

# Customer Hedonism in Hospitality Services: A Study of Antecedents and Consequences

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**Abstract:** *Increasing occupancy rates and revenue by improving customer experience has become the aim of modern hospitality organisations. Investigation of attributes that creates customer hedonism has been suggested in several disciplines, such as sociology and psychology, to better understand consumer emotions and behaviours in maximising the value of customer experience. Although many researchers have illustrated the significant effect of hedonism on behavioural decisions, the understanding on what are the factors that actually facilitate the creation of hedonism remains in the dark. Moreover, existing studies in this area are often confined to consumer goods and retailing. Notably, much of the pioneering work on consumer behavioural decisions in existing hospitality researches has largely focused on the cognitive aspects of decision-making without exploring extensively on its emotional dimension. This study attempts to address this gap by examining the antecedents and consequences of customer hedonism in hospitality services. Results from the study supported all proposed hypotheses, which suggests that customer hedonism is positively influenced by service quality, servicescape, exclusivity, brand and personalisation afford by hospitality providers. Further, the results highlighted the importance of understanding and facilitating service offerings that is aligned to consumers' need for hedonism in creating satisfaction and positive perceived value to facilitate favourable behavioural intentions. Implications for theory and practice are articulated, research limitations are identified, and avenues for future research are presented.*

**Keywords:** *Customer Hedonism, Hospitality Services, Consumer Behaviour*

## 1. INTRODUCTION

Increasing occupancy rates and revenue by improving customer experience has become the aim of modern hospitality organisations (Minghetti, 2003). Investigation of attributes that creates customer hedonism has been suggested in several disciplines (e.g. sociology and psychology) to better understand consumer emotions and behaviours in maximising the value of customer experience (Gursoy et al., 2006). Although many researchers have illustrated the significant effect of hedonism on behavioural decisions (e.g. Ryu et al., 2010), the understanding on what factors that actually facilitate the creation of hedonism remains in the dark. Moreover, existing studies in this area are often confined to consumer goods and retailing (e.g. Lee and Hwang, 2011). Notably, much of the pioneering work on consumer behavioural decisions in existing hospitality researches has largely focused on the cognitive aspects of decision-making without exploring extensively on its emotional dimension. The current study attempts to address this gap by examining the antecedents and consequences of customer hedonism in hospitality services. The outcome of this study will help both scholars and hospitality providers to further understand the hospitality attributes that facilitate hedonistic experiences and the subsequent consequences as a result of customer hedonism. Findings from this study will allow hospitality providers to make inform business decisions and add weight to their marketing materials to help convince consumers as to why their hospitality services should be selected ahead of their competitors.

## 2. LITERATURE REVIEW

### 2.1 Appraisal Theory of Emotions

The appraisal theory of emotions has been well established in the marketing literature and is considered by Johnson and Stewart (2005) as a relevant approach for understanding emotional antecedents and responses of consumers in the marketplace. The theory addresses three issues: (i) to elucidate what are the underlying characteristics in events that are evaluated or appraised; (ii) what emotions are experienced as a result of this appraisal process; and (ii) what are the behavioural responses to the experienced emotions (Watson and Spence, 2007). As such, the appraisal theory of emotions is considered as an appropriate theoretical grounding for the current study as it facilitates predictive ability of both antecedents and consequences of customer hedonism in hospitality services.

### 2.2 Hedonism

The word hedonism stems from the Greek word ‘Hedone’, which means pleasure, enjoyment or delight (Sandoff and Widell, 2008). Researchers argue that in some way or another, every individual are somewhat hedonistic simply because everyone in some form prefers to live a life in pleasure (O’Shaughnessy and O’Shaughnessy, 2007). This study contends that the central concept to hedonism is the desire for utmost pleasure. Thus, customer hedonism refers to the state of pleasure that is felt by consumers (i.e. pleasurable or unpleasurable).

### **2.3 Antecedents of Customer Hedonism in Hospitality Services**

#### **2.3.1 Service Quality**

Lewis and Booms (1983) defined service quality as a measure of how well a delivered service matches customers’ expectation, in which the employees of an organisation acts as service facilitators. As consumers engaging in hospitality services will often stay in the service environment for a period of time, the delivery of services during the stay acts as a creation of story that brings customer emotions out to feel the service experience (Chase and Dasu, 2001). Shamir (2010) added that since hospitality services often renders customer interaction, employees who are able to show a sense of reliability, responsiveness, assurance and empathy will be able to assist consumers more competently in achieving their goals and expectations, and in this case – to attain hedonism. Indeed, several studies have shown that employees with these attributes were found to have successfully created pleasurable and memorable experiences for consumers (González et al., 2007; Shamir, 2010). Thus:

**H1.** Service quality has a positive influence on customer hedonism.

#### **2.3.2 Servicescape**

Servicescape is a concept that was coined by Booms and Bitner (1981) to emphasise the impact of the physical environment in which a service process takes place, and typically refers the notion to the environment in which the service is assembled and in which the seller and customer interact, combined with tangible commodities that facilitate performance or communication of the service. In the work of Walls et al. (2011), it was found that consumers who engage with hospitality services often rely on the physical environment from which they form their hedonistic experiences. Thapa (2007) added that servicescape activates emotional processes in regards to service consumption and creates an immediate perceptual image in consumer minds that can influence the overall customer experience. As services are produced and consumed simultaneously, consumers are directly exposed to the atmospheric environment, in which the elicitations of hedonistic responses are influenced by the atmospheric qualities of the service environment (Heide and Gronhaug, 2006). Hence:

**H2.** Servicescape has a positive influence on customer hedonism.

#### **2.3.3 Exclusivity**

Heide and Gronhaug (2009) suggest that the concept of exclusiveness is one which is linked with being distinct, special and delightful, thus creating prominence. According to Tian et al. (2001), many consumers pursue efforts to feel special and endeavour to differentiate themselves in relative to others through the acquisition, utilisation and disposition of products and services, in which the ability to stand out obtained through the consumption of exclusive offerings may lead to hedonistic emotions (Savery, 1934). This is supported by Tsai (2005) as the possession of exclusive materials was found to help consumers project a distinct image and creates a striking impression of the self on others. As such, the satisfaction obtained through the possession and consumption of exclusive materials is said to make consumers feel special and thus creates a pleasurable, gratifying sensation for consumers (Tapu and Lefcourt, 2008). Thus:

**H3.** Exclusivity has a positive influence on customer hedonism.

#### **2.3.4 Brand**

Brands are a set of mental associations held by consumers (Doyle, 1992). Lehman and Leighton (2010) noted that conscious hedonism subsides within a brand as consumers are able to associate the kind of pleasure and gratification that is offered. Flocker (2008) argued that this is an effect of hedonistic positioning for corporate branding as it is an announcement of the pleasure and enjoyment that customers subscribing to the brand can expect to be showered with. Xu and Chan (2010) added that a brand that is renowned and well recognised promotes positive feelings in consumers. Till et al. (2011) support this notion as such brands are often prestigious and afford a luxurious feeling to their customers. In addition, the consumption of recognised brands promotes a positive self-image as consumers are more confident and happier to talk about experiences with brands which people are aware of, in which consumers are often filled with delight when these brands are recognised by their acquaintances (Flocker, 2008). Hence, the following research hypothesis is proposed:

**H4.** Brand has a positive influence on customer hedonism.

#### **2.3.5 Personalisation**

Personalisation refers to the capability to deliver information or services that is relevant to an individual or a group of individuals by understanding the habits, lifestyle, preferences, likes and dislikes, and addressing customers' individual needs and preferences (Kim, 2002). Research indicates that services which are personalised to cater to personal needs are viewed to be dissimilar to general services offered to the public, in which consumers feel the uniqueness and pleasure of being special (Riley and Anderson, 2010). Buttle (1996) observed that consumers consider the opportunity of being able to customise their own hospitality experience as an activity that is fun and exciting. Scholl and Dirk (2002) further adds support to these findings as personalisation was found to be an exhilarating and enjoyable experience by consumers, whereby the process from which the product or service is customised creates a sense of anticipation and consequent outcomes often result in delightfulness, and thus suggesting a blend of pleasure and arousal, or more specifically, as a combination of joy and surprise of enjoying the embodiment of their requests. Accordingly:

**H5.** Personalisation has a positive influence on customer hedonism.

## **2.4 Consequences of Customer Hedonism in Hospitality Services**

### **2.4.1 Satisfaction**

Satisfaction refers to the summary of psychological state experienced by consumers when confirm or disconfirmed expectations exist (Getty and Thompson, 1994), in which an affective-based post-consumption judgement is made (Ng, 2006). Chang et al. (2004) asserts that the more exciting and pleasurable a service consumption experience is, the higher the level of satisfaction is felt by consumers. This is supported by Bigne and Andreu (2002) as satisfaction increases as a function of the level of pleasure and arousal. Pleasure and arousal derives from the dimension of emotions and it is evidenced that arousal (i.e. antecedents to emotional formation) influences pleasure (i.e. hedonism) (Russell, 1980). However, limited research has investigated the relationship between the hedonistic experience during consumption and satisfaction (e.g. Drengrer et al., 2010). The role of emotions was argued by Ng (2006) as having a high level of importance in hedonic services (including hospitality services) and thus, it is worthwhile to explore this relationship. Hence:

**H6.** Hedonism has a positive influence on satisfaction.

### **2.4.2 Perceived Value**

Perceived value refers to the consumers' overall assessment of utility of an offering based on perceptions of what is received and what is given (Zeithaml, 1988) According to Oliver and DeSarbo (1988), customers are inclined to feel equitably treated if they perceive that the ratio of their outcome to inputs is comparable to the similar ratio experienced by organisations. If the consumer expectations include the need for a goal directed emotion and the need to be happy with achieving them (Maio and Esses, 2001), these judgements need to be incorporated into the perceive value equation (Caruana et al., 2000). As consumers patron hospitality services, they look forward to obtaining an enjoyable and pleasurable service experience, in which the experience obtained should be worth the costs incurred (Scholl and Dirk, 2002). Indeed, research has shown that emotions associated with services offered influence value perceptions (Babin et al., 1994). Thus:

**H7.** Hedonism has a positive influence on perceived value.

### **2.4.3 Behavioural Intention**

Behavioural intentions are the subjective probabilities that a person will perform a particular behaviour (Fishbein and Ajzen, 1975), which can be favourable or unfavourable. Research shows that satisfaction has a significant influence on behavioural intention (Chen, 2008). The judgements that consumers make relates to the appropriateness of services received (i.e. comparison between performance and expectations), where consumers based potential courses of actions on their degree of satisfaction (Reid and Bojanic, 2010). Additionally, Chi et al. (2011) suggests that behavioural intentions arises from consumers perceptions on benefits and values acquisition and it was found in numerous researches to be a key predictor of future behaviour. Zeithaml (1988) adds that higher perceive value held by consumers results in higher likelihood for favourable behaviour intentions. Hence:

**H8.** Satisfaction has a positive influence on behavioural intention.

**H9.** Perceived value has a positive influence on behavioural intention.

## **3. METHODOLOGY**

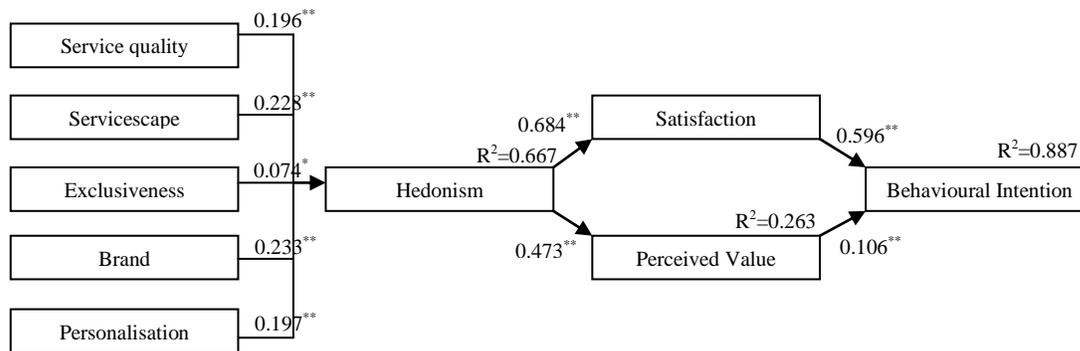
The study collects quantitative data using a survey research. A set of questionnaires (5 demographics questions, 35 7-point Likert scale items measuring research constructs) was distributed using the mall-intercept survey approach. Simple random sampling was used to select a sample of shopping malls for questionnaire distribution in Klang valley, Malaysia. Klang Valley was identified as the satellite town of Malaysia which consist of people coming from all 14 different states in the

country (Euromonitor, 2011), and shopping malls was arguably the place where consumers from all walks of life could be found. Systematic sampling was employed to select respondents for the current study, in which every  $k$ th person that passes the entrance of the mall was selected. A target of 400 participants was set as research has show that such a sample size for a study of this nature is a suitable sample of the population that promotes good reliability and validity (Clarke and Dunlap, 2008).

#### 4. DATA ANALYSIS

First, factor analysis and reliability testing are carried out to ensure that all research constructs are valid and reliable. Results showed that each measurement used has a single dimension, in which all factor loadings are more than 0.5. The Cronbach's Alpha indicated that all constructs have good internal consistency (i.e.  $\alpha > 0.5$ ). Second, correlation analysis is performed and results support the non-existence of multi-colinearity as all correlation values are below 0.7. Third, multiple regression analyses are performed to examine the relationship between the whole set of independent variables and dependent variables. The findings indicate that service quality, servicescape, brand and personalisation are all positively related to hedonism at  $p < 0.01$  and exclusiveness is positively related to hedonism at  $p < 0.05$ , while hedonism is positively related to both satisfaction and perceived value at  $p < 0.01$  and both satisfaction and perceived value are positively related to behavioural intention at  $p < 0.01$ . Fourth, One-Sample Kolmogorov Smirnov Tests for normal distribution are performed and results showed  $p = 0.103$ ,  $p = 0.958$ ,  $p = 0.677$  and  $p = 0.352$ , all which are more than  $p > 0.05$ , therefore, a normal distribution can be assumed. Fifth, hypotheses testing are performed and all proposed hypotheses (i.e. H1-H9) that emerged from the literature review are supported based on the results from the multiple regression analyses.

**Figure 1** Research Framework Representing Coefficients of Each Research Construct



#### 5. DISCUSSION, IMPLICATIONS AND RECOMMENDATIONS

First, it is important to consumers that the service provided is consistent to their expectations. Thus, hospitality providers are recommended to understand the needs of their customers and be ready to assist them in achieving their goals, in this case, hospitality providers need to understand that customers in the contemporary era are no longer confined to having utilitarian needs but also desires for hedonistic experiences. Second, consumers place a high degree of importance on the spatial layout, ambient conditions, artefacts and cleanliness of the servicescape. Spatial layout of the servicescape, such as layout of rooms, equipment, furnishings and sitting comfort, should be timely updated and designed in a way that provide customers with maximised comfort pleasure. Third, exclusivity was found to be a significantly important consideration when consumers engage with hospitality services. Exclusivity provides consumers with a sense of specialness and allows them to signal a sense of uniqueness. The consumption of services that are only limited to a specific group of people was found to be something that consumers enjoy. Hence, hospitality services are recommended to afford exclusive services, such as private vicinities and limited access passes, to cater to exclusivity-seeking consumers. Fourth, brands convey promised performance deliveries that consumers can expect. Hospitality providers with brands that are renowned are perceived to be more trustworthy. Notably, consumers rely on brands when assessing which hospitality provider would provide them with the most pleasurable experience. As such, they prefer consuming services from brands that they are familiar with. Therefore, hospitality providers are recommended to elevate brand building strategies in order to create a positive brand presence in consumer minds. Fifth, personalisation gives consumers a sense of natural authenticity as it allows them to project sparks of creativity. The opportunity to customise service offerings is something that consumers consider fun and exciting. Notably, consumers are delighted when hospitality providers have the flexibility to adapt the offer to their needs and requests. Hence, hospitality providers are strongly encouraged to provide opportunities for customers to customise service offerings and experiences. Sixth, customers are satisfied, pleased and feel that their decisions to engage with hospitality services are ones which are wise when hospitality providers are able to offer customers with what they need and that the actual performance of service offerings are up to the customer expectations (i.e. hedonistic experiences that meet

their hedonistic expectations and demands). Whereas, customers hold a positive perceived value when they believe that they have obtained good deals for the hospitality services that they have acquired. As positive behavioural intentions are dependent on the satisfaction and perceived value of consumers, in which the latter two are both dependent on customer hedonism, it becomes imperative for hospitality providers to consider the recommendations for service quality, servicescape, exclusivity, brand and personalisation strategies that were encouraged in this study.

## 6. CONCLUSION

This paper contributes to understanding the antecedents and consequences of customer hedonism in hospitality services. The study has showed what the implications of such an analysis are to the management and marketers of hospitality providers. Thoughts on the antecedents identified should propel the facilitation of hedonistic experiences, which subsequently creates satisfactory judgements and positive perceived value of hospitality services, and consequently creating favourable behavioural intentions. Future research can further evaluate and analyse consumer behaviour in hospitality services from other potentially fruitful perspectives, namely investigating for further significant latent constructs and subsequent interaction effects, examining the researched framework in more context-specific hospitality services, and the legitimacy of proposed relationships across multi-cultural settings.

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