and satisfaction (Bitner, 1990; Mattila et al., 2003; Price et al., 1995). This study's contribution indicated how little HI played in the social/self-concept value and how strongly HI played in the emotive values in a hotel setting. Hence, consumer's perception of the physical environment and human interaction appears to influence his or her perceived values about the product or service.

Similarly, respondents derived positive cognitive values by experiencing both PE and HI items that resulted in a positive, reasonably priced, good valued service experience environment. This is similar to other researchers who found that positive experiences can influence cognitive values (e.g., Oh et al., 2007). A contribution of this study demonstrated how the PE carried slightly more influence on cognitive values than did its HI construct counterpart. In other words, respondents were found to perceive that they received more value for their money from the physical environment than from the human interaction dimension.

#### **Conceptual Support for the Findings**

As examined thoroughly in chapter two, related research on physical surroundings and human interaction (e.g., Bitner, 1990, 1992; Mattila et al., 2003; Mehrabian & Russell, 1974; Obermiller & Bitner, 1984; Price et al., 1995; Zeithaml, 1988) provides a conceptual basis for the findings as presented in this study. The four interrelated consumer behavior theories that helped frame this research study, inference theory, the schema theory, the theory of affordances, and servicescapes theory, imply that consumers pay attention to the physical environment and human dimensions as they evaluate experience-rich environments. The cues provide reliable information to consumers about product- and service-related attributes and are particularly relevant in the hotel setting. In line with this research, this study found that the physical environment and human encounters during a hotel stay positively influenced perceived values. However, both situational or trip-related factors and individual characteristics (e.g., Belk, 1975; Bitner, 1992; Crompton & Kim, 2004; Evanschitzky & Wunderlich, 2006; Iwasaki & Mannell, 1999; Ryan, 2002) influenced perceived PE and HI constructs. For example, a luxury hotel guest on a leisure/vacation (i.e., trip-related factors) stay will perceive the physical environment more positively than the select-service business guest.

#### **Implications and Future Research Directions**

#### **Managerial Implications**

It is becoming increasingly difficult for hotel managers to differentiate their hotels based solely on the traditional hotel assets such bedding, furniture, and cleanliness or generic service levels. Hotel managers can offer a unique environment or atmosphere and distinctive human encounters that influence guest hotel stay experiences. However, many organizations are moving into the experience business without a comprehensive positioning strategy for consumer experiences or tactical goals of knowing which experience dimensions to emphasize. It is recommended that organizations carefully consider their positioning strategies before engaging in experiences. For example, in order to avoid incongruencies, hotels should recognize who they are (i.e., luxury resort vs. select-service) and plan their corresponding PE and HI strategies accordingly. In other words, the created hotel experience should match the physical environment and human interaction expectations. Below are a number of tactical considerations for creating hotel experiences based on the hotel experience data from this study.

#### **Physical Environment**

From a physical environment perspective, design proved to be important guest experience by providing an attractive architectural design, incorporate natural surroundings, and provide attractive interior decorations. Providing facility upkeep such as quality materials and maintaining equipment in good working order also enhances guest experiences. Physiologically, guests found that pleasant sound levels including enjoyable music and a pleasant lighting schema was important as well. The data suggests that guests found all aspects of the physical plant linked to positive experiences. The facility upkeep category proved to be slightly more important than the other two constructs. These results suggest that guests pay attention to many different characteristics of the physical property. Essentially, this requires the hotel manager to pay attention to every physical detail and maintain a fresh, pleasant and attractive environment.

#### **Human Interaction**

Human interaction items were significant to guest experiences by demonstrating caring/attentiveness through sincere problem solving, individual attention to each guest, working to understand guest needs and genuinely care about hotel guests. Professionalism can enhance guest experiences by treating guests with respect, being consistently courteous, providing services correctly the first time and being prepared for each guest. Professionalism can also be provided by employees conducting themselves professionally, being well groomed and friendly. Reliability also played a significant role by making guests feel safe and that their privacy is valued. Finally, guest-to-guest relations also played a significant role by encouraging guests to value the privacy of other guests, and behaving in a peaceful and quiet manner. These results should provide no real surprises to hotel managers. The data suggested that guest's experiences were most positively impacted through caring/attentive and professional staff interaction. This suggests that guests want the personal, individualized care but also provide a professionally mannered and groomed employee.

#### **Trip-Related Factors and Individual Characteristics**

Managers can also enhance guest hotel stay experiences by understanding more about guest's trip-related factors and individual characteristics. In particular, managers should recognize that guests staying for leisure/vacation purposes, who personally pay for their stay, or who selected upscale /luxury accommodations, viewed their PE and HI constructs more positively than those who do not. Guest stay experiences could also be enhanced if hotel managers could identify guest personality types (i.e. extrovert/introvert). For example, guests who scored high on agreeableness, conscientiousness, and emotional stability were linked to more positive PE and HI characteristics.

This area, however, finds managers and consumers at odds. In order to provide a unique and personalized service, managers would like to know more about each guest, the reason for their stay and some personal information. This is the basis for customer relationship management (CRM). The consumer, on the other hand, is often reluctant to provide trip-related or personal details due to an inherent distrust of businesses and use of this information once the consumer departs.

Nonetheless, managers can use the limited information that can be obtained to enhance consumer experiences through their property management systems (PMS). For example, during the reservation process, agents can make notes in the PMS as to the purpose of trip, previous stays, room requests, special events, or other important stay information. During check-in most front office managers can anticipate guest needs by previewing daily reservations and noting

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specific needs. For instance, knowing the purpose of trip, based on their reservation or group code, the front office staff may shorten their check-in procedure for all business arrivals and spend more time with leisure guests.

Creating consumer experiences cannot take place without adequate employee training and teamwork. Key items in positive guest experiences include knowledgeable and attentive staff, professional demeanor, properly groomed, and understanding and caring about guest's needs. These items require adequate training and experience in order to create positive experiences. For example, learning to read body language or handling a difficult guest are some of the more difficult and subtle skills required of front of the house employees. However, many employees are thrown into guest situations without any training often resulting in negative guest experiences.

#### **Perceived Values**

Finally, managers should recognize that the PE and HI constructs impact differing perceived values. PE, for example, has stronger links to social/self-concept and emotive values than it does to cognitive. In other words, guests find more social and emotive value in the physical product than cognitive value. Likewise, guests find more emotive and cognitive value through HI than they do through social/self-concept.

These results are quite interesting when comparing how PE and HI impact emotive values. The data suggests that the physical environment plays a more significant role than human interaction when predicting emotive, social, and cognitive values. HI still plays an important and significant role with emotive and cognitive values but just not as significant as the PI construct. In other words the physical environment is very important to creating positive hotel stay experiences. Recognition of this can help managers emphasize how the PE and HI constructs impact perceived values.

#### **Future Research Directions**

The primary aim of this research study was to gain a better understanding of consumer experiences and the factors that influence those perceptions. While the results provide a number of helpful insights in our understanding of this phenomenon, they also point to a number of follow-up studies.

Though this study examined the effects of PE and HI on perceived values, it did not exam the relationship between PE and HI. It is known that hotel guests expect the physical plant to be well-maintained and human interactions pleasant. However, future research could investigate the relationship between these constructs if one or the other fails to meet consumer experience expectations. For example, does the role of the staff interaction increase when the physical environment experience decrease? If so, which items are impacted? Further, if the relationship between PE and HI change how will perceived values change also?

It would also be worth investigating the relationship between PE and HI constructs and perceived values and satisfaction and loyalty. Previous research in the retail and consumer behavior fields (e.g., Baker et al., 2002; Bitner, 1992; Carbone & Haeckel, 1994) has indicated that there is a direct link between a positive physical environment and friendly human encounter and customer satisfaction and loyalty. Little research, however, has explored this construct in the lodging segment (Knutson et al., 2006; Titz, 2007). For example, will consumers be more satisfied and loyal if the hotel environment is physically appealing and the staff generates

positive encounters? Intuitively, the answer would be yes, but which items have the most influence on the satisfaction and loyalty concepts.

Based on an extensive literature review, the PE and HI constructs were developed and tested (see <u>Appendix C and D</u>) in order to determine which items guests perceived to have experienced during their stay. For this study, it was assumed that all items carried an equal weight in the guests mind. Further research could be conducted to determine these items are if indeed equally experience-enhancing and whether the use of weighting system could be employed in which guest would "weigh" how important each item is to their experience. This would provide important managerial implications as to where to focus limited resources in order to create the most positive hotel stay experiences.

In addition, are there other PE and HI items that were missing? For example, "cleanliness" was one item that did not load highly during EFA and was consequently discarded. Could some guests just "assume" that the hotel will be clean and the bed will be made with clean linens? A more comprehensive list could be investigated. Further, are there factors that were unaccounted for regarding trip-related and individual characteristics?

From a managerial point of view, is would be interesting to investigate hotel managers perspective of guest stay experiences. Are there differences in what hotel managers believe are important guest experiences compared to what the guests say are important stay experiences? Finding potential gaps or incongruence's may prove useful for proactive managers looking to understand and enhance guest's hotel experiences.

Finally, this study makes little mention of the impact of marketing or brand initiatives and brand equity. For example, what impact do brand initiatives have on guest's hotel experiences? It would be interesting to investigate the impact of national brands compared to independents to determine if guest perceive their stay experience differently.

#### Limitations and Delimitations of the Study

Though there has been research on many of the specific items under investigation, this study is one of the first to take a comprehensive look at consumer experiences by incorporating PE and HI together as well as including situational or trip-related factors and individual characteristics in the lodging setting. This study will likely encounter a number of limitations which can potentially affect the findings. It is believed that the use of a limited market sample (i.e., select-service, mid-scale and upscale/luxury market segments), industry category (i.e., hotels), and population sample limits the generalizability of these findings industry wide as well as to other industry segments.

The length of the survey and the completion time might have created questionnairefatigue and may influence the validity of participant's responses. In general, feedback from participating respondents did not mention that this was a concern. It is conceivable that reliability may also be affected due to participants travel experience levels, moods and attitudes, and willingness to answer the questions honesty and accurately.

The data appeared to be skewed in regards to reported education and annual gross household salaries. Both categories were skewed towards the higher end of the scales with over 66% of the respondents reported being college graduates and 51% reported earning \$100,000 or more annually. This may be due to the current economic recession which has allowed only the more well-to-do to travel, or an indication or travelers in the sample population.

Brand equity initiatives may also have some impact on the validity of the results. For example, consumers tend to infer quality of products or services due to the image, reputation,

and advertising of a particular firm (Yoo et al., 2000). Therefore, it is conceivable that participant's perceived experience and actual experience may be jaded by well-executed branding initiatives.

Delimitations may also impact the study given the fact that the data collection was limited to three market segments in the greater Orlando, FL area and limits the generalizability of these findings to other domestic cities or foreign countries.

#### **Summary**

This research examined hotel stay experiences utilizing a model which attempts to demonstrate the impact of specific physical environment and human interactions on guest's perceived values. This study contributes to a better understanding of consumer experiences in the context of the lodging industry. The knowledge generated as a result of this research can help hotel managers improve their physical plant and guide employee-guest interactions in an effort to create satisfactory guest experiences.

In conclusion, the model in this study presents an initial comprehensive view of how consumer experiences are composed in a hotel setting. Given the growing need to differentiate in the marketplace and create a competitive advantage, creating a hotel environment that encourages positive guest experiences is likely to receive academic and managerial attention. Overall , the results of this study reinforces and expands previous work on consumer experiences being derived from the physical environment and human encounters (e.g., Bitner, 1992; Brady & Cronin, 2001; Turley & Milliman, 2000) by specifically identifying physical environment and human interaction items that influence consumer's perceived values.

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# **APPENDIX A – SURVEY INSTRUMENT**

# **Hotel Experience Survey**



# **Stands For Opportunity**

This survey is designed to learn about what you think and feel about your <u>most recent hotel stav</u> <u>experience</u>. The information gathered in this research will be used to provide practical implications for hoteliers and researchers in the hospitality field so hotels can provide more personal service in the future.

Please note that the information you share about your most recent hotel-stay experience will not be made known to anyone and is completely anonymous. Participation in this survey is voluntary and you may stop at any time. The information that is collected from this research project will be kept private.

#### Thank you for your participation in this survey.

Please return your completed questionnaire to: Rosen College of Hospitality Management University of Central Florida 9907 Universal Boulevard Orlando, FL 32809

> Attn: Andrew Walls, PhD Candidate 407-903-8079 arwalls@mail.ucf.edu

Winiversity of Central Florida Hotel Experience Questionnaire ~~~	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree	Not Applicable
1. The following is a list of statements that some people think or fee						-	_	
the <u>physical characteristics</u> of a hotel-stay experience. Please ca read each of the following statements about <u>your current hotel-</u>	8	2	3	4	5	6	7	NA
experience and indicate your level of agreement where 1 = stron	· · · · · · · · · · · · · · · · · · ·	•	*	•	*	•	•	•
disagree, and 7 = strongly agree.		Ple	ase	Mark	"Х"	' Bel	ow	
The hotel's outside architectural design is attractive.								
The hotel's interior architectural design is attractive.								
The design of hotel incorporates the surrounding natural resources.								
The hotel's interior decorations and personal artifacts are attractive.								
The materials used in the hotel facilities are of high quality.								
The hotel has good signage throughout the hotel.								
The arrangement of hotel furnishings is done right.								
The layout of the hotel makes it easy to get around.								
The hotel has upkeep/maintenance standards throughout the facility.								
The hotel maintains the condition of the furnishings.								
The hotel is kept clean.								
The hotel equipment is in proper working order.								
The hotel furnishings are physically comfortable.								
The hotel noise level is pleasant throughout the hotel.								
The hotel played music that is enjoyable.								
The hotel lighting schema is pleasant.								
The overall hotel facility is visually appealing.								
The indoor temperature of the hotel is comfortable.								
The hotel's odor/scent is pleasant.								
	1	1	1	1	1	1	1	1
PLEASE CONTINUE TO THE NEXT PAGE	1	2	3	4	5	6	7	NA

<b>C</b>	<b>ONTINUE HERE</b> The following is a list of statements that some people think or feel about	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree	Not Applicable
4.	the <u>human interaction characteristics</u> of their hotel stay experience.	1	2	3	4	5	6	7	NA
	Please carefully read each of the following statements about your current	÷	÷	÷	+	+	+	÷	Ŧ
	<u>hotel-stay experience</u> and indicate your level of agreement where 1 = strongly disagree, and 7 = strongly agree.								
	strongly usaglee, and 7 - strongly agree.		Ple	ase	Mark	"X'	' Bel	ow	
	Employees of the hotel show a sincere interest in solving guest problems.								
	Individual attention is given by the hotel staff.								
	Hotel staff has guests' best interests at heart.								
	Employees of the hotel understand guests' specific needs.								
	Hotel staff seem to care about their customers.								
	Employees of the hotel treat guests with respect.								
	Employees of the hotel are consistently courteous to guests.								
	Employees of the hotel are properly dressed.								
	Employees of the hotel are well-groomed.								
	Employees of the hotel are friendly.								
	Employee behavior instills confidence in guests.								
	Employees of the hotel conduct themselves in a professional manner.								
	Employees of the hotel perform the service right the first time.								
	The hotel staff makes sure that everything is ready before guests arrive.								
	Employees of the hotel have the knowledge to answer your questions.								
	Hotel employees make you feel safe during your hotel stay.								
	Guests feel like privacy is valued by hotel staff.								
	Prompt service is given by the employees of the hotel.								
	Employees of the hotel are always willing to help you.								
	When services are requested, hotel staff tells you exactly when they will be performed.								
	Hotel employees provided delightfully unexpected services.								
	Hotel guests value the privacy of other guests.								
	Hotel guests display proper behavior toward other guests.								
	Hotel guests respect other guests by being peaceful and quiet.								
	Hotel guests are of an appropriate socio-economic level.								
		1	+	+	1	+	+	+	1
	PLEASE CONTINUE TO THE NEXT PAGE	1	2	3	4	5	6	7	NA

CONTINUE HERE 3. The following is a list of statements that some people think or feel about	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree	Not Applicable
their overall personal hotel experience. Please carefully read each of the	1	2	3	4	5	6	7	NA
following statements about <u>your current overall personal hotel-stay</u> <u>experience</u> and indicate your level of agreement where 1 = strongly	+	٠	٠	٠	٠	٠	+	٠
disagree, and 7 = strongly agree.		PL		Mark	"X"	Bal		
My current hotel-stay experience arouses positive feelings.								
My current hotel-stay experience makes me feel relaxed.	-							
My current hotel-stay experience makes me feel satisfied.								
My current hotel-stay experience is pleasurable.								
My current hotel-stay experience gives me enjoyment.								
My current hotel-stay experience makes me feel pampered,								
My current hotel-stay experience makes me feel sophisticated.								
My current hotel-stay experience makes me feel hip and cool.								
My current hotel-stay experience makes me feel comfortable.								
My current hotel-stay experience makes me want to stay longer.								
My current hotel-stay experience is reasonably priced.								
My current hotel-stay experience offers a good value for the price.								
The overall hotel experience I am encountering is good for the price paid.								
My current hotel-stay experience can be affected by my mood or attitude.								
I consider myself naturally sensitive to the current hotel environment.								
I notice the smallest things during my current hotel-stay experience.								
I want a full-blown experience every minute of my current hotel-stay.								
There are times when I want to be left alone and not bothered during my current hotel- stay.								
My current overall hotel-stay experience affects my overall trip satisfaction.								
	1	1	1	1	1	1	1	1
PLEASE CONTINUE TO THE NEXT PAGE	1	2	3	4	5	6	7	NA

	1	2	3	4	5	6	7	
	+	٠	٠	٠	٠	٠	٠	
Quiet								Talkative
Tolerant								Critical
Disorganized								Organized
Tense								Calm
Imaginative								Conventional
Reserved								Outgoing
Uncooperative								Cooperative
Unreliable								Dependable
Insecure								Secure
New								Familiar
Sociable								Loner
Suspicious								Trusting
Undirected	Π	П	П	П				Goal-oriented

	1	2	3	4	5	6	7	
	٠	ŧ	÷	٠	÷	+	٠	
Very dissatisfied								Very satisfied
Terrible								Delighted
Very uncomfortable								Very comfortable
Very unrelaxed								Very relaxed
Very unpampered								Very pampered
Will never return								Will definitely return
Will never recommend to others								Will definitely recommend to other

# PLEASE CONTINUE TO THE NEXT PAGE

Г

Please answer the following questions about <u>your current hotel stay</u>. Place an "X" in one box for each of the following questions.

#### 6. What was the primary purpose of this trip? (Please check only one)

	Leisure or	r convention			H		
	305		, funeral, we	dding)			
	Other:	usiness (c.B.	, runerun, we			Please speci	ify:
7.	Have you	previously s	tayed at this	hotel?			
		١	٩o				
		Ŷ	'es				
		If 'Yes', ho	w many time	→ s? ←			
	1	2	3	4	5 or more		
8.	Who paid	for your hot	tel accommo	dations or	this trip?		
	Personally	paid for my	accommoda	tions			
	Someone e	else paid for	my accomm	odations (r	ny company, er	nployer, etc)	
	My accom	modations v	vere complin	nentary (ca	shed in points,	reward, etc)	
9.	What type	of hotel are	e you <u>curren</u>	<u>tly</u> staying	in? (Please che	ck only one)	
	Limited-Se	rvice (e.g., F	airfield, Ham	pton Inn)			
			Plaza, Shera				
	Up-Scale/L	uxury (e.g.,	Hyatt, Ritz ho	otels)			
0.	How many	y nights will	you stay in t	his hotel o	n this trip?		
).	How many	<mark>y nights will</mark> 2		his hotel o 4	n this trip? 5	6	7 or more
1.			you stay in t			6	7 or more
	1	2	you stay in t 3	4			
	1	2	you stay in t 3	4	5		
	1 How many	2 D y people are	you stay in t 3 	4 D onal trave	5 D I party (includir		
L.	1 How many 1	2 y people are 2	you stay in t 3 in your pers 3	4 onal trave 4 □	5 D I party (includir	Π ng γou) on th	is trip?
•	1 How many 1	2 y people are 2	you stay in t 3 in your pers 3	4 onal trave 4 □	5 I party (includir 5 or more	Π ng γou) on th	is trip?
•	1 How many 1 How many	2 y people are 2 y children ur	you stay in t 3 in your pers 3 D nder 18 years	4 onal trave 4 Sold are in	5 I party (includir 5 or more	g you) on th	is trip?
L. 2.	1 How many 1 How many 1 L	2 y people are 2 y children un 2 U	you stay in t 3 in your pers 3 der 18 years 3 1	4 conal trave 4 conal trave 4 conal trave	5 I party (includir 5 or more	g you) on th personal tra N/A	is trip? vel party on th
2.	1 How many 1 How many 1 L	2 y people are 2 y children un 2 U	you stay in t 3 in your pers 3 der 18 years 3 1	4 conal trave 4 conal trave 4 conal trave	5 I party (includin 5 or more cluded in your 5 or more	g you) on th personal tra N/A	is trip? vel party on th
1.	1 How many 1 How many 1 How many	2 y people are 2 y children ur 2 y children ur 2 y times have	you stay in t 3 in your pers 3 der 18 years 3 you stayed of	4 onal trave 4 s old are in 4 0 over-night	5 I party (includin 5 or more cluded in your 5 or more in <u>any hotel</u> in	g you) on th personal tra N/A U the past 12-	iis trip? vel party on th months?
1. 2. 3.	1 How many 1 How many 1 How many 1	2 y people are 2 y children un 2 y children un 2 y times have 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 2 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1	you stay in t 3 in your pers 3 inder 18 years 3 you stayed o 3	4 onal trave 4 s old are in 4 0 over-night 4 1	5 I party (includin 5 or more cluded in your 5 or more in <u>any hotel</u> in	personal tra N/A the past 12- 6	iis trip? vel party on th months?
.0. .1. .2. 3.	1 How many 1 How many 1 How many 1 What type	2 2 2 children un 2 children un 2 child	you stay in t 3 in your pers 3 inder 18 years 3 you stayed o 3	4 onal trave 4 over-night 4 over-night 4 y stay in? (	5 I party (includir S or more S or more S or more in any hotel in 5	personal tra N/A the past 12- 6	iis trip? vel party on th months?
.1. .2. 3.	1 How many 1 How many 1 How many 1 Umat type Limited-Se Mid-scale	2 2 2 y children un 2 y children un 2 y children un 2 y children un 2 0 y children (children un 2 0 y children (children (chi	you stay in t 3 in your pers 3 nder 18 years 3 you stayed a 3 you stayed a 3 you typically	4 onal trave 4 5 old are in 4 0 over-night 4 1 2 stay in? ( inpton Inn) ton)	5 I party (includir S or more S or more S or more in any hotel in 5	personal tra N/A the past 12- 6	iis trip? vel party on th months?

#### PLEASE CONTINUE TO THE NEXT PAGE

#### **CONTINUE HERE**

Please answer the following questions about you. Place an "X" in one box for each of the following questions that best describes you.

15. What is your gender?

16.

Female	
Male	
What is your age?	

Under 21	
21-30	
31-40	
41-50	
51-60	
61-70	
Over 70	

#### 17. What is your current marital status:

Single	
Married	
Divorced	
Separated	
Widowed	

#### 18. What is your highest level of education?

Did not finish high school	
High School Graduate	
Junior College Graduate	
College Graduate	
Master's Degree	
PhD, MD, etc	

#### 19. What is your annual gross household salary range?

Under \$30,000	
\$30,000-\$54,999	
\$55,000-\$74,999	
\$75,000-\$99,999	
\$100,000-\$149,999	
\$150,000-\$199,999	
\$200,000 and over	

## PLEASE CONTINUE TO THE NEXT PAGE

Please share any additional comments you have about your current hotel experience in the box provided below.



Thank you for your time in completing this questionnaire!

# **APPENDIX B – IRB LETTER**



University of Central Florida Institutional Review Board Office of Research & Commercialization 12201 Research Parkway, Suite 501 Orlando, Florida 32826-3246 Telephone: 407-823-2901, 407-882-2012 or 407-882-2276 www.research.ucf.edu/compliance/irb.html

#### **EXPEDITED CONTINUING REVIEW APPROVAL NOTICE**

#### From : UCF Institutional Review Board FWA00000351, Exp. 10/8/11, IRB00001138

To : Andrew Walls

Date : March 05, 2009

IRB Number: SBE-08-05549

Study Title: Exploratory study of experiential marketing in luxury hotel/destination selection

Dear Researcher,

This letter serves to notify you that the continuing review application for the above study was reviewed and approved by the IRB Vice-chair on **3/5/2009** through the expedited review process according to 45 CFR 46 (and/or 21 CFR 50/56 if FDA-regulated).

Continuation of this study has been approved for a one-year period. The expiration date is 3/4/2010. This study was determined to be no more than minimal risk and the category for which this study qualified for expedited review is:

7. Research on individual or group characteristics or behavior (including, but not limited to, research on perception, cognition, motivation, identity, language, communication, cultural beliefs or practices, and social behavior) or research employing survey, interview, oral history, focus group, program evaluation, human factors evaluation, or quality assurance methodologies.

<u>Use of the approved, stamped consent document(s) is required.</u> The new form supersedes all previous versions, which are now invalid for further use. Only approved investigators (or other approved key study personnel) may solicit consent for research participation. Subjects or their representatives must receive a copy of the consent form(s).

All data must be retained in a locked file cabinet for a minimum of three years (six if HIPAA applies) past the completion of this research. Any links to the identification of participants should be maintained on a password-protected computer if electronic information is used. Additional requirements may be imposed by your funding agency, your department, or other entities. Access to data is limited to authorized individuals listed as key study personnel.

To continue this research beyond the expiration date, a Continuing Review Form must be submitted 2 – 4 weeks prior to the expiration date. Use the Unanticipated Problem Report Form or the Serious Adverse Event Form (within 5 working days of event or knowledge of event) to report problems or events to the IRB. Do not make changes to the study (i.e., protocol methodology, consent form, personnel, site, etc.) before obtaining IRB approval. Changes can be submitted for IRB review using the Addendum/Modification Request Form. An Addendum/Modification Request Form cannot be used to extend the approval period of a study. All forms may be completed and submitted online at <a href="https://iris.research.ucf.edu">https://iris.research.ucf.edu</a>.

On behalf of Tracy Dietz, Ph.D., UCF IRB Chair, this letter is signed by:

Signature applied by Joanne Muratori on 03/05/2009 02:27:11 PM EST

banne muratori

**IRB** Coordinator

# **APPENDIX C – MEASURED VARIABLES**

#### 1. Physical Environment

**Design** (0.83)<sup>1,4</sup>, **Design Perceptions** (0.76)<sup>2</sup>, **Quality** (0.91)<sup>5</sup> Outside architectural design was in keeping with the type of services provided.<sup>1, 2</sup> Interior architectural design was in keeping with the type of services provided. <sup>1, 2, 4</sup> Design of hotel incorporated the surrounding natural resources Interior Decorations and Personal artifacts<sup>3, 4</sup> Hotel facilities were of quality materials<sup>2, 3, 4, 5</sup> Space Layout and Function (0.83)<sup>1</sup> Signage<sup>3, 4</sup> Arrangement of furnishings<sup>3, 4</sup> Layout of the hotel made it easy to get around.<sup>1, 3, 4</sup> **Property Upkeep**  $(0.83)^{1}$ Upkeep/maintenance of hotel.<sup>2</sup> Upkeep/maintenance of furnishings.<sup>4, 2</sup> Hotel was kept clean.<sup>1,4</sup> Hotel equipment was in proper working order Physiological - Ambience (0.73)<sup>1,3</sup> The hotel furnishings were physically comfortable.<sup>1,4</sup> Hotel noise levels were unpleasant.<sup>3, 4</sup> The hotel played music that was appropriate<sup>2,4</sup> The hotel lighting scheme was pleasant.<sup>3, 4</sup> Facility was visually appealing.<sup>2</sup> Temperature was comfortable.<sup>1,3,4</sup> Odor/Scent.<sup>3,4</sup>

- 1 Wakefield and Blodgett 1999
- 2 Baker, Parasuraman, Grewal and Voss 2002
- 3 Bitner 99
- 4 Walls et. al., 2009
- 5 Sweeney and Soutar 2001

## 2. Human Interaction

## Attentiveness/Caring (Empathy (0.95)<sup>1</sup>, Interpersonal Service Quality Perceptions (0.85)<sup>2,4</sup>

Show a sincere interest in solving your problems when you have one.<sup>1</sup>

Give you individual attention.<sup>1, 2, 4</sup>

Have your best interests at heart.<sup>1</sup>

Understand your specific needs.<sup>1</sup>

Care about their customers.<sup>1</sup>

#### Professionalism

Being treated with respect from employees Are consistently courteous with you. <sup>1, 4</sup> Employees are properly dressed <sup>2, 4</sup> Employees are neat appearing. <sup>1, 4</sup> Employees are friendly<sup>2, 4</sup> Employee behavior instills confidence in customers. <sup>1</sup>

Employees conduct themselves in a professional manner

#### **Reliability/Trustworthiness** (0.79)<sup>1</sup>

Perform the service right the first time.<sup>1</sup>

Make sure that everything is ready before guests arrive.<sup>1</sup>

Have the knowledge to answer your questions.<sup>1</sup>

Make you feel safe during your stay with XYZ.<sup>1,4</sup>

Make you feel like your privacy is valued.<sup>4</sup>

## **Responsiveness** (0.93)<sup>1,4</sup>

Give you prompt service. <sup>1, 2, 4</sup>

Employees are always willing to help you.<sup>1, 4</sup>

Tell you exactly when services will be performed.<sup>1,4</sup>

Provide pleasurable unexpected services<sup>4</sup>

#### **Guest to Guest Relations**<sup>4</sup>

Other guests make your feel like your privacy is valued.<sup>4</sup> Proper behavior of other guests.<sup>4</sup> Other guests are peaceful and quiet<sup>4</sup> Socio-economic status of other guests.<sup>4</sup>

1 – Wakefield and Blodgett 1999

- 2 Baker, Parasuraman, Grewal and Voss 2002
- 3 Bitner 99
- 4 Walls et. al., 2009

# 3. Relative Effects -

Situational Factors, 4 Purpose of Trip Type of Hotel **Travel** companions

# Individual Characteristics ( $\chi$ 2 showed significance in all categories)<sup>1, 2, 3</sup> Demographic

Age Gender Income Education Sensitivity to environment **Psychographics** (.90+)<sup>3</sup> Extraversion Agreeableness Conscientiousness **Emotional Stability** Openness-to-experience

1 – Evanschitzky and Wunderlich 2006; 2 – Walls et. al., 2009; 3-Patterson and Fogle 1995 and McCrae and John 1995

4. Perceived Internal Response Values Emotive (0.94)<sup>1,2</sup> and (0.89)<sup>3</sup> Positive feelings (happy)<sup>3, 2</sup> Feel relaxed<sup>1, 2</sup> Satisfaction<sup>1, 3</sup> Provided pleasure<sup>2</sup> Enjoyment<sup>1, 2</sup> Pampered<sup>3</sup> Sophisticated<sup>3</sup> Hip and Cool<sup>3</sup> Feel comfortable<sup>3, 2</sup>

**Cognitive** (0.83)<sup>1, 2, 4</sup>, Reasonably priced<sup>1, 2, 4</sup> Offers value for money<sup>1, 2, 4</sup> Good experience for the price<sup>1, 2, 4</sup>

1 - Yuan and Wu 2008

2 - Sweeney and Soutar 2001

3 - Pullman and Gross 2004

4 – Mathwick, Malhotra and Rigdon 2001

# **APPENDIX D – LIST OF CONSTRUCTS/DEFINITIONS**

Construct	Definition	Measurement	Reference
Cognitive values	Perceived human interaction and physical context may elicit cognitive responses influencing people's beliefs about a place and their beliefs about the people and products found in that place. Perceptions of the servicescape influence beliefs about the environment itself, but also appear to affect beliefs about other, seemingly unrelated, service attributes - that consumer's consider valuable.	Economic value, Efficiency, quality	(Bitner, 1992; Kaplan, 1987; Schmitt & Simonson, 1997)
Emotive values	Emotional and inner messages businesses deliver to customers, such as sincerity and care - that consumers consider valuable. Customer's feelings and attitude toward some products and businesses and brands.	Positive feelings (happy), Feel Relaxed, Satisfaction <sup>*</sup> Provide Pleasure, Enjoyment, Feel Comfortable	(Barsky & Nash, 2002; Hirschman & Holbrook, 1982; Pullman & Gross, 2004; Sweeney & Soutar, 2001)
Experience or experience items/elements	Events or items that engage the individual in a personal way. They actually occur within the individual who has been engaged on an emotional, physical, intellectual, or even spiritual level. Private, personal events that occur in response to some stimulation and involve the entire being as a result of observing or participating in an event.	e.g., design, physiological, layout/function, facility upkeep, caring/attentiveness, professionalism, reliability, responsiveness, guest-to-guest.	(Bitner, 1992; Pine & Gilmore, 1999; Pullman & Gross, 2004; Schmitt, 1999; Wakefield & Blodgett, 1999; Zemke & Pullman, 2008)
Consumer experience	A consumer experience is the is the multidimensional takeaway impression or outcome, based on the consumer's willingness and capacity to be affected and influenced by physical and/or human interaction items, formed by people's encounters with products, services, and businesses influencing consumption values (emotive and cognitive), satisfaction, and repeat patronage.		(Carbone & Haeckel, 1994; Hirschman & Holbrook, 1982; Kumar & Karande, 2000; Lewis & Chambers, 2000)
Consumption	Consumption experiences		(Edgall &
Experience	encompass more than just market		Hetherington, 1996)

			· · · · · · · · · · · · · · · · · · ·
	related experiences. Their typology includes community experiences, household experiences, state or citizen experiences, and market or		
	consumer experiences, and market of encounters with businesses and		
	other consumers. They postulated that there is a distinction between a		
	"consumption" experience and a "consumer" experience		
Experiential marketing	The process in which a business entity attempts to connect with a consumer using physical environment (e.g., design, lighting, layout) and/or emotional/human interaction (e.g., comfort, security, relaxed, friendliness) as a means to gain awareness or interest in order to create a meaningful and fulfilling consumption/transaction experience influencing consumption values, satisfaction, and repeat patronage.		(Carbone & Haeckel, 1994; Pine & Gilmore, 1999; Pullman & Gross, 2004)
Human Interaction	A subjective perception referring to the evaluation of how guests interact with other guests and employees.	Attentiveness, Professionalism, Reliability, Responsiveness and Guest-to-guest relations	(Bitner, 1992; Brady & Cronin, 2001; Price et al., 1995; Pullman & Gross, 2004; Schmitt, 1999)
Individual Characteristics	Specific characteristics (personality) of the individual may be critical determinants of how consumers interpret and use cues in the store/service environment (Baker 98)	Demographic, Sensitivity.	(Baker, 1998; Belk, 1975; Bitner, 1992; Grossbart et al., 1989; Walls et al., 2009)
Physical Environment	Messages that customers get from business through visual, auditory, smell and touch situations	Design, Layout and Function, Property upkeep and Physiological.	(Bitner, 1992; Pullman & Gross, 2004; Schmitt, 1999)
Social/Self-concept values	They defined this value concept as the utility that is derived from association with positively or negatively stereotyped items or groups. For instance, a particular make of automobile (e.g., BMW) may be chosen for the social value or image evoked rather than the practical function.	Feelings of hip and cool, sophisticated and pampering	(Sheth et al., 1991; Yoo et al., 2000)
Trip-related or Situational Factors	Situations or more narrowly defined as trip-related factors in this study,	Purpose of the trip, Hotel type, # of travel	(Baker, 1998; Belk, 1975; Bitner, 1992;

re	represent momentary encounters	companions	Walls et al., 2009)
W	with those dimensions of the total	_	
e	environment which are available to		
tł	he individual at a particular time		
	Belk 75).		

# **APPENDIX E – ITEM CORRELATION MATRIX**

		1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13	. 14	. 15	. 10	5. 1	7.	18.	19.	20.	21.	22.	23.	24.	25	. 26.	27	. 28.	29.	30.	31.	32.	33.	34.	35.	36.	37.	38	. 39.	. 40.	. 41.	42.
1.	1.1 Physical-Design 1	1.00													1																													$\square$
2.	1.2 Physical-Design 2	.74	1.00																																									
3.	1.3 Physical-Design 3	.53	.53	1.00																																								
4.	1.4 Physical-Design 4	.62	.73	.59	1.00																																							
5.	1.5 Physical-Design 5	.53	.59	.44	.64	1.00																																						
6.	1.7 Physical-Space	.42	.50	.42	.55	.54	1.00																																					
7.	1.9 Physical-Upkeep 1	.46	.52	.32	.46	.58	.45	1.00																																				
8.	1.10 Physical-Upkeep	.54	.59	.37	.58	.64	.55	.73	1.00																																		1	
9.	1.14 Physical-Physio 2	.34	.36	.44	.39	.41	.41	.34	.38	1.00																																		
10.	1.15 Physical-Physio 3	.21	.17	.22		.24	.26	.20	.25	.41	1.00																																	
11.	1.18 Physical-Physio 6	.37	.42	.38		.40	.40	.44	.43	.42	.27	1.00																																
12.	2.1 HI-Caring 1	.22	.23	.27		.17	.24	.23	.25	.26	.16	.30	1.00																															
13.	2.2 HI-Caring 2	.24	.24	.30		.24	.31	.23	.27	.25	.14	.31	.70	1.00	)																													
14.	2.3 HI-Caring 3	.27	.28	.33		.30	.36	.27	.30	.26	.19	.33	.67	.77			1																											
15.	2.4 HI-Caring 4	.32	.32	.34		.32	.36	.26	.32	.23	.19	.32	.67	.68	_	_	_																											
16.	2.5 HI-Caring 5	.29	.32	.35		.31	.36	.24	.32	.26	.16	.33	.64	.75																														
17.	2.6 HI-Profess 1	.30	.32	.31	.25	.25	.38	.28	.32	.29		.29	.60	.67			_																											
18.	2.7 HI-Profess 2	.31	.34	.30		.26	.35	.30	.31	.26	.15	.30	.56	.64		_		_		.00																								
19.	2.9 HI-Profess 4	.32	.33	.35		.32	.40	.33	.38	.37	.18	.36	.39	.47							.00																							
20.	2.10 HI-Profess 5	.26	.27	.22		.21	.27	.26	.27	.22	.20	.33	.56	.64						_		1.00																						
21.	2.12 HI-Profess 7	.31	.33	.33		.27	.36	.31	.32	.32	.18	.31	.58	.62			_	_			.70	.71	1.00																					
22.	2.13 HI-Reliability 1	.28	.28	.29		.29	.34	.35	.33	.28		.28	.56	.58			_				.52	.58	.69	1.00																				
23.	2.14 HI-Reliability 2	.28	.32	.28		.36	.41	.40	.36	.28	.21	.25	.33	.42			_			_	.42	.43	.53	.56	1.00																			
24.	2.16 HI-Reliability 4	.32	.35	.40		.40	.42	.33	.40	.28		.33	.41	.47							.52	.49	.55	.52	.50																			
25.	2.17 HI-Reliability 5	.33	.35	.39		.44	.42	.42	.44	.36	.21	.41	.44	.46							.49	.47	.51	.55	.52	.76		_																
26.	2.19 HI-Responsive 2	.32	.33	.34	-	.36		.30	.34	.35		.43	.58	.66			_				.65	.66	.74	.63	.52	.61	.62																	
27.	2.22 HI-G2G 1	.37	.36	.40	.43	.42	.43	.29	.33	.32	.27	.32	.30	.35							.31	.32	.32	.32	.41	.48	.55			_														
28.	2.23 HI-G2G 2	.32	.35	.40		.39	.46	.24	.30	.32		.33	.37	.37		_					.43	.43	.44	.38	.40	.50	_			_	1.00													
29.	2.24 HI-G2G 3	.33 .35	.38	.41	.40	.36		.28	.26	.45	.24	.36	.29	.31	.30						.36 .32	.31	.41	.38	.41	.45	.47		.68	-	1.00	1.00												
30.	2.25 HI-G2G 4		.34	.33		.34	.42		.30	.39	.24	.29		.31			_	_	_			.30	.33		.33 .37	.42	.40			_	.56		1.00											
31. 32.	3.1 P Values-Emotive 3.2 P Values-Emotive	.41	.42 .40	.41	.39 .40	.42 .42	.36 .37	.43	.42 .41	.35 .44	.20	.40 .46	.44 .46	.44	.52						.37 .44	.41	.41 .44	.49 .48	.37	.38 .39	.42		.33		.32 .40	.38	.82	1.00										
33.	3.3 P Values-Emotive	.37		.40	-	.42	.37	.40		.44		.40					-	_		_					.37		.4.	-	.37	-	.40		.84	.82	1.00							<u> </u>		
33. 34.	3.4 P Values-Emotive	.39	.41 .39	.39		.40	.39	.37	.41 .42	.40	.18	.39	.45 .44	.45			_				.39 .43	.45 .43	.42 .42	.47 .49	.40	.38 .40	.44		.36		.30		.82	.82	.88	1.00								
35.	3.5 P Values-Emotive	.39	.39	.40			.39	.45	.42	.38	.19	.42	.44	.43			_			_	.43	.43	.42	.49	.42	.40	.44				.33	.34	.82	.80	.84	.88	1.00					<u> </u>		
36.	3.6 P Values-Emotive	.42	.34	.42		.39	.30	.40	.39	.36	.25	.41	.42	.40						_	.42	.40	.38	.40	.36	.38	.44				.42	.43	.19	.62	.66	.65	.66	1.00						
37.	3.7 P Values-Emotive	.42	.40	.42		.49	.39	.40	.42	.30		.36	.32	.40							.28	.33	.29	.40	.30	.38					.42	.43	.00	.53	.00	.05	.00	_	_		-	-		
37.	3.8 P Values-Emotive	.42	.45	.37		.44	.35	.33	.39	.30	.22	.34	.27	.33							.21	.16	.24	.30	.28	.35					.42	.32	.57	.35	.50	.30	.59	_	_	1.00	0	<u> </u>		
39.	3.9 P Values-Emotive	.44	.41	.39		.40	.35	.32	.37	.30	.20	.34	.40	.40							.20	.10	.41	.35	.40	.35	.44		-	-	.38		.73	.49	.74	.40	.32		_			,	-	
40.	3.11 P Values-Cog 1	.17	.42	.18		.44	.44	.40	.47	.18	.16	.44	.40	.40	_						.24	.22	.24	.45	.40	.41	.29		_	_	.13	.41	.73	.74	.74	.77	.39	.35		_	_			
41.	3.12 P Values-Cog 2	.23	.10	.22		.24	.32	.33	.33	.22	.10	.20	.28	.30							.24	.22	.24	.35	.30	.23	.32						.50	.48	.58	.53	.52	.43						1
42.	3.13 P Values-Cog 3	.26	.25	.24	.22	.29	.32	.33	.33	.22	.15	.27	.26	.31	.35		_				.26	.28	.29	.34	.29	.26	.32		.26		.17	.25	.56	.53	.61	.58	.52	.48	.38	.3				1.00
	Mean	6.12	6.04	5.83	5.87	5.72	5.98			5.76	5.78	6.03	6.22	6.17			1 6.1			_		6.40		6.07	6.12	6.24					5.77			6.18	6.09	6.19		5.28	5.07	4.8				_
	SD	1.01	1.09	1.22		1.17	.97	1.13					1.02	.93							.69	.75	.77	1.04	1.03	.87	.90			_	_		1.09	1.00	1.07	.96		1.43	1.50			_	_	1.26
	**. All correlation v	/alue	s are	sign	ificar	nt at i	the 0	.01 le	evel	(2-ta	iled).																																	

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