

CUSTOMER EXPERIENCE IN INDIAN HOSPITALITY SECTOR: AN EMPIRICAL STUDY

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Abstract: *Creating excellent customer experiences has become a key objective in contemporary hospitality industry. The purpose of this paper is to investigate the influence of customer experience on customer memories and loyalty. The data has been collected from 170 respondents within four and five star hotels by using convenience sampling technique. After reliability, the data were analyzed using mean values, standard deviations, correlations, simple and multiple regression analyses. The result from the finding suggests that the customer experience influences customer memories and loyalty. The paper examines the relationships amongst customer experiences, memories, and loyalty, which will be of immense use for the marketing practitioners. This research is vital, as the results should be used in improving marketing strategies to create, manage, and control customer experiences. They can help marketers to know how to understand customer differences whilst implementing segmentation, promotional, and positioning strategies that ultimately contribute to their memories and loyalty. The paper makes contributions towards new knowledge and understanding the customer experience management and can be used for managerial decision-making.*

Keywords: *Customer Experience, Memories, Loyalty, Hospitality Industry*

INTRODUCTION

Customer experiences have attracted considerable attention in recent years. Creating and managing experiences are still amongst major challenges for tourism and hospitality industry (Pijls, Groen, Galetzka & Pruyn, 2017; Walls, Okumus, Wang & Kwun, 2011). The Indian tourism and hospitality industry has emerged as one of the key drivers of growth and is one of the largest segments under the services sector of the Indian economy (IBEF, 2018, Rather, 2017). United Nations World Tourism Organization also stated that the importance of hospitality industry has been consistently growing (UNWTO, 2013); though, it is surprising that this sector has not gained much attention in research (Pijls et al., 2017). Customer experience has particular importance to the tourism and hospitality industry (Titz, 2007) because travellers are highly involved in tourism products and services (Cetin & Bilgihan, 2015). It is considered to be one of the important precursors of customer loyalty (Wilkins, Merrilees & Herington, 2009) and essential for understanding and managing loyalty concepts (Brakus, Schmitt & Zarantonello, 2009). Creating consistent customer experience becomes synonymous with the brand and as a result drives loyalty (Chang & Chieng 2006). In hospitality industry, the experience of the customers play an important role in the success of the hotels; hence, the hotel

practitioners are interested to know about it (Ford & Heaton, 2000; Pijls et al., 2017).

The concept of customer experience started gaining increasing interest amongst academicians and practitioners, especially because of shift from service-based economy to experience-based economy (Kim et al. 2008; Pijls et al., 2017; Pine & Gilmore 1999; Verhoef et al., 2009). In addition to value proposition, scholars such as Haeckel et al. (2003) remarked that competitive advantage could not be achieved by looking at the traditional elements of price, quality and service but by focusing on customer experience (Johnston & Kong 2011; Pine & Gilmore 1998). Furthermore, Kim et al. (2008) remarked in this context that it is important for companies to make memorable experiences and create the stage for greater economic value rather than simply making goods and delivering services. Moreover, selling services are not enough to differentiate offerings; it is required to provide memorable experiences to the hotel customers (Gilmore & Pine, 2002). Consequently, customers seeking unique and personal encounters with company products and services are willing to pay more for memorable experiences (Ali, Hussain & Ragavan, 2014). The rapid development in hospitality and tourism industry makes it very competitive and enforces the service providers to ensure a great and memorable experience for the customers (Quadri-Felitti & Fiore, 2013).

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Experiences create a unique value for customers, hard to be imitated by competition and strongly affect satisfaction, loyalty, and recommendation behaviours of customers (Berry, Carbone & Haeckel, 2002; Pine & Gilmore, 1999). Despite the vital significance of the customer experience, scholars like Ali et al. (2014), Johnston and Kong (2011), Verhoef et al. (2009), Frow and Payne (2007) have mentioned scarce research on customer experience and that too is integrated with satisfaction and loyalty in the literature. Additionally, a number of scholars highlighted the importance of memorable experiences in tourist activities; yet, relevant empirical studies discussing this phenomena are limited (Hung, Lee & Huang, 2014). There are different opinions on definition, antecedents, variables, and influences of customer experiences. Without a more clear direction on experience items and their contribution on organizational performance, strategies established to create desired customer experiences may become ineffective (Kim & Brown, 2012). This study attempts to bridge this knowledge gap and examine customer experiences in tourism and hospitality industry with regard to customer's behavioural outcomes (memories and loyalty).

Therefore, in order to differentiate, hospitality industries should deliver a compelling customer experience and this compelling customer experience is the key driver of their memories and loyalty. The fact remains that customer experience influences service providers as an effective tool for competitive advantage, differentiation, and creates valuable customer relationships. Providing customers with memorable experiences, and to make them loyal, is important for achieving success in the highly competitive hospitality market.

Therefore, this study aims to (1) examine the influence of customer experience on memories, (2) examine the influence of customer experience on loyalty, and (3) investigate the influence of memories on loyalty in tourism and hospitality industry, which can contribute towards deriving a comprehensive framework.

LITERATURE REVIEW

Concept of Customer Experience

The concept of customer experience was first recognized in the mid-1980s when the notion of consumption experience and hedonic consumption were discussed by Holbrook and Hirschman (1982) and became popularized in marketing literature by Pine and Gilmore (1998) and Carbone and Haeckel (1994). Gentile, Spiller, and Noci (2007) stated customer experience originated from a set of interactions between customer and product, or part of its organization, which provoked a reaction. They further added that it was strictly a personal experience with customer's involvement

at different levels including rational, emotional, sensorial, physical, and emotional. Tourism and hospitality experiences are created through a process of visiting, learning, and enjoying activities in an environment away from home especially in hospitality Industry (Stramboulis & Skayannis, 2003). Experiences are generally internally produced and it is rightly said that the person creates his/her own experience based on his/her backgrounds, values, attitudes and beliefs brought to the situation (Knutson et al., 2006). Particularly, in the tourism and hospitality industry, customers look for various multiple sub environments that can trigger their memories and emotions and shape their overall experience (Xu & Chan, 2010). For instance, Hemmington (2007) elucidated that in modern hospitality services, customers looked for experiences that could cater for their multiple needs simultaneously; such as expecting a sense of escapism, entertainment whilst desiring a memorable and relaxed experience. Therefore, this study accepts the operational definition of guest/customer experience in hospitality as memorable events, which engage customers in an emotional and personal way during their stay in the hotel and thus influence loyalty. Hence, customer experiences are multidimensional outcomes that occur in response to some interaction with service providers.

Factors Influencing Customer Experiences in Tourism and Hospitality Industry

A substantial number of studies attempted to establish the factors or items that influenced customer experiences. The seminal work of Pine and Gilmore (1999) is the most recognized amongst these studies. Whilst discussing experience economy, Pine and Gilmore (1998) identified four realms of customer experiences (4Es) including esthetic, entertainment, education, and escapism.

Esthetics

The first dimension is esthetic where the customer has a passive participation and immersion in the experience. It refers to customer's interpretation of the physical environment around them (Hosany & Witham, 2010). A number of studies recognize the role of esthetics in consumer behaviour, decision-making, and service evaluations (Turley & Milliman, 2000). In tourism and hospitality literature, Bonn et al. (2007) note that the physical environment of hotel/heritage attractions play an important role in determining visitors attitudes, future patronage intentions, and willingness to recommend. Luxury hotels offer their guests rich physical environments and professional service to support their high prices (Titz, 2007).

Entertainment

The second dimension is entertainment, which is developed when passive absorption is observed by the customer such as watching a theatre performance (Oh, Fiore & Jeong 2007). In essence, entertainment remains an essential component of the tourism product (Hughes & Benn, 1995), with some tourist destinations famous for the level, variety, and quality of their entertainment. Most cruise liners provide a variety of entertainment, such as nightly shows, performances by comedians, live music bands, and casino-style gaming amongst others. Entertainment schedules are carefully designed to appeal to various age groups, from young children to senior travellers (Hosany & Witham, 2010).

Education

The third dimension is education, which refers to an experience where the participant actively participates. In Pine and Gilmore's (1998) framework, an educational experience actively engages the mind of consumers, intriguing them and appealing to their desire to learn something new. Today, there are a number of opportunities for companies to offer an educational experience to their customers. Usually, consumers that engage in an educational experience as a result will have their knowledge increased or skills improved (Hosany & Witham, 2010).

Escapism

The fourth and the last dimension is escapism. An escapist experience can be defined as the extent to which an individual is completely engrossed and absorbed in the activity (Csikszentmihalyi, 1990). Escapist experiences are highly immersive and require active participation. Typical examples include theme parks, adventure lands, simulated destinations, and themed attractions amongst others (Hosany & Witham, 2010). Pine and Gilmore (1998) identified the rise of motion-simulator rides as the ultimate form of escapist experiences. Hence, one or more of the above dimensions determine the intensity of the customer experience.

Schmitt (2003) has explored how companies create experiential marketing by having customers sense, feel, think, act, and relate to a company and its brands. Therefore, the concept of customer experiences involves not only cognitive evaluations, but also affective elements (Verhoef et al., 2009). Verhoef et al. (2007) suggest assortment, price and promotions, social environment, atmosphere, and service interface as determinants of customer experience in a retail environment. It is obvious that none of the above dimensions are mutually exclusive. For example,

educational experiences can also be entertaining, or feelings (emotional experiences) are triggered through perceptions in physical environment. In other words, research on customer experiences is fragmented and lacks a structured direction and replication. Different authors used different parameters and framework depending on the interest. Although different approaches produced a healthy environment for the development of the concept, many of these dimensions lack enough empirical support to be used and transferred to a quantitative research. Amongst the scholars who proposed different approaches to evaluate customer's experiences, the experience economy concept (Pine & Gilmore, 1999) has recently gained attention amongst hospitality and tourism researchers (Mehmetoglu & Engen, 2011). However, empirical testing of the 4Es (i.e., educational, esthetic, entertainment, and escapist experiences) in hospitality industry is limited. In fact, the empirical development of the 4Es application in various facets of tourism and hospitality industry is needed (Hosany & Witham, 2010; Oh et al., 2007).

Loyalty and Memories

On the basis of relationship marketing, investigators have contended that maintaining and building of customer loyalty has turned out to be an essential marketing strategy particularly in the hotel industry (e.g., Kandampully & Suhartanto, 2000; Rather, 2017, 2018; Rather & Sharma, 2016a, 2016b; Rather & Sharma, 2017a, 2017b, Sharma & Rather, 2016). Loyalty is considered to be an essential factor in achieving company success and long-term sustainability (Rather, 2018; Rather & Sharma, 2017a, 2017b; Sharma & Rather, 2016). Loyalty is therefore seen as a means of maintaining or increasing a customer's patronage over the long term, thereby increasing the value of the customer to the firm (Marshall, 2010). It is assumed that a loyal customer is a customer who repurchases from the same service provider whenever possible, and who continues to recommend or maintains a positive attitude towards the service provider (Kandampully & Suhartanto, 2000; Rather, 2018). Yi and Gong (2009) put forth that in an effort to improve customer satisfaction and loyalty, it is critical to monitor and pay more attention to customer experience. Shankar et al. (2003) asserted that a loyal customer is more likely to find the service encounter and the overall experience (with the service provider) more satisfying in comparison to non-loyal customer. They also remarked that if a loyal customer has a negative experience and becomes dissatisfied with a service provider then he will switch to a new provider. Memory refers to one's ability to consciously recollect past events, behaviours, and experiences (Schacter, Chiu, & Ochsner, 1993). Pine and Gilmore (1999) argued that it is

important to realize that actual experiences are distinct from services. They specifically quoted that “when a person buys a service, he purchases a set of intangible activities carried out on his behalf. But when he buys an experience, he pays to spend time enjoying a series of memorable events that a company stages as a theatrical play to engage him in a personal way”. Memories are positively enhanced by the presence of sensorial experiences (Dolcos & Cabeza, 2002). However, studies focusing on customer experience to elicit customer memories (emotions) and shape their future loyalty (behavioural intentions) in the context of tourism and hospitality industry are scant.

Hypothesis Development

Customer Experience and Memories

A limited number of scholars have studied this phenomenon and they support the positive influence of customer experience dimensions (4Es) on customer memories (Gilmore & Pine, 2002; Quadri-Felitti & Fiore, 2013). Customer experiences in hospitality industry have been identified to be critical in the enhancement of memories about places (Wang, 1999). Furthermore, Tung and Ritchie (2011) stated that a hedonic and entertaining experience that could enhance knowledge of the customers could end up with positive memories and positive behaviours such as revisits and recommendations to friends, family, etc. (Kim, 2010; Quadri-Felitti & Fiore, 2012). On the same perspective, Pine and Gilmore (1998) put forth that more senses an experience engages, the more effective and memorable it can be. Moreover, Tung and Ritchie (2011) conducted in-depth interviews and identified four dimensions of memorable experiences suggesting a positive relationship between memorable experiences, satisfaction and revisit intentions. Results of Oh et al.’s (2007) study also indicated that the customer experience was significantly related with positive memories, satisfaction and revisit intentions (Ali et al., 2014). They opined that the ultimate goal of a customer is to have memorable overall experience.

H1: Customer experience positively influences memories.

Customer Experience and Loyalty

Recent studies have also found that customer experience may lead to the creation of loyalty. Customer experience has a relationship with loyalty (Carbone, 2004; Cronin, 2003). Marketing professionals across many industries assume that there is high correlation between customer experience and loyalty. Customer experience has been identified as a key factor for companies to build loyalty (Badgett et al., 2007).

Available literature suggests a direct link between customer experience and customer loyalty (Brakus et al., 2009). Similarly, Nigam (2012) stated that experiential marketing (i.e. sense, feel, think, act, and relate) of the customer is important as it affects the purchasing intention of a customer. Recently, Sirapracha and Tocquer (2012) stated that in order to differentiate the brands in the service dominated economy; service firms should deliver a compelling customer experience, which is the key driver to customer loyalty. Arnold et al. (2005) have discussed outcomes of delightful and terrible experience. They remarked that customers who endured delightful experiences would either tell others about their favourable experience, i.e. use positive word of mouth, or may recommend the service provider to friends and family or would visit the service provider again, i.e. repurchase intention. Furthermore, they remarked that customers who endured terrible experiences would either tell others about their bad experience or voice complaints or might stop visiting the provider again, i.e. discontinue patronage and switch to other providers. In the future, it is the ability to create personal experiences to drive customer loyalty that will give companies a sustainable competitive advantage (McCole, 2004; Prahalad & Ramaswamy, 2004; Shaw & Ivens, 2005). This supports the following hypothesis:

H2: Customer experience positively influences loyalty.

Memories and Loyalty

Pine and Gilmore (2011) stated that customer’s consumption experiences revolving around 4Es result in strong memories and positive behaviours. The expectation of a pleasurable and memorable experience is what motivates customers to purchase products and services (Tsaur, Chiu, & Wang, 2006). The customers make their own unique and memorable experiences; the industry provides the input for those experiences (Anderson, 2007) and customers are willing to pay a premium for memorable experiences that transform them. Accordingly, a well-staged experience leads to positive memories, which in turn shape tourists subsequent attitudinal evaluations, such as overall satisfaction and loyalty (future intentions) (Oh et al., 2007; Pine & Gilmore, 1999). Tung and Ritchie (2011) conducted in-depth interviews and identified four dimensions of memorable experiences: affect, expectations, consequentiality, and recollection. Their study also suggested a positive relationship between memorable experiences and revisiting (loyalty). A number of quantitative studies have shown evidence of positive correlation between memories and loyalty (revisits). For example, Ismail (2010) suggests that if hotel services can provide unforgettable experiences for customers, the revisit rate of customers is likely to be raised. Similarly, Nigam (2012) opined that if customer had a memorable experience, his purchasing intention would be higher. On the other hand,

if he had no good experience, his purchasing intention would decrease.

H3: Memories positively influences loyalty.

H4: There exist positive relationships amongst customer experience, memories, and loyalty.

RESEARCH DESIGN AND METHODOLOGY

Generation of Scale

The scale adopted for this study was based on the previous work of the author's viz., (Ali et al., 2014). The questionnaire consists of two parts; part one consists of pre coded questions regarding the demographic information like age, gender, education, income, nature of visit, etc., of the respondents. It was followed by another part that is customer experience, customer memories and loyalty scales. Customer experience scale contains of 16 items related to four dimensions viz., esthetics experience (4 items), entertainment experience (4 items), education experience (4 items), escapism experience (4 items) based on validated scale of previous work, (Ali et al., 2014). Three items from memories and four items from loyalty were operationalized based on same validated scale of authors (Ali et al., 2014). All the three constructs have been measured on 7-point Likert-type scale by 1 = strongly disagree and 7 = strongly agree to express the degree of agreement.

Sample Size, Response Rate and Data Collection

The sample of the study consisted of customers visiting four-star and five-star hotels located in Pahalgam, Srinagar, Gulmarg, Jammu, Katra regions of Jammu and Kashmir, India. These regions are the most popular tourist destinations in Jammu and Kashmir, India (Rather, 2017, 2018; Sharma & Rather, 2015). Sample size is decided according to the number of items to be used to study customer experience, memories, and loyalty. Every item requires minimum five respondents and maximum 10 respondents (Hair, Black, Babin & Anderson, 2010). As the study's construct contained 23 items, it was decided to take 220 as the sample size. The study used convenient sampling techniques to collect the data at the various public areas in hotels like at the hotel lobby, mostly, reception, restaurants, swimming pool, guest rooms, and hotel gardens. For ethical reason, measuring respondents' attitudes and perceptions through surveys as used in this study requires respondent's consent. Thus, only hotel customers who consent can be selected as respondents. This approach, essentially, is non-random sampling. Hotel

names were kept confidential in the study. Similarly, no respondent personal information was identified in the questionnaire. The 220 questionnaires were distributed, out of which 170 completely filled (77.2%) questionnaires were received.

ANALYSIS

Demographic and Travel Characteristic of Respondents (N = 170)

The demographic information of the sample provides information that the majority of the customers were male (n=95, 56%) followed by female (n=75; 44%). In terms of age, 23% (n=39) of respondents were between 20 and 30 years, 33% (n=56) were between 31 and 40 years age, 26% (n=44) were between 41 and 50 and 18% (n=31) above 51. About the nationality of the respondents, the majority of respondents were Indian (57%), followed by the USA (9%), the UK (7%), Bangladesh (6%), Dubai and Thailand (4%) each, Russia, China, and Sri Lanka (3%) each and Canada and France (2%) each. About the nature of visit, most of the respondents were visited for Recreation and Entertainment purposes (55%) followed by Adventure (22%), Religious (16%) and Official purposes (7%).

Reliability and Validity

The reliability of a measure shows the steadiness and consistency with which the tool measures the concept and assists to evaluate the goodness of a measure (Hair et al., 2010). All of the variables were testified for the consistency reliability of the items within the variables by using Cronbach's alpha. The criterion was followed by Cronbach's a statistics to measure the form of reliability. The constructs are considered adequate when the Cronbach's alpha scores are above the minimum recommended value of 0.6 (Hair et al., 2010; Malhotra, 2010). Based on the research finding as indicated in Table 1, the values of Cronbach's alpha for all the constructs are more than the value of 0.6, ranging from the lowest value of Cronbach's alpha (Education experience = 0.652) to the higher value of Cronbach's alpha (Loyalty = 0.897). The overall reliability (0.924) of the factors is excellent. Validity can be measured with the help of the KMO value, which is higher or equal to 0.50. They are valid (Hair et al. 2010). KMO value was 0.906; Barlett's test Chi-square = 2523.180, $df= 253$, $p = .000$. So, data were valid.

Descriptive Analysis

It was found that customers were positively influenced by esthetics experience, entertainment experience, education

experience, and escapism experience dimensions. The respondents indicated (mean values) that they agreed on overall mean of esthetics experience (5.52). The mean values of the variables of this factor range from 5.20 to 5.82. This means that most of the statements have greater loadings. The overall mean of entertainment experience was (5.20), and the mean values of this factor range from (5.01 to 5.38), which indicated that the respondents were most impressed by the above two factors. Whilst as in education experience, overall mean was (4.72). The mean values of the variables of this factor range from 4.21 to 4.92. This means that most of the respondents were somewhat agreed on these variables. In escapism experience, the overall mean was 4.43. The mean values of the variables of this factor range from 4.04

to 5.12, which give the idea that the most of the respondents were somewhat agreed on its variables. The respondents were further checked on their memories with the particular star of hotels. The mean value of an item "I have wonderful memories of my visit to this hotel" was 5.58. The mean score of an item "I won't forget my experience visiting this hotel" was 5.59. Similarly, the mean value of an item "I will remember many positive things about this hotel" was 5.59. The respondents were also checked on loyalty and mean values of the variables of this factor ranging from 5.39 to 5.75. The overall mean values of both memories and loyalty was 5.56 and 5.59 respectively. The results are shown in Table 2.

Table 1: Reliability

Factors	Cronbachs Alpha value	No. of items
Esthetics Experience	.759	4
Entertainment Experience	.837	4
Education Experience	.652	4
Escapism Experience	.693	4
Memories	.882	3
Loyalty	.897	4
Overall	.924	23

Table 2: Descriptive Statistics of Dependent and Independent Variables

Factors	M	SD	t	df	sig
CUSTOMER EXPERIENCE	(two tailed)				
Esthetics Experience*					
I felt a real sense of harmony to this hotel	5.39	0.58	119.53	169	0.000
Just being here was very pleasant	5.82	0.38	198.58	169	0.000
The setting was very attractive to this hotel	5.70	0.49	149.61	169	0.000
The setting really showed attention to design detail	5.20	0.51	131.10	169	0.000
Overall mean	5.52	0.38	188.60	169	0.000
Entertainment Experience*					
Activities at the hotel were amusing to watch and perform	5.38	0.61	113.90	169	0.000
Activities at the hotel were captivating to watch and perform	5.35	0.63	109.48	169	0.000
Activities at the hotel were entertaining to watch and perform	5.09	0.76	87.26	169	0.000
Activities at the hotel were fun to watch and perform	5.01	0.76	85.82	169	0.000
Overall mean	5.20	0.59	114.54	169	0.000
Education Experience*					
The experience has made me more knowledgeable to this hotel	4.92	0.76	83.45	169	0.000
I learned a lot during my experience visiting this hotel	4.86	0.71	88.49	169	0.000

It stimulated my curiosity to learn new things here	4.21	1.00	54.71	169	0.000
It was a real learning experience here	4.90	0.55	114.66	169	0.000
Overall mean	4.72	0.54	113.26	169	0.000
Escapism Experience*					
I felt I played a different character here	4.34	0.94	60.03	169	0.000
I felt like I was living in a different time or place	5.12	0.70	94.84	169	0.000
The experience here let me imagine being someone else	4.26	1.00	55.26	169	0.000
I totally forgot about my daily routine	4.04	1.07	48.83	169	0.000
Overall mean	4.43	0.68	85.10	169	0.000
MEMORIES*					
I have wonderful memories of my visit to this hotel	5.58	0.59	122.53	169	0.000
I won't forget my experience visiting this hotel	5.52	0.59	120.29	169	0.000
I will remember many positive things about this hotel	5.59	0.59	123.13	169	0.000
Overall mean	5.56	0.53	1135.59	69	0.000
LOYALTY*					
I am willing to visit this hotel again	5.50	0.59	119.85	169	0.000
I will definitely come back to this hotel	5.39	0.58	119.53	169	0.000
I would recommend the services of this hotel to other people	5.75	0.51	146.64	169	0.000
I would encourage friends and relatives to visit this hotel	5.74	0.52	141.66	169	0.000
Overall mean	5.59	0.48	149.69	169	0.000

Note : Note: *7 point Likert scale was used (1—Strongly Disagree, 7—Strongly Agree).

M = Mean, SD=Standard Deviation, df=degree of freedom, sig=significance

Pearson Correlation

Pearson correlation technique was used to identify the relationship between variables. One of the objectives of this study is to investigate the relationship amongst customer experience, memories and loyalty. Table 3 indicates the correlation of customer experience dimensions, memories, and loyalty. Customer experience dimensions (4Es)/factors that are highly correlated with memories are “esthetics experience” ($r = 0.64$), “education experience” ($r = 0.62$), “entertainment experience” ($r = 0.60$), and “escapism experience” ($r = 0.47$). The overall value of correlation between customer experience and memories ($r = 0.73$). Table 3 also indicates the correlation between customer

experience dimensions (4Es) and loyalty is as follows: “esthetics experience” ($r = 0.65$), followed by “education experience” ($r = 0.62$), “entertainment experience” ($r = 0.61$), and “escapism experience” ($r = 0.57$). The overall value of correlation between customer experience and loyalty ($r = 0.77$). Furthermore, memories and loyalty also show a positive and significant relationship at 0.1 significant levels with a high correlation value of 0.81. Hence, overall, the findings indicate that there is a positive relationship amongst customer experience, memories, and loyalty. Therefore, there is a strong evidence for the prediction that customer experiences accompany both memories and loyalty. So, the hypothesis H4 supported the results.

Table 3: Pearson Correlation Analysis

Dimensions/Factors			
Customer experience (dimensions)	Memories	Loyalty	Sig
Esthetics Experience	0.64**	0.65**	.000
Entertainment Experience	0.60 **	0.61**	.000
Education Experience	0.62**	0.62**	.000
Escapism Experience	0.47**	0.57**	.000
Memories	1	0.81**	.000
Loyalty	0.81 **	1	.000
Overall Customer experience	0.73**	0.77**	.000

Note **. Correlation is significant at the 0.01 level (2-tailed).

Regression Analysis

Regression analysis is used to determine the factors that demonstrate greater influence on dependent variables (Pallant, 2005). Tables 4 and 5 indicate the customer experience factors that explain memories and loyalty at 95% confidence interval. Regression analysis was carried out to test the first hypothesis (H1). The result of the regression analysis is presented in Table 4 that shows, R = 74.0 percent; R Square = 54.8 percent; Adjusted R Square (R²) = 53.7 percent; F= 49.9; P=0.000 ($p < 0.05$). Standard Error = 0.36 and there are no insignificant dimensions as shown in Table 4. According to Table 4, customer experience dimensions (4Es) with a greater influence on memories with; “esthetics experience” ($\beta = 0.27$), followed by “entertainment experience”, ($\beta = 0.23$), “education experience” ($\beta = 0.21$), and “escapism experience” ($\beta = 0.18$), The result of

regression analysis shows that the p value of the t -test ($p = 0.000$) between the customer experience dimensions and memories is less than the alpha value of 0.05. Therefore, there is a significant/positive relationship between customer experience and memories. It means that customer experience influences memories positively. It also shows that change in customer experience can change the customer memories. So, the hypothesis first, H1, is not rejected. The Tolerance Value ranged from 0.454 to 0.791 in which were all more than 0.10 and the VIF value ranges from 1.265 to 2.204 in which are all less than 5 (Hair et al., 2010). Therefore, the problem of multicollinearity does not exist. The study also concluded that the change in memories is explained 54.8 percent (R square = 54.8%) by the customer experience. Regression analysis also revealed that influence of esthetics experience dimension on memories is greater than other three dimensions/factors.

Table 4: Results of Regression Explaining the Influence of Independent Variables on Memories

Independent variables	B	SE	β	t	Sig	T	VIF
Constant	0.64	0.40	1.57	0.00			
Esthetics Experience	0.39	0.10	0.27	3.58	0.00	0.454	2.204
Entertainment Experience	0.20	0.06	0.23	3.25	0.01	0.541	1.848
Education Experience	0.21	0.07	0.21	2.92	0.04	0.489	2.044
Escapism Experience	0.14	0.04	0.18	3.21	0.02	0.791	1.265

Note: Dependent variable: Memories and Independent variable: Customer experience dimensions.

B: Unstandardized Coefficient; SE: Standard Error; β : Standardized Coefficient; t: t-Value; Sig.: Significance;

According to table 5, R = 77.5%; R Square = 60.0%; Adjusted R Square = 59.0%; F= 61.9; P=0.000 ($p < 0.05$). Standard Error = 0.31 and there are no insignificant dimensions as presented in Table 5. Customer experience dimensions with a greater influence on loyalty are; “escapism experience” ($\beta = 0.31$), followed by “esthetics experience”, ($\beta = 0.25$), “entertainment experience”, ($\beta = 0.21$), and “education experience” ($\beta = 0.19$). The result of regression analysis shows the p value of the t -test ($p=0.000$) between the dimensions of customer experience and loyalty is less than the

alpha value of 0.05. Therefore, there is a significant/positive relationship between customer experience and loyalty. So, the hypothesis second, H2 also supported. The Tolerance Value ranged from 0.454 to 0.791 in which were all more than 0.10 and the VIF value ranged from 1.265 to 2.204 in which are all less than 5 (Hair et al., 2010). Therefore, the problem of multicollinearity does not exist. The study also concluded that the change in loyalty is explained 60.0% (R square = 60.0%) by the customer experience. Regression analysis also revealed that influence of escapism experience

dimension on loyalty is greater than other three dimensions/factors.

Regression analysis between memories and loyalty which shows, $R = 81.8\%$; $R\text{ Square} = 66.9\%$; $\text{Adjusted } R\text{ Square} = 66.7\%$; $F = 339.3$; $\text{Standard Error} = 0.28$; $P = 0.000$ ($p < 0.05$). The result of simple regression analysis is presented in Table 6. The p value of the t -test ($p = 0.000$) between memories and loyalty is less than the alpha value of 0.05

and the unstandardized beta coefficient is 1.44. Therefore, there is a significant/positive relationship between memories and loyalty. So, the H3 also not rejected. The results depict that memories influences loyalty highly. It also indicates that change in memories can change the loyalty. The study also concluded that the change in memories is explained 66.9% ($R\text{ square} = 66.9\%$) by the loyalty and hence the entire hypotheses were supported.

Table 5: Results of Regression Explaining the Influence of Independent Variables on Loyalty

Independent variables	B	SE	β	t	Sig	T	VIF
Constant	1.05	0.35	3.0	0.03			
Esthetics Experience	0.32	0.09	0.25	3.4	0.01	0.454	2.204
Entertainment Experience	0.17	0.05	0.21	3.2	0.01	0.541	1.848
Education Experience	0.17	0.06	0.19	2.7	0.06	0.489	2.044
Escapism Experience	0.22	0.04	0.31	5.6	0.00	0.791	1.265

Note: Dependent variable: Loyalty and Independent variable: Customer experience.

B: Unstandardized Coefficient; SE: Standard Error; β : Standardized Coefficient; t: t-Value; Sig.: Significance.

Table 6: Results of Regression Analysis Explaining the Influence of Memories on Loyalty

Independent variable	B	SE	β	t	Sig	T	VIF
Constant	1.44	.226	6.41	.000			
Memories	0.74	0.04	0.81	16.42	.000	1.00	1.00

Dependent variable: Loyalty and Independent variable: Memories.

DISCUSSION AND IMPLICATIONS

This study provides empirical reinforcement for influence of customer experiences on memories and loyalty. This study suggests the factors influencing customer experiences in tourism and hospitality industry and their relative importance in strengthening customer memories and loyalty. Regression analysis was used to test the hypotheses and the findings revealed that customer experience had positive and significant influence on customer memories and loyalty amongst the customers who consumed the services and facilities of the selected star hotels. Moreover, in this study it was observed that the customer experience influenced memories and loyalty (behaviour intentions). These results are consistent with the study conducted by Pijls et al. (2017), Hosany and Witham (2010), Oh et al., (2007), and Quadri-Felitti and Fiore (2013) who observed a significant influence of dimensions of customer experience (4Es) over their memories and loyalty (behaviour intentions). The results of this study would be able to provide a better understanding of factors influencing customer experiences and their relation to customer behaviour (memories and loyalty).

Data analyses indicate that the customer experience, memories, and loyalty demonstrate adequate reliability. Hypotheses were tested and all the hypotheses were supported. The satisfaction levels of constructs/items

ranges from moderate to high mean values (see Table 2). The result suggests that, when attempting to develop customer experience that influences memories and loyalty managers should focus on the enhancement of each of the four customer experience dimensions. With regard to the escapism dimension, customers should show their respect consistently and such efforts could be more effective if joined with attempts to accomplish the need for escapism. In case of educational dimensions of customer experience, it requires active participation, such that customers play a key role in determining their overall experience. Moreover, in educational dimension, whilst various hotels offer some opportunities for the guests to increase their knowledge and skills (e.g., massage techniques, cooking lessons, swimming and snorkeling, etc.), such experiences are of importance in developing memories and positive behaviour (loyalty) (Oh et al., 2007; Quadri-Felitti & Fiore, 2013). Experience of the customers can be much more memorable if the service delivery and performance integrate the sense of escapism (Ali et al., 2014). It was found in this study that esthetics is the main dimension in predicting experiential outcomes (memories and loyalty). Similarly, Oh et al. (2007) postulated esthetics as the main determinant of experiential outcomes. They also pointed that in terms of magnitude, esthetics was the most important dimension in predicting satisfaction and intention to recommend. It was found that customer experience influences positively to memories

and loyalty and furthermore memories influence positively to the loyalty of customers. It is also evident that creating a high quality and attractive environment is no longer an option for the management, but a substantial aspect of customer experience that enhances memories and loyalty of customers. Moreover, by enhancing customer experience, this will lead to a higher degree of memories and loyalty amongst the customers in tourism and hospitality industry. Customers who have positive customer experience towards the particular service or brand behave as loyal customer to the service or brand (Brakus et al., 2009).

The current study shed light on several important issues including customers' experiences and their relationship with memories and loyalty in the context of the hospitality industry in Jammu and Kashmir (J&K), India. Specifically, this research provides marketers a tool to evaluate and understand customer/guest experiences. Such an understanding of customers' experiences along the four dimensions will enable marketers to design appropriate marketing and promotional strategies. For instance, hotel marketers in their promotional campaigns should emphasize the esthetic, entertaining, educational, and escapist values of customers to develop their memories and loyalty. Since customer experience dimensions (4Es) influence customers' memories and behaviours (loyalty), marketers should understand their differences whilst implementing segmentation and positioning strategies based on experiences of customers (Hosany & Witham, 2010). At the same time, they should understand and develop customers' experiences and the resulting influence on post-consumption evaluations. Hotel industry is a rapidly growing industry in J&K where tourists/guests travel to these establishments/hotels, which situated in the natural locations and enjoy a memorable experience. Hospitality management should also understand the diverse nature of customers/guests experiences and create a more tailored environment. From a practical standpoint to help tourists to gain better customer experiences, it is necessary to develop more onsite activities to stimulate and arouse their positive memories and emotions. These enjoyable and pleasant moments in turn become an impetus for the tourists to share their memorable experiences with others and revisit (loyalty). The findings should be used in improving marketing strategies, to create, manage, and control guest experiences and assess their memories and loyalty in hospitality.

LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

Some limitations need to be considered in future research. Since convenient sampling was used in this study, results could not be generalized. For example, the findings should be interpreted with caution when applied to different industries or different kinds of hotels. Future research

should also examine the proposed relationships in other types industries. Further studies are needed to establish other determinants of tourist/guest experiences and their effects on consumer behaviour. Another area of future research would be the identification of the antecedents of positive and negative experiences. For instance, qualitative studies could investigate why some tourists value certain experience dimensions more than others. Moreover, this study did not take into account the influence of customer involvement on the evaluation of overall experiences, memories, and loyalty (customer behaviours). The involvement construct has been applied in various tourism and leisure studies to examine how people engage and participate in different aspects of the consumption process (Gursoy & Gavcar, 2003). Thus, it is possible that tourist involvement may have influenced the magnitude of the relationship between customer experiences, memories, and loyalty. Future studies will also investigate customer experience and its association with other variables like affective commitment, brand equity, customer engagement and customer identification to gain new insights (Rather, 2017; Rather & Sharma, 2018; Rather & Shakir, 2018).

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