A STUDY ON HOLISTIC CUSTOMER EXPERIENCE IN CHINA’S RELATED HOTEL AND RESORTS

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UNIVERSITI TEKNOLOGI MALAYSIA
A STUDY ON HOLISTIC CUSTOMER EXPERIENCE IN CHINA’S RELATED HOTEL AND RESORTS

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Faizan Ali.
ABSTRACT

Resort hotels have sprung up all over China in recent years providing customers with pleasurable and memorable experiences. The challenge to creating these consumer experiences is the proper identification of specific characteristics that influence experiences and gaining better understanding of how these experiences impact customers’ perceptions, emotions and behavior. To this end, this study intends to develop a model that identifies antecedents and consequences of consumer experiences in Chinese resort hotels. To facilitate this research objective, a model was presented which propose that advertising efforts and service performance of resort hotels are antecedents of consumer experiences whereas customers’ perceived value, consumption emotions, satisfaction and behavioral intentions are its consequences. This proposed holistic model of customer experience includes 11 hypotheses and is based on Stimulus – Organism – Response (S-O-R) model, Information Theory and Services Theatre Model. A scale was also developed to operationalize the construct of service performance. To initiate this research, a survey approach was taken. A total of 1570 questionnaires were distributed within 11 resort hotels across 5 cities in China and 900 of them were returned back. Partial least squares based structural equation modelling (PLS-SEM) was used to analyse the collected data. Overall, the results indicated that the proposed holistic model of customer experience is a parsimonious model with good predictive ability. The results also show that collected data fits the proposed model well with a support for all the 11 proposed hypotheses. Given that the experience of customers at resort hotel plays a significant role in affecting their emotions, perceptions and behavior, resort hotels need not only to put efforts into improving their service performance and advertising efforts, but also to understand and carefully manage the overall resort hotel experience. Overall, this study proposed and tested a holistic model of customer experience which does not only have a theoretical significance but also enhances understanding of customer experiences in resort hotels, their antecedents and consequences.
ABSTRAK

# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>TITLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DECLARATION</td>
<td>ii</td>
</tr>
<tr>
<td></td>
<td>ACKNOWLEDGEMENT</td>
<td>iii</td>
</tr>
<tr>
<td></td>
<td>ABSTRACT</td>
<td>iv</td>
</tr>
<tr>
<td></td>
<td>ABSTRAK</td>
<td>v</td>
</tr>
<tr>
<td></td>
<td>TABLE OF CONTENTS</td>
<td>vi</td>
</tr>
<tr>
<td></td>
<td>LIST OF TABLES</td>
<td>xi</td>
</tr>
<tr>
<td></td>
<td>LIST OF FIGURES</td>
<td>xiii</td>
</tr>
<tr>
<td></td>
<td>LIST OF APPENDICES</td>
<td>xv</td>
</tr>
</tbody>
</table>

1 INTRODUCTION

1.1 Introduction 1
1.2 Research Background and Context 1
1.3 Scope of the Study 4
1.4 Statement of Research Problem 5
1.5 Research Questions and Objectives 6
1.6 Research Gaps and Contributions 9
1.7 Research Model 12
1.8 Key Concepts and Definitions 15
1.9 Structure of the Thesis 15

2 LITERATURE REVIEW

2.1 Introduction 17
2.2 Theories Employed for This Study 18
   2.2.1 S-O-R Framework 19
   2.2.2 Information Theory 20
   2.2.3 Services Theatre Model 22
2.3 Customer Experience
2.3.1 Customer Experience Defined
2.3.2 Customer Experience and its Application
2.3.3 The Nature of Customer Experience
   2.3.3.1 Levels of Customer Experience
   2.3.3.2 Dimensions of Customer Experience
2.3.4 Typologies of Customer Experience
   2.3.4.1 TCP and TCL Models
   2.3.4.2 Push Factors from Motivation theory
2.3.5 Experiences and Needs Associated with Hotel Stays
2.3.6 Summary of Customer Experience

2.4 Service Performance
2.4.1 Definitions of Service Performance
2.4.2 Measurement of Service Performance
   2.4.2.1 Performance Measurement Using Service Quality Approach
   2.4.2.2 Performance Measurement via Service Encounter
   2.4.2.3 Measurement of Performance via Service Theatre Framework

2.5 Service Performance in Hospitality Industry

2.6 Advertising Efforts
2.6.1 Customer Responses to Advertising
2.6.2 Impact of Advertising in Hospitality and Tourism

2.7 Consumption Emotion
2.7.1 Definition of Consumption Emotions
2.7.2 Importance of Emotions within Hospitality Consumption Experience
2.7.3 Measurement of Consumption Emotions

2.8 Perceived Value
2.8.1 Measurement of perceived value

2.9 Customer Satisfaction
2.9.1 Definition of Customer Satisfaction
2.9.2 Measurement of Customer Satisfaction

2.10 Behavioural Intentions
2.10.1 Definition of behavioural intention
2.10.2 Dimensions/Measurement of positive behavioural
3 RESEARCH FRAMEWORK AND HYPOTHESES DEVELOPMENT

3.1 Introduction 84
3.2 Proposed Model 84
3.3 Hypotheses Development 87
   3.3.1 Effect of Advertising Efforts on Customer Experience 87
   3.3.2 Effect of Service Performance on Customer Experience 88
   3.3.3 Effect of Customer Experience on Perceived Value 89
   3.3.4 Effect of Customer Experience on Consumption Emotions 89
   3.3.5 Effect of Customer Experience on Customer Satisfaction and Behavioural Intentions 90
   3.3.6 Effect of Perceived Value on Customer Satisfaction and Behavioural Intentions 91
   3.3.7 Effect of Consumption Emotions on Customer Satisfaction and Behavioural Intentions 92
   3.3.8 Effect of Customer Satisfaction on Behavioural Intentions 93
3.4 Summary 94

4 RESEARCH METHODOLOGY 97

4.1 Introduction 97
4.2 Research Paradigm 97
4.3 Research Methodology 99
4.4 Research Process 100
4.5 Data Collection Technique 102
   4.5.1 Survey 102
   4.5.2 Population and Sampling 103
      4.5.2.1 Target Population and Unit of analysis 103
### 4.5.2.2 Sampling Technique and Sample Size  
104

#### 4.6 Questionnaire Design and Development  
110

- **4.6.1** Operational Definitions of the Constructs  
110
- **4.6.2** Questionnaire Design  
112
- **4.6.3** Measurement Scales and Items  
112
  - **4.6.3.1** Customer Experience  
113
  - **4.6.3.2** Service Performance  
114
  - **4.6.3.3** Advertising Efforts  
115
  - **4.6.3.4** Perceived Value  
116
  - **4.6.3.5** Consumption Emotions  
117
  - **4.6.3.6** Customer Satisfaction  
117
  - **4.6.3.7** Behavioural Intentions  
118
  - **4.6.3.8** Demographic and Tripographic Questions  
118
- **4.6.4** Translation Process  
118

#### 4.7 Pilot Study  
119

- **4.7.1** Reliability and Validity  
122
  - **4.7.1.1** Reliability  
122
  - **4.7.1.2** Validity  
123

#### 4.8 Data Analysis: An introduction to Structural Equation Modelling (SEM)  
124

- **4.8.1** Rules of Thumb for Selecting CB-SEM or PLS-SEM  
125

#### 4.9 Ethical Considerations  
128

#### 4.10 Summary  
128

### 5 FINDINGS AND ANALYSES

#### 5.1 Introduction  
130

#### 5.2 Analysis of Survey Responses  
130

- **5.2.1** Response Rate  
131
- **5.2.2** Demographic and Tripographic Profile  
131
- **5.2.3** Non-response and response bias  
133

#### 5.3 Data screening and preliminary analysis  
136

- **5.3.1** Missing data  
136
- **5.3.2** Data Normality  
137
- **5.3.3** Common Method Bias  
139

#### 5.4 PLS Based Structural Equation Modelling (SEM) Approach  
140

- **5.4.1** Evaluation of Path Model  
141
- **5.4.2** Assessment of Measurement Model (Outer Model)  
142
5.4.2.1 Assessing Reflective Measurement Model 142
5.4.2.2 Assessing Second Order Constructs 150
5.4.3 Assessment of Measurement Model (Inner Model) 152
5.4.3.1 Explanatory Power of the Model 152
5.4.3.2 Path Coefficient (β) and t-value 153
5.4.4 Goodness-of-Fit (GOF) 159
5.4.5 Predictive Relevance 160
5.4.6 Effect Size 161
5.5 Summary 162

6 DISCUSSION AND IMPLICATIONS 163
6.1 Introduction 163
6.2 Discussion of the Empirical Findings 163
6.2.1 Research Objective 1: To examine the influence of advertising efforts on customer experience 164
6.2.2 Research Objective 2: To examine the influence of service performance on customer experiences. 165
6.2.3 Research Objective 3: To examine the effect of customer experience on customers’ perceived value, consumption emotions, customer satisfaction, and behavioural intentions. 166
6.2.4 Research Objective 4: To examine the relationships between customer’s emotions, perceived value, satisfaction, and behavioural intentions. 169
6.3 Contributions of the Study 171
6.3.1 Theoretical Contributions 171
6.3.2 Managerial Contributions 173
6.3.3 Contextual Contributions 175
6.4 Practical Implications of the Study 176
6.5 Limitations and Future Research Suggestions 181
6.6 Conclusions 182

REFERENCES 184
Appendices A - E 217-234
## LIST OF TABLES

<table>
<thead>
<tr>
<th>TABLE NO.</th>
<th>TITLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>A Summary of Problem Statement, Research Questions, Objectives, and Hypotheses</td>
<td>7</td>
</tr>
<tr>
<td>1.2</td>
<td>Hospitality marketing literature: target industry analysis</td>
<td>12</td>
</tr>
<tr>
<td>1.3</td>
<td>Definition of Constructs used in this Study</td>
<td>15</td>
</tr>
<tr>
<td>2.1</td>
<td>Summary of Experience Definitions</td>
<td>24</td>
</tr>
<tr>
<td>2.2</td>
<td>The Definitions of Experience in various Academic Areas</td>
<td>26</td>
</tr>
<tr>
<td>2.3</td>
<td>Push Factors in Previous Researches</td>
<td>34</td>
</tr>
<tr>
<td>2.4</td>
<td>Dimensions of service encounter</td>
<td>41</td>
</tr>
<tr>
<td>2.5</td>
<td>Service Performance in the Hotel Industry</td>
<td>45</td>
</tr>
<tr>
<td>2.6</td>
<td>Selected Studies on Emotions in Marketing Research</td>
<td>55</td>
</tr>
<tr>
<td>2.7</td>
<td>Overview of Emotion as a Main Variable in Tourism Research</td>
<td>58</td>
</tr>
<tr>
<td>2.8</td>
<td>Description of PAD Scale</td>
<td>60</td>
</tr>
<tr>
<td>2.9</td>
<td>Description of PAD Scale</td>
<td>61</td>
</tr>
<tr>
<td>2.10</td>
<td>The Measurement Scale of Behavioural Intentions</td>
<td>72</td>
</tr>
<tr>
<td>2.11</td>
<td>Resort Hotel Classification</td>
<td>74</td>
</tr>
<tr>
<td>2.12</td>
<td>Average Annual Growth Rate of Star Hotels in China, 2000 – 2013</td>
<td>81</td>
</tr>
<tr>
<td>3.1</td>
<td>Summary of Hypotheses Development</td>
<td>95</td>
</tr>
<tr>
<td>4.1</td>
<td>Summary of Three Major Research Paradigms</td>
<td>98</td>
</tr>
<tr>
<td>4.2</td>
<td>Distribution of Resort Hotels included as Sample</td>
<td>106</td>
</tr>
<tr>
<td>4.3</td>
<td>Distribution of Respondents as per Resort Hotels included in Sample</td>
<td>107</td>
</tr>
<tr>
<td>4.4</td>
<td>Theoretical and Operational Definitions of Constructs</td>
<td>110</td>
</tr>
<tr>
<td>4.5</td>
<td>Measurement Scales for Customer Experience</td>
<td>113</td>
</tr>
<tr>
<td>4.6</td>
<td>Measurement Scales for Service Performance</td>
<td>115</td>
</tr>
<tr>
<td>4.7</td>
<td>Measurement Scales for Advertising Efforts</td>
<td>116</td>
</tr>
<tr>
<td>4.8</td>
<td>Measurement Scales for Perceived Value</td>
<td>116</td>
</tr>
<tr>
<td>4.9</td>
<td>Measurement Scales for Consumption Emotions</td>
<td>117</td>
</tr>
<tr>
<td>4.10</td>
<td>Measurement Scales for Customer Satisfaction</td>
<td>117</td>
</tr>
<tr>
<td>Section</td>
<td>Title</td>
<td>Page</td>
</tr>
<tr>
<td>---------</td>
<td>----------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>4.11</td>
<td>Measurement Scales for Behavioural Intentions</td>
<td>118</td>
</tr>
<tr>
<td>4.12</td>
<td>Demographic Profile of respondents from the pilot study</td>
<td>121</td>
</tr>
<tr>
<td>4.13</td>
<td>Demographic Profile of respondents from the pilot study</td>
<td>123</td>
</tr>
<tr>
<td>4.14</td>
<td>Summary of the Rules of Thumb in Selecting between CB-SEM and PLS-SEM</td>
<td>126</td>
</tr>
<tr>
<td>5.1</td>
<td>Demographic Profile of respondents</td>
<td>132</td>
</tr>
<tr>
<td>5.2</td>
<td>Tripographic Profile of respondents</td>
<td>133</td>
</tr>
<tr>
<td>5.3</td>
<td>T-test for Equality of Means for Non-response Bias Test <em>(Demographic Characteristics)</em></td>
<td>134</td>
</tr>
<tr>
<td>5.4</td>
<td>T-test for Equality of Means for Non-response Bias Test <em>(Measurement Items)</em></td>
<td>135</td>
</tr>
<tr>
<td>5.5</td>
<td>Item-wise Missing Values</td>
<td>137</td>
</tr>
<tr>
<td>5.6</td>
<td>Data Normality Tests</td>
<td>138</td>
</tr>
<tr>
<td>5.7</td>
<td>Harman’s One-Factor Test</td>
<td>140</td>
</tr>
<tr>
<td>5.8</td>
<td>Two-Step Process of PLS Path Model Assessment</td>
<td>141</td>
</tr>
<tr>
<td>5.9</td>
<td>Assessment of Items Reliability for Reflective Constructs</td>
<td>144</td>
</tr>
<tr>
<td>5.10</td>
<td>Convergent Validity of Constructs</td>
<td>145</td>
</tr>
<tr>
<td>5.11</td>
<td>Inter-Correlation Matrix of Constructs</td>
<td>147</td>
</tr>
<tr>
<td>5.12</td>
<td>Cross-Loadings</td>
<td>148</td>
</tr>
<tr>
<td>5.13</td>
<td>Weights of the First Order Constructs on the Designated Second-Order Construct</td>
<td>151</td>
</tr>
<tr>
<td>5.14</td>
<td>Reliability and Validity of Second-Order Construct</td>
<td>152</td>
</tr>
<tr>
<td>5.15</td>
<td>Endogenous Constructs and Related R²</td>
<td>153</td>
</tr>
<tr>
<td>5.16</td>
<td>Results of Structural Model and Hypotheses Testing</td>
<td>158</td>
</tr>
<tr>
<td>5.17</td>
<td>Goodness of Fit Index</td>
<td>160</td>
</tr>
<tr>
<td>5.18</td>
<td>Predictive Relevance for Endogenous Constructs</td>
<td>161</td>
</tr>
<tr>
<td>5.19</td>
<td>Effect Size for Constructs</td>
<td>162</td>
</tr>
<tr>
<td>6.1</td>
<td>Best Practice Guidelines for Service Performance Dimensions to Develop Better Customer Experience</td>
<td>178</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>FIGURE NO.</th>
<th>TITLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Latest Tourism Performance in Asia Pacific Region – 2012</td>
<td>2</td>
</tr>
<tr>
<td>1.2</td>
<td>The Progression of Economic Value – Experiences Create Value</td>
<td>3</td>
</tr>
<tr>
<td>1.3</td>
<td>Research Model</td>
<td>14</td>
</tr>
<tr>
<td>2.1</td>
<td>A Graphical Summary of Literature Review</td>
<td>18</td>
</tr>
<tr>
<td>2.2</td>
<td>Realms of Experience</td>
<td>30</td>
</tr>
<tr>
<td>2.3</td>
<td>Travel Career Ladder</td>
<td>32</td>
</tr>
<tr>
<td>2.4</td>
<td>The Services Theatre Model</td>
<td>43</td>
</tr>
<tr>
<td>2.5</td>
<td>A Framework of How Advertising Works</td>
<td>49</td>
</tr>
<tr>
<td>2.6</td>
<td>Overseas Tourists Arrivals in China from 2000 to 2013</td>
<td>76</td>
</tr>
<tr>
<td>2.7</td>
<td>Revenue of Tourists from Abroad in China from 2000 to 2013</td>
<td>77</td>
</tr>
<tr>
<td>2.8</td>
<td>The Number of Arrivals for Foreign Tourists in China between 2010 and 2012 - Reasons for Travelling</td>
<td>77</td>
</tr>
<tr>
<td>2.9</td>
<td>Top 10 International Tourists’ Source Countries in 2012</td>
<td>78</td>
</tr>
<tr>
<td>2.10</td>
<td>Domestic Tourists’ Spending in China, 2001 - 2012</td>
<td>79</td>
</tr>
<tr>
<td>2.11</td>
<td>Number of Domestic Trips in China, 2001 – 2012</td>
<td>79</td>
</tr>
<tr>
<td>3.1</td>
<td>Research Model and Hypotheses</td>
<td>86</td>
</tr>
<tr>
<td>4.1</td>
<td>The Main Stages of the Research Process</td>
<td>101</td>
</tr>
<tr>
<td>4.2</td>
<td>Types of Sampling Techniques</td>
<td>104</td>
</tr>
<tr>
<td>4.3</td>
<td>Structural Model</td>
<td>109</td>
</tr>
<tr>
<td>5.1</td>
<td>Measurement Model used for CFA</td>
<td>143</td>
</tr>
<tr>
<td>5.2</td>
<td>PLS Algorithm output for Structural Model – R² and Weights/Loadings</td>
<td>155</td>
</tr>
<tr>
<td>5.3</td>
<td>PLS Bootstrapping output for Structural Model – T-Values</td>
<td>156</td>
</tr>
<tr>
<td>5.4</td>
<td>PLS Bootstrapping output for Structural Model – P-Values</td>
<td>157</td>
</tr>
<tr>
<td>6.1</td>
<td>Holistic Model of Customer Experience</td>
<td>180</td>
</tr>
</tbody>
</table>
### LIST OF APPENDICES

<table>
<thead>
<tr>
<th>APPENDIX</th>
<th>TITLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Survey Questionnaire (English Version)</td>
<td>217</td>
</tr>
<tr>
<td>B</td>
<td>Survey Questionnaire (Chinese Version)</td>
<td>226</td>
</tr>
<tr>
<td>C</td>
<td>Interview Guide</td>
<td>231</td>
</tr>
<tr>
<td>D</td>
<td>Demographics of the Interviewees</td>
<td>233</td>
</tr>
<tr>
<td>E</td>
<td>Certificate of Proofreading</td>
<td>234</td>
</tr>
</tbody>
</table>
CHAPTER 1

INTRODUCTION

1.1 Introduction

The research presented in this thesis examined various antecedents and consequences of customer experience in Chinese resort hotels. This chapter presents a general background of research context, problem and scope of the study, research questions and objectives, summary of methodology, contribution of study, definition of key terms, and structure of the thesis.

1.2 Research Background and Context

Hospitality and tourism plays an important role in the world economy today. The World Travel and Tourism Council (WTTC, 2013) estimated that from direct and indirect activities combined, the hospitality and tourism industry accounted for 9.9 per cent of the global Gross Domestic Product (GDP), 10.9 per cent of the total quantity of the global exports, and 9.4 per cent of the total quantity of the global investment. According to the United Nations World Tourism Organization (UNWTO, 2013), the total arrivals of international tourist reached one billion in the year 2012 for the first time, representing a growth of 4.6 per cent compared to the previous year.

Over the past few decades, the hospitality and tourism industry has experienced continued expansion and diversification. It has transformed into one of the largest and the fastest-growing global economic sectors (Line and Runyan, 2012). Amongst many other reasons, one has been the emergence of new destinations, such as Asia Pacific, South
Asia, and Middle East, challenging the traditional ones of Europe and North America. According to International Tourism Bureau (ITB) - World Travel Trends Report (2012/2013), Asia Pacific had proven to be a reliable market for world travel with a 7 per cent rise to a new all-time high (See Figure 1.1).

A very interesting fact shown in Figure 1.1 is China’s growth of tourism for the year 2012, which had been highest in the region. Moreover, it has been predicted that by 2030, China will make up 25 per cent of the total international tourism (ITB World Travel Trends Report, 2013). Moreover, WTTC (2013) stated that currently, China is the 2nd biggest tourism market, and by year 2023, it will come up to number one. This is because, this region has abundance of resources to offer modern day tourism products, i.e., spa tourism, resorts and theme parks, medical tourism, and spiritual tourism (Ali et al., 2013). Nonetheless, Chinese consumers have abundant disposable income and their spending on leisure has been constantly increasing (WTTC, 2013).

![Figure 1.1: Latest Tourism Performance in Asia Pacific Region – 2012](image)


Besides, continued growth in hospitality and tourism depends on understanding the needs of end customers and the factors that drive their demand for tourism (Barrows et al., 2012). The hospitality and tourism sector in China needs to identify the needs, demands, and preferences of incoming tourists. Donnelly (2009), in this context, postulated that service providers in the hospitality and tourism industry must “create authentic, diverse, and changing experiences to attract visitors, make them want to return, and make them give strong recommendations to their families, friends, and colleagues”
Consumers who feel attached to a service or an experience usually stay loyal, show willingness to pay premiums, and create positive word of mouth (Valencia and Westberg, 2005). Therefore, Mehmetoglu and Engen (2011) debated that the competitiveness of tourism and hospitality service providers depends on their innovativeness in achieving customer loyalty by developing customer-oriented strategies to provide unique customer experiences.

Today, consumers want to consume products or services that provide them memorable experiences (Walter and Edvardsson, 2012; Walls et al., 2011). The concept of customer experience was introduced into the marketing literature by Holbrook and Hirschman (1982), and was quickly adopted by numerous researchers (Walls, 2013; Edvardsson et al., 2012; Xu and Chan, 2010; Chan, 2003). In addition, Pine and Gilmore (1999) claimed that experiences are the new economic offerings compared to commodities, products, and services. Figure 1.2 illustrates the stages of economic development, from commodities to experiences (Pine and Gilmore, 1999). They stated that commodities are fungible; goods are tangible; services are intangible; but, experiences are memorable and this fact further echoes that consumers have moved from service economy to experience economy (Wu, 2011). According to Knutson and Jeffrey (2003), creating memorable experiences for customers through staging products and services can help service providers to develop loyal customers and generate higher profits (Walls et al., 2011; Chang and Horng, 2010; Volo, 2009).

![Figure 1.2: The Progression of Economic Value – Experiences Create Value](image)


In fact, customer experience is now gaining prominence and has developed as an essential ingredient for the economy. Yet, no consensus has been found on the antecedents and the consequences of customer experience. Walls (2013) also indicated that most
researches in this emerging field are mainly conceptual or are based on case study researches, pointing towards limited empirical research (Xu and Chan, 2010). Some recent studies have shown that the overall customer experience in hotels is influenced by service performance and advertising efforts of the service providers (Polo et al., 2011; Xu and Chan, 2010). In terms of consequences of customer experiences, previous scholars have reported that customer experience influences cognition among consumers (Olsson et al., 2012), emotions (Jin et al., 2012), and behaviours (Svari et al., 2011). However, a holistic view of customer experience in relation to its antecedents and consequences in the context of resort hotels is still missing. Walls (2013) pointed out this gap and called for further research to understand the antecedents and the consequences of customer experience in resort hotels. A better understanding on this issue should help resort hotels in developing their marketing strategies in line with what is expected by their customers.

1.3 Scope of the Study

This study aimed to uncover the concept of customer experience and explored the antecedents of customer experience and the ways customer experience influences consumers’ emotions, perceptions, and behaviour within the context of the resort hotel industry. More specifically, the study focused on the relationships between advertising efforts, service performance, and customer experience. It also focused on the relationships between customer experience, customers’ perceived value, consumption emotions, satisfaction, and behavioural intentions in Chinese resort hotels. Furthermore, this study adopted the definition of resort hotels by Gee (2000, p. 22) as, “The core principle of the resort concept is the creation of an environment that will promote and enhance a feeling of well-being and enjoyment.” The concept of resort hotel is accomplished through the outdoor environment and amenities, in addition to the provision of quality services and relevant facilities by the hotel itself (Mill, 2008). This study utilised data obtained from guests of multiple resort hotels in various cities of China, including Beijing, Xi’an, Dalian, Yinchuan, and Hohhot.
1.4 Statement of Research Problem

Over the past decades, marketing managers of service providers in the hospitality and tourism industry have worked to retain their existing customers by delivering high-quality services. However, they have struggled to maintain long-lasting relationships with their customers because quality services are no longer accepted as a significant competitive advantage in the highly competitive hospitality and tourism industry (Hosany and Witham, 2010). Furthermore, Ismail (2011) also stated that around 65 per cent of satisfied customers did not show positive behavioural intentions. This questions if the role of service quality is only meant for converting satisfaction of customers into positive behavioural intentions. This void leaves managers and researchers alike with insufficient information to identify the factors that truly drive consumers’ positive behavioural intentions and loyalty in the hospitality and tourism industry. Therefore, recent scholars have claimed that customer experience may be a strong predictor of their positive behavioural intentions (Walls et al., 2013). In this regard, Ryu et al., (2012) stated that customers have become well-informed and they look for unique experience that can fulfil their multiple desires simultaneously (Ali et al., 2013), i.e. experience that develops positive emotions (Ali and Amin, 2013; Jin et al., 2012), perceptions (Olsson et al., 2012), and loyalty behaviours (Ismail, 2011; Oh et al., 2007; Olsson et al., 2012; Slatten et al., 2011; Svari et al., 2011).

Hence, due to its significance, customer experiences have grabbed the attention of a number of scholars (Caru’ and Cova, 2003; Olsson et al., 2012; Ponsonby-McCabe and Boyle, 2006; Prahalad and Ramaswamy, 2004; Schmitt, 2003; Vargo and Lusch, 2008; Walls et al., 2013). However, most of these studies are conceptual in nature; resulting in limited empirical studies in discussing its true meaning (Gentile et al., 2007; Ismail, 2011; Walls et al., 2013). A few conceptualisations related to antecedents and consequences of customer experience have been presented. For example, Grove et al., (1998) presented “Services Theatre Model”, which conceptualises customer’s experience as a result of interrelationships between three dimensions of service performance, i.e., actors, audience, and setting. Similarly, another conceptualisation was presented by Nelson (1970) in his “Information Theory”. He theorised that customer experience is comprised of two main parts, i.e., indirect and direct experiences. Indirect experience is developed by external sources (Advertising), whereas direct experience is developed by the performance of service provider. Some of the scholars also used the S-O-R framework to consider customer experience as a stimulus that incites customers’ emotions and behaviours (Lin
and Liang, 2011). Despite these conceptualisations, a holistic view of customer experience in relation to its antecedents and consequences in the context of resort hotels in general, and specifically in China, is still missing. Klaus and Maklan (2012) and Walls (2013) also pointed out this gap and called for further research to understand the antecedents and the consequences of customer experience. Based on this thread of argument, a question is posed: how to further shed light on the concept of customer experience in resort hotel setting within China? This is critical due to the drastic escalation of interest in services from academics and practitioners in today’s global economy. To summarise, there had been a gap in understanding the dimensions of customer experience in the context of Chinese resort hotels, its antecedents, and its consequences.

1.5 Research Questions and Objectives

The overall aim of this research was to investigate the antecedents and the consequences of customer experience in resort hotels. Considering the research gaps, the specific research questions are in the following:

i. What is the effect of advertising efforts on customer experiences?
ii. What is the effect of service performance on customer experiences?
iii. What are the relationships between customer experience, perceived value, consumption emotions, customer satisfaction, and behavioural intentions?
iv. What are the relationships between customer’s emotions, perceived value, satisfaction, and behavioural intentions?

Considering the overall aim and research questions of this study, the specific research objectives of this study are listed below:

i. To examine the influence of advertising efforts on customer experiences.
ii. To examine the influence of service performance on customer experiences.
iii. To examine the effect of customer experiences on customers’ perceived value, consumption emotions, customer satisfaction, and behavioural intentions.
iv. To examine the relationships between customer’s emotions, perceived value, satisfaction, and behavioural intentions.

A summary of problem statement, related research questions, objectives, and hypotheses are depicted in Table 1.1.
Table 1.1: A Summary of Problem Statement, Research Questions, Objectives, and Hypotheses

<table>
<thead>
<tr>
<th>Problem Statement</th>
<th>Research Questions</th>
<th>Research Objectives</th>
<th>Research Hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most studies concerning customer experiences are conceptual in nature; resulting in empirical examination of a holistic view of customer experiences in relation to its antecedents and consequences in the context of resort hotels.</td>
<td>RQ1 What is the effect of advertising efforts on customer experiences?</td>
<td>RO1 To examine the influence of advertising efforts on customer experiences.</td>
<td>Advertising efforts by resort hotels influence customer experiences significantly.</td>
</tr>
<tr>
<td></td>
<td>RQ2 What is the effect of service performance on customer experiences?</td>
<td>RO2 To examine the influence of service performance on customer experiences.</td>
<td>Service performance of resort hotels influences customer experience significantly.</td>
</tr>
<tr>
<td></td>
<td>RQ3 What are the relationships between customer experience, perceived value, consumption emotions, customer satisfaction, and behavioural intentions?</td>
<td>RO3 To examine the effect of customer experience on customers’ perceived value, consumption emotions, customer satisfaction, and behavioural intentions.</td>
<td>Customer experience at resort hotels influences consumers’ perceived value significantly.</td>
</tr>
<tr>
<td>rz3.1 What is the effect of customer experience on customers’ perceived value?</td>
<td>rz3.1 To examine the effect of customer experience on customers’ perceived value.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>rz3.2 What is the effect of customer experience on customers’ emotion?</td>
<td>rz3.2 To examine the effect of customer experience on customers’ emotion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>rz3.3 What is the effect of customer experience on customers’ satisfaction?</td>
<td>rz3.3 To examine the effect of customer experience on customers’ satisfaction.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RQ4</td>
<td>What are the relationships between customer’s emotions, perceived value, satisfaction, and behavioural intentions?</td>
<td>RO4</td>
<td>To examine the relationships between customer’s emotions, perceived value, satisfaction, and behavioural intentions?</td>
</tr>
<tr>
<td>-----</td>
<td>--------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>rq4.1</td>
<td>What is the effect of perceived value on customer satisfaction?</td>
<td>ro4.1</td>
<td>To examine the effect of perceived value on customer satisfaction?</td>
</tr>
<tr>
<td>rq4.2</td>
<td>What is the effect of perceived value on behavioural intentions?</td>
<td>ro4.2</td>
<td>To examine the effect of perceived value on behavioural intentions?</td>
</tr>
<tr>
<td>rq4.3</td>
<td>What is the effect of consumption emotions on customer satisfaction?</td>
<td>ro4.3</td>
<td>To examine the effect of consumption emotions on customer satisfaction?</td>
</tr>
<tr>
<td>rq4.4</td>
<td>What is the effect of consumption emotions on behavioural intentions?</td>
<td>ro4.4</td>
<td>To examine the effect of consumption emotions on behavioural intentions?</td>
</tr>
<tr>
<td>rq4.5</td>
<td>What is the effect of customer satisfaction on behavioural intentions?</td>
<td>ro4.5</td>
<td>To examine the effect of customer satisfaction on behavioural intentions?</td>
</tr>
</tbody>
</table>
1.6 Research Gaps and Contributions

Several gaps have prompted this research, including the lack of non-western perspectives in researches related to tourism and hospitality. Therefore, since most theories have been developed in the western tradition, this research argued for the need to investigate if these theories are applicable in other countries and cultures. For instance, cultural factors may limit the generalization of any specific theory. Culture is claimed to play a pivotal role in the manifestation of human feelings and behaviours (Hofstede and Hofstede 2005). Therefore, in an attempt to bridge the gap in the literature, this research investigated the concept of customer experience in context of China, which differs substantially in various aspects, such as society, culture, politics, and economic system from its western counterparts (Xu and Chan, 2010). On top of that, UNWTO predicts an increase in the international tourism sector within China. The reasons include introduction of low cost airlines, and having resources to fulfil requirements of niche market segments in tourism, including sports travel, spas and health care, adventure and nature tourism, cultural tourism, theme parks, cruise ships, and religious travel (UNWTO, 2013).

The measurement of service performance has been discussed in the services marketing literature using SERVQUAL model developed by Parasuraman, Berry, and Zeithaml (1985). However, the validity of the SERVQUAL model has been criticized due to its limitations in terms of its applications in practical operations (Seth et al., 2005; Buttle, 1996; Cronin and Taylor, 1992). Therefore, a performance-based measure has been highly recommended (Yoon and Ekinci, 2003; Parasuraman et al., 1994; Boulding et al., 1993). Following this recommendation, Grove et al., (1998) proposed a newer concept, coined as “Services Theatre Model”. This model described services as theatre performances, in which four components – actors, audience, setting, and performance – are important in contributing to the whole service experience. Service performance was identified as the dyadic interaction between the customer and the service provider, and it metaphorically elaborated service encounters as role performance. This model is suitable for services that involve face-to-face encounters between service providers and their customers within a controlled physical environment (Kao et al., 2008). Although this model has been discussed as a conceptual framework (Dorris, 2007; Grove et al., 1998), the empirical testing of this model is still lacking (Chang and Horng, 2010; Kao et al., 2008). Considering this gap, this study empirically tested the Service Theatre Model in the context of resort hotels.
Moreover, this study was conducted in the context of hospitality and tourism industry, whereby numerous studies related to service environments have used the Mehrabian and Russell’s (1974) Stimulus-Organism-Response (S-O-R) framework (Ryu et al., 2012; Lin and Liang, 2011; Han and Ryu, 2009). This framework explains that environmental stimuli (S) affect customer’s internal responses (O) to create customer behaviour (R) (Mehrabian and Russell, 1974). However, recent studies have called for inclusion of additional variables in this framework (Mari and Poggesi, 2013). For example, Ryu et al., (2012) investigated the effect of physical surroundings on customers’ behavioural intentions using S-O-R framework. They suggested including some additional variables in their presented framework that may develop positive emotional states, and influence customer’ attitudes and purchase intents. A similar suggestion was also forwarded by Mari and Poggesi (2013), who reviewed 188 journal articles. They suggested that in addition to physical environment, the impact of social environment on consumer emotions, perceptions, and behaviours should also be studied. Social environment refers to the interaction with other customers and staff in a service environment (Grove et al., 1998). Thus, a holistic variable, “service performance”, is developed and is considered as a stimulus, comprising of customers’ perceptions of physical environment, interaction with other customers, and interaction with staff members.

On top of that, since the introduction of experience economy concept (Pine & Gilmore, 1999), many scholars in hospitality have turned their focus on conceptualisation of customer experience. As detailed by Ryan (2002), tourist satisfaction and loyalty in the hospitality and tourism industry are dependent on sophisticated and multifaceted experiences. Hemmington (2007) also supported the multifaceted nature of customer experiences in hospitality and tourism. Thus, Pine and Gilmore (1999) proposed four dimensions of customer experience, including entertainment, education, escapism, and aesthetics. These four dimensions have been adapted by a few scholars like Oh et al., (2007) and Hosany and Witham (2010) in the hospitality and tourism industry. Some scholars also have developed dimensions of customer experience related to customer’s experiential needs. For example, Klaus and Maklan (2012) proposed a scale to assess customer experience quality (EXQ) with four primary dimensions, i.e., peace of mind, moments of truth, outcome focus, and product experience. Similarly, another scale was developed by Xu and Chan (2010) in the context of hospitality and tourism, which has four primary dimensions, i.e., recognition and escapism, peace of mind and relaxation, hedonics, and involvement, and they showed strong effects on tourist satisfaction and loyalty. Yet, Xu and Chan (2010) suggested validating this scale in different facets of the
hospitality and tourism industry. Considering this research call, this study intended to validate the scale of customer experience developed by Xu and Chan (2010) in the context of resort hotels.

Moreover, in terms of antecedents of customer experience, a few conceptualisations have been presented. One of these conceptualisations is “Services Theatre Model”, which was been presented by Grove et al., (1998). As discussed earlier, it conceptualises customer’s experience as a result of interrelationships between three dimensions of service performance, i.e., actors, audience, and setting. On top of that, another concept was presented by Nelson (1970) in his “Information Theory”. He theorised that customer experience is comprised of two main parts, i.e., indirect and direct experiences. Indirect experience is developed by external sources (Advertising), while direct experience is developed by customer’s personal experience. Despite these conceptualisations, a holistic view of customer experience in relation to its antecedents and consequences in the context of resort hotels is still missing. As far as the consequences of customer experience are concerned, studies in the hospitality and tourism industry have mainly focused on cognitive consequences (Ali et al., 2013; Volo, 2009; Walls et al., 2011), emotional consequences (Ali and Amin, 2013; Ma et al., 2013; Saltten et al., 2009) or behavioural consequences of customer experience (Hosany and Witham, 2010; Wong, 2013). However, a careful review of literature showed that empirical studies examining cognitive, emotional, and behavioural consequences of customer experience simultaneously are still scant. Considering this gap, this study considered service performance and advertising efforts as antecedents of customer experience and consumption emotions, perceived value, customer satisfaction, and behavioural intentions as the consequences to examine a holistic view of customer experience.

The focus of this study was on resort hotels, which is a comparatively neglected facet of the hospitality and tourism industry. For example, Line and Runyan (2012) reviewed 274 articles published in four top hospitality journals published from 2008 – 2010. In their review paper, they stated that resorts are one of the least studied industries (as shown in Table 1.2). Besides, the presence of researches targeting this industry in top hospitality journals suggests its relevance to the field.
Table 1.2: Hospitality marketing literature: target industry analysis.

<table>
<thead>
<tr>
<th>Target Industry</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tour/recreation services</td>
<td>4</td>
<td>1.5</td>
</tr>
<tr>
<td>Hotel/Lodging</td>
<td>110</td>
<td>40.1</td>
</tr>
<tr>
<td>Restaurants/food service</td>
<td>87</td>
<td>31.8</td>
</tr>
<tr>
<td>Festival/event</td>
<td>18</td>
<td>6.6</td>
</tr>
<tr>
<td>Spa</td>
<td>2</td>
<td>0.7</td>
</tr>
<tr>
<td>Resort/timeshare</td>
<td>2</td>
<td>0.7</td>
</tr>
<tr>
<td>Theme Park</td>
<td>2</td>
<td>0.7</td>
</tr>
<tr>
<td>Casino</td>
<td>12</td>
<td>4.4%</td>
</tr>
<tr>
<td>Airlines</td>
<td>4</td>
<td>1.5%</td>
</tr>
<tr>
<td>General/Multiple industries</td>
<td>24</td>
<td>8.8</td>
</tr>
</tbody>
</table>


1.7 Research Model

The research model was developed based on the extensive literature review reported in chapter 2. The research model is presented in Figure 1.3, and it comprised of seven major constructs: service performance, advertising efforts, customer experience, perceived value, consumption emotions, customer satisfaction, and behavioural intention. Among these, the exogenous variables were components of service performance and advertising efforts. Customer experience, perceived value, consumption emotions, customer satisfaction, and behavioural intention constituted the endogenous variables. This research model was designed to present the antecedents and the consequences of customer experience in resort hotels. Therefore, service performance and advertising efforts were shown as antecedents of customer experience, whereas perceived value, consumption emotions, customer satisfaction, and behavioural intention were regarded as consequences of customer experience (See Figure 1.2).

This research model had been an integration of three established models, namely S-O-R framework developed by Mehrabian and Russell (1974), Service Theatre Model developed by Grove et al., (1998), and Information Theory developed by Nelson (1970). The S-O-R framework explains that environmental stimuli (S) affect customer’s internal responses (O) to create customer behaviour (R) (Mehrabian and Russell, 1974). As shown in Figure 1.2, customer experience was considered as an overall stimulus, developed
through service performance and advertising efforts. These two variables were considered based on the Information Theory developed by Nelson (1970). He theorised that customers have two alternative ways of seeking information about the quality of goods: one is to search external sources (Advertising efforts), and the other is to rely on personal experience (service performance). Service performance in the research model was comprised of three theatrical components from Services Theatre Model; physical environment (setting), interaction with staff (actors), and interaction with customers (audience) (Grove et al., 1998). In addition to considering customer experience as a stimulus, this model considered consumption emotions and perceived value as “consumer’s internal responses” (O), and customer satisfaction and behavioural intentions as “consumer’s response” (R) (Lin and Liang, 2011; Fiore and Kim, 2007).
Figure 1.3: Research Model
1.8 Key Concepts and Definitions

As for the purpose of establishing an equal understanding of the foundation of constructs in this research and to reconcile any differences in definitions, the key terms for the study are presented in Table 1.3.

Table 1.3: Definition of Constructs used in this Study

<table>
<thead>
<tr>
<th>Construct</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Experience</td>
<td>The definition for customer experience was taken from Oh et al., (2007), “From a consumer’s perspective, experiences are “enjoyable, engaging, and memorable encounters for those consuming these events.”</td>
</tr>
<tr>
<td>Service Performance</td>
<td>The service performance is metaphorically described as a theatre performance between the service provider and the customer in the service setting (Grove et al., 1998).</td>
</tr>
<tr>
<td>Advertising Efforts</td>
<td>Advertising efforts in this study refer to the effectiveness of advertising in the development of customers’ indirect experiences (Parente, 2006).</td>
</tr>
<tr>
<td>Consumption Emotions</td>
<td>Consumption emotion refers to an emotional reaction that one has in response to a product or service (Richins, 1997).</td>
</tr>
<tr>
<td>Perceived Value</td>
<td>Perceived value is essentially considered as an interactive relativistic preference experience (Holbrook, 1999). Both an event’s usefulness and appreciation of activities comprising it can indicate value (Babin, Darden, and Griffin, 1994).</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>Satisfaction is the cognitive and the affective consumption responses of consumers (Oliver, 1996).</td>
</tr>
<tr>
<td>Behavioural Intentions</td>
<td>It is the indication of an individual’s readiness to perform a given behaviour. It is assumed to be an immediate antecedent of behaviour (Ajzen, 2002).</td>
</tr>
</tbody>
</table>

1.9 Structure of the Thesis

The current chapter introduces the context of the research and covers issues, such as background, introduction, and problem statement of the research, its gaps and contributions, aims, and objectives in order to give an overview idea of this research. To explain the further insight of this research, the remaining sections of the thesis are as in the following:

Chapter Two: The literature review chapter examines the main theories and discusses various perspectives on the main constructs in this study. This helped to formulate the conceptual framework of this research.
Chapter Three: The theoretical framework and hypotheses development chapter describes the conceptual framework developed in this research and explains the development of hypotheses.

Chapter Four: The research method chapter describes the research process, research design, pilot study, instrument development, and data collection procedures.

Chapter Five: Findings and analysis chapter details findings of the quantitative customer surveys. This chapter presents the response rate, respondents’ profiles, validity and reliability tests, structural equation modelling procedures and hypotheses testing.

Chapter Six: Discussion and implication chapter contains the conclusions drawn from the entire study. The discussion related to the findings, contributions and limitations of this research are discussed as well as recommendations for future research.
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http://www.stats.gov.cn/english/


