



RESEARCH ARTICLE

TO STUDY THE RELATIONSHIP BETWEEN EXPERIENTIAL MARKETING, EXPERIENTIAL VALUE AND PURCHASE INTENTION WITH SPECIAL REFERENCE TO TRAVEL WEBSITE

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ABSTRACT

This paper proposes the framework to examine interrelationship among experiential marketing, experiential value and purchase intentions of travel website users. Experiential marketing focuses on how customer senses, feel, think, act and relate their experiences. Experiential value incorporates the benefits derived from perceptions of playfulness, aesthetics, customer return on investment and service excellence incorporated in the proposed model. Measurement of the relationships of the study (experiential marketing, experiential value and purchase behavior) was done and subjected to rigorous data processing and analysis using the relevant statistical computer software packages. Anonymous data was collected from 150 online travel website users. Correlation and multiple regressions were used to examine the objective of the study. From the findings, the relationships between experiential marketing, experiential value, purchase behavior, were found to be positive and significant. Results from regression analysis showed experiential marketing, experiential values are significant predictors of purchase behavior. The paper suggests that marketers should consider the proposed framework used for the study that will lead them to materialization of the sales.

INTRODUCTION

Consumers today are looking for value, choice, and a great customer experience. Consumers are not just sturdy to buy products, but are prepared to experience them. Therefore, experience is an essential element of the life of today's consumer (Schmitt, 2003). Experience occurs as a result of encountering through things and thus, experience is the stimulation of a single event, for example, marketing before and after purchasing (McLuhan, 2008). Experience includes the completely living element, and usually is caused by directly observing or participating in events, no matter if the events were real, dream-like or virtual. Experience usually is not spontaneous but induced. Experiential marketing, enables customers to experience and become directly involved as the main body, creating a kind of "feeling that will not forget" satisfy their needs mentally to the greatest extent in order to win customer trust and loyalty so that to promote product sales (Liu, 2006). Experiential marketing can create competitive advantage for a firm. An individual uses a product because he hopes it would perform a service that brings him a satisfying consumption experience. That's why Holbrook and Hirschman (1982) introduced experiential view of consumption as an alternative to the information-processing perspective and Pine and Gilmore found the progression in economy. Customers' experiential value is based on holistic experience customers would have when they interact with a product/service. Experiential value is defined as "relativistic preference characterizing a subject's experience with some object" (Holbrook, 1994).

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Online purchasing has been developed from the essentially as important as forecasting customer behavior that obviously depends on the influences and uncertain factors. Whatever customer is experiencing while browsing the product impact their buying decisions appearance of electronic commerce and become the third most common activity through the Internet, just after email or instant messaging and web browsing. Purchaser's intention is.

Literature of Review

Experiential Marketing

Holbrook and Hirschman (1982) introduced experiential view of consumption as an alternative to the information-processing perspective. According to these authors, Fantasies, Feelings, and Fun (3Fs) are the goals and criteria for successful consumption in the experiential view. In other words, in experiential consumption, the rational and goal-directed customer of the information-processing model turns to a pleasure-directed individual that continuously looks for amusement, enjoyment, and "sensory-emotive" stimulation.

Experiential marketing essentially concerned with the six senses: smell, vision, taste, hearing, touch and balance. Experiential marketing has grown in importance because traditional marketing has largely ignored the notion of act experiences. Experiential marketing is not a fad. It is being implemented in practice, yet is not accounted for in the various philosophies (concepts) of marketing. Michelli, (2007) described the five principles for turning ordinary into extraordinary products. One of the principles he described to offer a unique experience to the customers.

Further he explained that instead of selling a product with its features it's better to sell their traditional offering if they wrap experience around them. He mentioned that generating a unique customer experience has been as the success key for brands such as Starbucks.

Experiential Value

Zeithaml (1988) Early approaches to customer value mainly focused on cognitive and utilitarian aspects of it. The author defines the perceived value as "consumer's overall assessment of the utility of a product or service based on perceptions of what is received and what is given". While investigating the price dimension, value researchers have come to recognize that how much time and efforts a customer is investing to get desired product or service is also matter with the price of the product.

Mathwick, et al (2001) in their work explained that retailers are starting to position themselves as providers of memories and experiences rather than only providers of goods. Apart from giving them the goods and services now a days marketers are focusing on providing the holistic experience to their customers. The authors have explained the self-oriented value of the Holbrook typology of experiential value. They developed and validates an instrument to measure consumers' perceptions regarding the self-oriented value (Aesthetics, playfulness, and service excellence) of online retailers. One objective of his study was to place the importance of the self-oriented value in the online context by developing a measurement scale. Many authors have validated the experiential value scale (EVS) as a measurement tool in describing the perceived experiential value of customers' in online retailing. Gallarza, (2011) has highlighted the importance of value in service sector. To gain better understanding the links between quality, satisfaction, and value was studied both conceptually and empirically Consumer behavior has been recognized over the years as one of the areas with the most promising future perspectives for tourism services research so the authors have linked the value with customer satisfaction. The growth of the business depends on customer satisfaction and loyalty, which is influenced by customer perceived value. Positive perception of value leads to satisfied and loyal customers.

Purchase intention

Limayem et al. (2000) investigated the factors affecting online shopping. A model explaining the influence of different factors on online shopping intentions and behavior was developed based on the theory of planned behavior. It was found that subjective norms, attitude, and beliefs concerning the consequences of online shopping have important effects on consumers' intentions to buy online. Behavioral control and intentions significantly influenced online shopping behavior. Overby and Lee 2006 found that both hedonic and utilitarian values are positively related to customer preference. The relevancy of value dimensions for online shopping and the relationship between value dimensions, preference towards the Internet retailer, and intentions were examined. utilitarian values was found more strongly related than hedonic value to preference towards the Internet retailer and intentions, Further it was found that shopping frequency can play a moderating role in intention to buy. Wen, (2012) empirically tested a structural model of factors influencing consumers' online purchase intentions for travel products.

The author discovered that information quality, service quality, and system quality were valid measurements to evaluate the quality of travel-oriented website designs. In terms of travelers' perceptions, convenience, value, and merchandise options were three effective measurements of travelers' attitudes toward purchasing travel products online. Quality of travel website design, travelers' attitudes, and customers' satisfaction demonstrate significant influence on travelers' purchase intentions. Travelers' attitudes and customers' satisfaction also serve as strong mediators for the links between quality of travel website design and purchase intentions

Experiential Marketing, Experiential Value and Purchase intention

Chu, and Lu, (2007) Perceived value was found as the antecedents of the customer purchase intention, the beneficial factor of the perceived usefulness and playfulness were identified in addition to the sacrificing factor of the perceived price for assessing the value. A model incorporating the value, and purchase intention framework was integrated into technology acceptance model and then further investigated. The purchase behavior and the impact of the perceived value were examined empirically. Nasermodali et al. (2013) the core concepts in the experiential marketing, customer experience has been used as a base to predict the customer purchase intention so the authors have discovered the relationships between customer experience including sensory experience, emotional experience and social experience and purchase intention.

It was concluded that only the emotional experience and social experience have significant positive impacts on the purchase intention; the sensory experience positively influences the emotional experience and a positive relationship was found between the sensory experience and purchase intention, mediated by social experience. Wang et al. (2013) examined the factors affecting consumer intention to purchase online content services. Based on the value-based adoption model they explored the antecedents of perceived value and the moderating effect of ethical self-efficacy for online piracy on the relationship between perceived value and purchase intention in the context of online content services. Further the authors indicated that perceived enjoyment, perceived usefulness, perceived fee, and ethical self-efficacy have a significant influence on perceived value and that ethical self-efficacy can enhance the positive effect of perceived value on purchase intention.

Objective

- To determine the relationship between experiential marketing and experiential value.
- To establish the relationship between experiential marketing and purchase behaviour.
- To determine the relationship between experiential marketing, experiential value and
- Purchase intention.

Hypothesis

- Experiential marketing has a positive influence on experiential value.

- Experiential marketing has a positive influence on purchase intention.
- Experiential value has a positive influence on purchase intention.

MATERIALS AND METHODS

The research design is descriptive in nature for the study. The sampling technique that is used for the study is simple random sampling. A group of respondent who were using travel websites was selected through simple random then the questionnaire was distributed and response was collected to avoid any bias in the research. Survey method of primary data collection using questionnaire adopted for collection of primary data through field survey. Secondary data’s collected from books, journal, newspaper and websites. A structured questionnaire was used for this research. The questionnaire consists of two sections, the first section consists of demographic questions and the second consist of the factors to measure the perceived experiential value and trust. The Total 150 responses were collected which were having no missing data’s. This research was analyzed through correlation and multiple regressions by using SPSS 20.0 software

Data Analysis and Interpretation

The Relationship between the Study Variables

Correlation Test was used to answer the objective of the study. To investigate therelationship among the constructs a Zero-order correlation table was generated. The Pearsoncorrelation coefficient (r) was employed to establish the relationship between experientialmarketing, experiential value and purchase intention

Table 2. Relationships between Variables/Zero Order Matrixes

	1	2	3
Experiential marketing-1	1.00		
Experiential value-2	0.773	1.00	
Purchase intention-3	0.695	0.633	1.00

** Corelation is significant at the 0.01 level.

Experiential Marketing and Experiential Value

Correlation results indicated significant and positive relationships between experientialmarketing and experiential value (r=.773**, p<.01). This is indicative of the fact that themore the consumer is able to experience the concept of the purchase, process of the purchase, thoughts of purchase and driving force of the purchase, that is, from a consumer’s senses, feelings, thinking, action and connection, the likelihood that the consumer’s consumptionbehavior will be motivated in regard to functional, conditional, social, emotional andepistemic utility. This implies that a consumers’ marketing experience shapes and affectstheir experience of the value of the products and services.

Experiential Marketing and Purchase intention

Correlation results indicated a significant positive relationship between experientialmarketing and purchase intention (r =.695**, p<.01). This is confirmation that customers’sensorial experience, cognitive experience, life style, relational experience and emotionalexperience had a positive effect on purchase intention towards travel websites.

Experiential Marketing, Experiential Value and purchase intention

Correlation results indicated a significant and positive relationship between experientialmarketing and experiential value (r=.773**, p<.01), and relationship between experientialvalue and purchase intention (r = .633**, p<.01).

Multiple regression analysis of customer trust on experiential value factors

Regression is the determination of statistical relationship between two or more variables. In simple regression two variables are used. One variable (independent) is the cause of the behavior of another one (dependent). When there are more than two independent variables the analysis concerning relationship is known as multiple correlations and the equation describing such relationship is called as the multiple regression equation. Regression analysis is concerned with the derivation of an appropriate mathematical expression is derived for finding values of a dependent variable on the basis of independent variable. It is thus designed to examine the relationship of a variable Y to a set of other variables X₁, X₂, X₃.....X_n. the most commonly used linear equation in $Y=b_1 X_1 + b_2 X_2 + \dots + b_n X_n + b_0$

Here Y is the dependent variable, which is to be found. X₁ , X₂ ,... and X_n are the known variables with which predictions are to be made and b₁, b₂ ,...b_n are coefficient of the variable.

In this study, the dependent variable is loyalty; Independent variables are experiential value factors discussed as follows:

- Dependent variable : purchase intention(Y)
- Independent variables : 1. Experiential marketing (X₁)

Experiential value (X₂)

Multiple R value: 0.783
 R Square value: 0.580
 F value: 91.733
 P value: <0.001**

Table 3. Variables in the Multiple Regression Analysis

Variables	Unstandardized Coefficients	Standardized Coefficients	t-value	P-value
(Constant)	1.896	0.758	2.328	0.030
X ₁	0.156	0.032	0.169	4.525 <0.001**
X ₂	0.688	0.043	0.050	1.444 0.193

Note: ** Denotes significant at 1% level

The multiple correlation coefficient is 0.783 measures the degree of relationship between the actual values and the predicted values of the Adjustment. Because the predicted values are obtained as a linear combination of Experiential marketing,(X₁) ,Experiential value (X₂), coefficient value of 0.783 indicates that the relationship between adjustment and the eight independent variables is quite strong and positive.

The Coefficient of DeterminationR-square measures the goodness-of-fit of the estimated Sample Regression Plane (SRP) in terms of the proportion of the variation in the dependent variables explained by the fitted sample regression equation. Thus, the value of R square is 0.508 simply means that about 50.80 % of the variation in adjustment is explained

by the estimated SRP that uses Experiential marketing, experiential value as the independent variables and R square value is significant at 1 % level. The multiple regression equation is

$$Y = 1.896 + 0.156X_1 + 0.688X_2$$

Here the coefficient of X_1 is 0.156 represents the partial effect of Experiential marketing on Adjustment, holding the other variables as constant. The estimated positive sign implies that such effect is positive that adjustment score would increase by 0.146 for every unit increase in experiential marketing and this coefficient value is significant at 1% level.

The coefficient of X_2 is 0.488 represents the partial effect of Experiential value on Adjustment, holding the other variables as constant. The estimated positive sign implies that such effect is positive that adjustment score would increase by 0.688 for every unit increase in experiential value and this coefficient value is not significant at 5% level. Based on standardized coefficient, experiential value is most important factor leads to purchase intention.

RESULTS

Due to marketing overload, ablast of product choices and lack of trust, consumers are changing the way they listen, research, talk and purchase products. People want to buy products that satisfy personal emotions and brands need to work harder than ever to provide the right information and product experiences to enhance the buying decision (Lee and Overby, 2004). Experiential marketing highlights the increasing importance of two way communications, allowing consumers to feel, smell and experience a product for the first time. In addition, experiential tactics can successfully provide a sensory reminder to strengthen brand and product usage.

The findings showed significant and positive relationships between experiential marketing and experiential value. The findings are in line with the assertions of Szymanski and Hise (2000), who posits that the consumption experience itself can also be rich in value. Experiential value perceptions are based upon interactions involving either direct usage or distanced appreciation of goods and services. The findings revealed a significant positive relationship between experiential marketing and purchase intention. Lee and Overby (2004) suggests that the value that motivates consumption behavior has been recognized to functional, conditional, social, emotional and epistemic utility. The finding also shows that there is a positive and significant relationship between experiential value and purchase intention.

Conclusion

In general, the study looked at the relationships between experiential marketing, purchase intention, experiential value. From the findings, the relationships between experiential marketing, purchase intention and experiential value were found to be positive and significant. It also examined the variance in customer loyalty that is explained by the independent variables. Both the independent variables were found to be significant predictors of purchase intention.

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