

# MAKING CUSTOMERS HAPPY THROUGH EXPERIENTIAL MARKETING

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## **Abstract**

*Happiness is an emotional state usually defined by positive emotions and leading to joy. Nowadays, marketers are keenly focused on making customers happy. But this can't be done by persuasive marketing campaigns or tactics instead what leads to happiness is a positive experience forming an emotional connection. Therefore, the present study was conducted to study the impact of customer experiences on customer loyalty and satisfaction. For this, a sample of 300 customers at various adventure parks was taken. The data was collected through convenience sampling and analyzed using SPSS version 23. It was found that users had a positive experience. The study also found that the customer experience had a significant and positive impact on both customer loyalty and satisfaction. This study is important for experience providers as they can benefit by providing positive experiences to customers which eventually leads to loyal and satisfied customers.*

## **Keywords:**

*Experiential marketing, Customers, Happiness, Loyalty, Satisfaction*

## **1. INTRODUCTION**

Experiential marketing, is also known as engagement marketing, event marketing, on-ground marketing, live marketing, participation marketing, loyalty Marketing. Midanik and Manoukian [20] defined Experiential marketing as an entire channel of marketing that involves any face-to-face or offline effort to raise brand awareness, create and nurture business opportunities and develop long-term customer loyalty. It is an essential part of the 360 omnichannel experience, in both an individual capacity (activations) and a collective one (the sum of those activations). Earlier Lasalle and Britton [16] defined it as an interaction, or series of interactions, between a customer and a product, a company or its representative that lead to a reaction. On the other hand, Thibodeaux [28] (n.d.) described it as entire experience a consumer has with a product or service. Whereas traditional marketing sells by pointing the benefits and features, experiential marketing focuses on allowing the consumer to try the service or product for himself. Experiential marketers control the environment in which this happens to some degree, but they want the consumer to make his own judgements about the product or service.

Experiential marketing moves around the encounters and the feelings of the consumers. It enables consumers to take responsibility of the fact that they have a passionate interest in that product. Customers are both emotionally and rationally driven when they have to make purchases. For a marketer treating customers as rational decision makers is not wise as customers want to be considered as emotional beings. There are several instances of experiential marketing being used to attract consumers to the item, give them motivation to recall the item and, probably, in turn consumers will give a decent suggestion to their friends.

A definitive objective of experiential marketing is to make all-encompassing encounters for consumers. The production of Strategic Experiential Modules (SEMs) and comprehensive encounters raises a scope of basic and key issues and of how to build an experience-oriented association. Customer's experiences effect their emotion state of pleasure or arousal. The positive experiences and pleasurable feelings of the customers at the time of purchase lead to a state of happiness. The assessment and view of buyers emerged from experiential marketing is additionally a significant factor to impact consumer loyalty and customer satisfaction [24].

## **2. STRATEGIC FRAMEWORK FOR MANAGING EXPERIENCES**

*Strategic Experiential Modules (SEMs):* The experiential modules to be overseen in Experiential Marketing incorporate sensory encounters (SENSE), emotional encounters (FEEL), imaginative subjective encounters (THINK), physical encounters, practices and ways of life (ACT), and social-personality encounters that come about because of identifying with a reference gathering or culture (RELATE).

Sense marketing bids to the five senses with the goal of making tangible encounters, through sight, sound, contact, taste and smell. Sense marketing might be utilized to separate organizations and items, to motivate clients and to increase the value of items. Feel marketing requests to consumers' internal sentiments and feelings, with the goal of making full of feeling encounters that extend from somewhat positive mind-sets connected to a brand to compelling feelings of happiness and pride (e.g., for a purchaser strong, innovation, or social promoting effort). Think marketing bids to the intellect with the goal of making psychological, critical thinking encounters that draw in clients imaginatively.

Think requests to focus on consumers' convergent and different reasoning through surprise, intrigue and incitement. Think campaigns are basic for new innovation items. Act marketing enhances clients' lives by focusing on their physical encounters, appearing elective methods for getting things done (e.g. in business-to-business), elective ways of life and connections. Balanced ways to deal with behavioural change are just a solitary one of numerous social change alternatives. Changes in ways of life and practices are frequently progressively persuasive, motivational and enthusiastic in nature and regularly motivated by good examples. Relate marketing contains parts of Sense, Feel, Think and Act marketing. Relate marketing extends past the person's close to home, private sentiments, in this manner relating the person to something outside his/her private state. Relate battles offer to the person's craving for personal growth. They claim means to be seen emphatically by individual others (e.g., one's companions, family and partners).

### 3. S-P-C MODEL

S-P-C stands for the Stimuli, Processes and Consequences of sensory stimulation. To separate the items through sensory appeal, one has to think about what improvements are most fitting for making it. To persuade clients, one has to recognize process standards and to offer some incentive, one has to comprehend the outcomes of sensory appeal (see Fig.1).

| Stimuli<br>(Differentiate)  | Processes<br>(Motivate)   | Consequences<br>(Add value)  |
|---|---|--|
| <ul style="list-style-type: none"> <li>• Vivid</li> <li>• Meaningful</li> </ul> | <ul style="list-style-type: none"> <li>• Modality Principles</li> <li>• ExPro Guidelines</li> <li>• Cognitive consistency or sensory variety</li> </ul> | <ul style="list-style-type: none"> <li>• Please</li> <li>• Excite</li> </ul> |

Fig.1. SPC model by Schmitt [24]

#### 3.1 STIMULI

As a consumer, everyone is shelled with various tangible expressions recorded by one’s ears, retina and nerve cells specific for material and fragrance data. So which ones do we focus on and keep in our brain as lasting encounters? The choice whether to focus on and store sensible data was made in the focal point of mind. That piece of the mind is particular in what data it focuses on and stores. It utilizes the nets woven by past understanding to catch new data. One has to accordingly see things that fit their preferences for essential components, styles, subjects, and by and large impressions.

#### 3.2 PROCESS

For process, the how of stimulation, various standards apply at three dimensions: (1) crosswise over modalities; (2) crosswise over Experience Providers; and (3) crosswise over existence.

*Crosswise over modalities:* At the dimension of the single Experience Provider, the key issue is the best utilization of interactive media i.e. how best to consolidate numerous modalities (visual, sound-related and material) to pass on data. Consider a packaging: there is printed content and three-dimensional visual data in the state of the bundling and the visuals. There may not be one most ideal approach to convey data. Rather the best introduction design relies upon the objectives of the advertiser and the substance of the message.

*Crosswise over Experience Providers:* As a major aspect of an exploration venture on sensory impressions in the universal inn/hotel industry, specifically, for a few worldwide inn/hotel networks like the Marriott, the Hyatt, the Four Seasons, the Westin, and others, members in the investigations were appeared for a similar property; three pieces of the property: the structure, the hall, and a visitor room. The inspirational measure concerned their aim to remain in a specific property.

*Crosswise over existence:* The key persuasive rule with respect to SENSE battles crosswise over reality is designated cognitive consistency/sensory variety. Cognitive consistency

belongs to a scholarly comprehension of the basic thought. It belongs to the theoretical replication of the styles and topics. Sensory variety belongs to the particular executional components that are utilized after some time (i.e. slogans, and spokespersons utilized in a promotion; the lighting).

#### 3.3 CONSEQUENCES

In entirety, consequences fall into two classifications: satisfying magnificence or stirring energy. As an advertiser, you have to choose in the event that you wish to please or to energize. Brand situating as far as outcomes offers an either-or. For example, in vehicles Jaguar is magnificence; Porsche is passion.

### 4. REVIEW OF LITERATURE

#### 4.1 EXPERIENTIAL MARKETING

Schmitt [25] studied that conventional advertising has given a huge course of action of frameworks, execution instruments, and strategies for the advanced age. Since we have entered another period, it is imperative to move from highlights and-advantages approach toward elevating to customer experiences. Executives need to consider new thoughts, new techniques, and new structures and methodology inside their relationship to pick up by the open entryways offered by experiential advertising. Petkus [22] studied that experiential marketing has turned into a foundation of recent advancements in retailing, marking and occasions promoting. There is scope for its application in expressions advertising to be expanded and made strides. There were primarily two objectives of this paper: to present and clarify the Pine and Gilmore experiential promoting structure and its importance to expressions advertising; and to examine the results of Pine and Gilmore’s work for two explicit regions of expressions showcasing: the extraordinary components of human expressions experience, and the vital and strategic advances associated with arranging an affair. Bruwer and Alant [4] conducted a study to utilize the experiential perspective on utilization to better understand the idea of the inspirations of the wine tourist in a crowded wine district condition. It additionally plans to decide the effect of movement ancestors, for example, the apparent attributes of the wine locale, data sources used, and past learning of the district and its items on the goal basic leadership process and at last the appearance inspirations. Data is acquired from a random sample of 12 wineries from 304 respondents speaking to every single size gathering arranged on the Paarl Wine Route (PWR) in South Africa. Information are gathered using a self-controlled, profoundly organized poll, self-finished by respondents at every one of the winery basement entryway settings. Chang and Chieng [6] conducted a study by taking an experiential view to build up a structure of consumer– brand relationship. In the current study, the writers reported a culturally diverse similar examination that was directed on an example of genuine purchasers at espresso chain stores in Taipei, Taiwan and Shanghai, China. The discoveries uncover that person just as shared encounters work through brand affiliation, mark identity, mark frame of mind, and brand picture to shape a consumer–brand relationship. Conway and Leighton [9] conducted a study to explore experiential advertising as a potential methodology for social attractions working in a profoundly aggressive marketplace. The paper looks at the importance of the experiential

methodology for the UK expressions and social area with its numerous partners and natural pressures between business destinations and imaginative objectives, between guest access and safeguarding and among grant and diversion. The scientific reason for the assessment is given through near contextual analyses - one from the legacy part and one from the performing expressions. Mehmetoglu and Engen [19] studied that how an assessment of an encounter based on the faculties of inclination, picking up, being, and doing might be a proper instrument. Additionally, there were suggestions for how associations inside the travel industry should think with respect to making and building up their goods and services. So as to meet the market needs and requests, it is critical to make and stage encounters with the goal that they catch the learning of the four measurements (feeling, picking up, being, and doing). This is additionally basic so as to benefit from the additional esteem that is derived from making encounters that are sought after.

Verhoef et al. [30] studied the current writing on client experience and develop it to analyze the making of a client experience from an all-encompassing viewpoint. A reasonable mode was imposed, in which the determinants of client experience are analysed. It talks about the significance of the social condition, self-administration advancements and the store brand. Client experience the executives is additionally drawn nearer from a vital point of view by concentrating on issues, for example, how and to what degree an encounter-based business can make development. In every one of these regions, it recognizes and talk about significant issues deserving of further research. Alagoz and Ekici [2] studied that client requests that change with aggressive conditions of present day, constrain firms enhance themselves for new methodologies to separate them from their rivals and to procure upper hand. Experience is the principle part of experiential advertising and it intends to influence buyers to react, act effectively to buy and increase diverse sentiments, distinctive discernments in result of their encounters.

## 4.2 EXPERIENTIAL MARKETING AND CUSTOMER'S EMOTIONS

Walter et al. [31] studied that shoppers these days never again purchase items furthermore, benefits so as to satisfy a functional need yet rather buy the emotional experiences around it. This article attempts to look at the connection between [32] four brand experience measurements and consumer loyalty and reliability for the BMW brand. In any case, the discoveries of this exploration uncover that, when connected to the BMW brand, the inquiries created in [32] to test for force in various experience measurements may envelop some deficiencies that profits one-sided results. In particular, the conduct measurement questions yielded reactions that recommend study subjects were without a doubt befuddled by its importance. Liang et al. [17] conducted a study (gender differences in the relationship between experiential marketing and purchase intention), the relationship between sensory, emotional, cognitive, behavioural and relational values, purchase intentions and gender indifference were examined. Results shows that experiential marketing relates positively with the purchase intentions. Also, there is significant effect of gender indifference on the relationship between experiential marketing and the purchase intentions. Recently, Fu and Wang [12]

researched on the impact of happiness on behavioural intention in the presence of experiential value provided to tourists.

Sheu et al. [26] studied estimation scales for five experiential modules of the SEMs for web-based amusement players and the three qualities that are repurchase want, open applause and suggestion want and cross-buy want to set up the choice trees from the gathered polls of presence players. The significant commitment of this paper is to coordinate information mining and experiential showcasing to portion internet amusement clients. These outcomes can help firms to foresee and comprehend the new customers' buy conduct. As indicated by this understanding, internet recreations' produces could draw up the diverse market techniques to build the more buy for the new extraordinary traits' purchasers. Shobeiri et al. [27] studied how offering experiential qualities by an online retailer influences the identity of the e-retailer's site in buyers' minds. It objective considers the effects of four experiential esteem types— feel, fun loving nature, client return on investment (CROI), and administration excellence— on every one of the five site identity measurements of excitement, validity, activeness, refinement, and loveliness. The discoveries affirm the general model and most of the speculated connections are huge. The discoveries demonstrate that e-retailers should utilise proper mixes of experiential qualities to depict their ideal site identities. Tsaur et al. [29] studied that the movement of monetary esteem has progressed to the phase of experience economy these days. Firms have perceived that the foundation of attractive experiential condition is a basic wellspring of upper hand which is hard to be imitated and substituted. The motivation behind this examination is to look at whether encounters of experiential advertising positively affect the resulting guests' practices. The outcomes demonstrate that encounters of experiential promoting positively affect the feeling. Moreover, the feeling positively affects the social aim through the system of fulfilment. This examination likewise proposes some administrative ramifications and further research headings inside this article.

## 4.3 CUSTOMER LOYALTY AS A RESULT OF EXPERIENCES

Chen et al. [8] studied that advances in data and web advances have open various doors for web-based retailing. This examination inspects the relationship of five virtual experiential marketing (VEM) components on client browse and buy expectations and reliability, and the directing impacts of shopping introduction and Internet encounter on these connections. An overview was directed of clients who much of the time visited two online game stores to play two well-known amusements in Taiwan. The outcomes recommend that of the five VEM components, three have positive impact on peruse and two on buy expectations. Both peruse and buy expectations positively affect customer loyalty. Monetary introduction was found to direct that connections between the VEM components and peruse and buy aims. Chen et al. [7] in their study found the impact of customer experience on their engagement intentions based on multichannel service delivery quality using data collected from Taiwanese customers. Zena and Hadisumarto [34] conducted a study to know the effect of experiential promoting utilized by Strawberry Cafe identified with consumer loyalty and satisfaction. The gathered information originated from 142 respondents yet just 80 that met

the necessities and could be analysed. This examination found that it is valid that experiential promoting utilized by Strawberry Cafe can influence the client dedication. Ober-Heilig et al. [21] studied about how experiential plan can give a premise to exhibition halls' marking techniques so as to pull in guests, especially those guests with a low contribution with galleries. The consequences of the analysis demonstrate a positive effect of the multidimensional experiential structure on bottom-included members concerning marking important conduct, for example, loyalty and perceived differentiation. There is additionally an effect on institutional objectives, for example, seeing the historical centre as good example and a change of mind toward galleries in general. Fernandes and Cruz [11] studied that utilization has an experiential measurement, experience and its effect on business is getting expanded consideration. In this manner, understanding background quality, its drivers and results ends up crucially, particularly when encounters are the centre of the administration offering, for example, in the travel industry. In any case, examine on the travel industry encounters stays limited and generally applied. We build up a higher-request model of experience quality, approved in the wine tourism industry, defining applicable measurements and results. Results favours the six-dimensional structure of experience quality and its effect on customer loyalty and customer satisfaction. Jeong et al. (2009) conducted a study to see whether Pine and Gilmore's four experience spaces (4Es) are affected by site includes; the 4Es impact customer enthusiastic sections of joy and passion; and delight and energy lead to redesigned site support desire. The results present an incredible technique to offer experiential regard, which overhauls webpage support objective, to online retailers.

Atwal and Williams [3] studied that experiential advertising is seemingly showcasing's most contemporary introduction, however it has been generally neglected by those associated with the travel industry, hospitality marketing and advancement. While in numerous enterprises organizations have moved far from conventional highlights and advantages approaches, to putting experiential advertising the middle of everyone's attention and friendliness segments does not seem to have absolutely connected with the hypothetical issues included. In this paper to present the experiential promoting banter and show how the inquiries raised by the idea are basic to a comprehension of advertising hypothesis and research inside the travel industry and hospitality sector. Chanavat and Bodet [5] studied purchaser explore is the major connection among association and its shoppers. The objective of sound promoting research is to translate purchaser conduct and decode the points of view of key clients and change them into remarkable advertising procedures. The outcomes uncovered with different results: brandishing occasions and game clubs move from being remarkably a neighbourhood action to turning into a global one. Sports activities are moving far from what used to be practically identical to a town carnival, until the 1980s, to wind up a movement comparative in size and its showcasing machine to Walt Disney. Indeed, it could be noticed that sports appear to blend increasingly more with the excitement and correspondence businesses. Dimanche [10] studied that although turning into the advantaged results of the travel industry, exceptional occasions present an open door for advertisers to help position their goal with items that can be customized to address the issues of explicit target markets. Extraordinary occasions can possibly be successful showcasing devices for a goal since they claim to

sightseers who are really pulled in by the particular characteristics of the occasions, and subsequently, they are bound to fulfil those vacationers. Although, building up a solid picture and a brand for a goal takes years, and for occasions to contribute fundamentally to this exertion, an intelligible and key occasion improvement approach ought to be utilized.

#### 4.4 IMPACT OF EXPERIENTIAL MARKETING ON CUSTOMER SATISFACTION

Wu and Tseng [33] studied the relationship between experiential marketing and customer satisfaction as well as loyalty for online apparel retail industry. The study revealed that there was a significant and positive impact of experiential marketing on both customer satisfaction and loyalty. Earlier, Adeosun and Ganiyu [1] conducted a study of customer relation with product or a brand in market. It is the main purpose to influence the customers sense and their decisions and at investigating consumers' response to retail experiential marketing. This study creates a link between behaviour and lifestyle of consumers in modern retailing and how the customers satisfaction is affected. Qader and Omar [23] conducted a study to survey the ideas of brand involvement in connection to experiential advertising. The hypothetical significance of this investigation comes into view through talking about and conceptualizing the idea of brand understanding and brand value among the Millennial age which comprises of 2 billion new clients around the world. Accordingly, consumers will keep on buying these electronic gadgets after they have had a positive brand involvement with a specific electronic device of this sort. Thus, advertisers can increase upper hand through effective brands. Thus, this examination will give recommendations to future research to observationally gauge the impact of brand involvement on Brand value among the Millennial age. Recently, Hassenzahl [13], studied (understanding the relationship between user and product) the first ability is down to earth, i.e., inseparably attached to inside produced or remotely given social objectives. The other three are decadent, i.e., fixing to people's self and their mental prosperity. Ways to deal with client involvement in HCI need hypothesis and experimental examination. It was found that the benefit of the proposed fundamental model of client encounter as two-overlay: First, originators may better see how individuals see and esteem objects. Second, it permits operationalisation and estimation of key components. Keng et al. [14] conducted a study to investigate the effects of administration experiences on customer experiential esteem and therefore on client social aims in a shopping centre setting in Taiwan. The observational results revealed that: singular coordinated effort encounters strongly affected perspective on viability and flawlessness regard; physical condition encounters insistently impacted impression of carefree nature and style; and all components of customer experiential regard (for example efficiency, service magnificence, fun loving nature, and style) emphatically influenced client social expectations. Lin et al. [18] conducted a study to understand the experiential results of visitors' stay is becoming significant for creating practicable promoting methodologies in hot-spring hotel administration economy. A survey is directed to the visitors remaining in hot-spring hotels. The outcomes demonstrate that every single root relationship is factually noteworthy aside from the connection between saw experiential esteem and visitor dedication. The present examination gives a top to bottom

comprehension of the hot-spring hotel guests repurchase basic leadership goal.

## 5. OBJECTIVES OF THE STUDY

- To assess whether experiential marketing helps to develop loyalty among customers.
- To analyse the influence of experiential marketing on customer satisfaction.

### 5.1 HYPOTHESIS

- H<sub>1</sub>: There is a significant and positive impact of customer experience on customer loyalty.
- H<sub>2</sub>: There is a significant and positive impact of customer experience on customer satisfaction.

## 6. RESEARCH METHODOLOGY

In this study, descriptive research design has been used. Descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group. In this the researcher must be able to define clearly, what he wants to measure and must find adequate methods for measuring it [15].

A sample of 300 customers was taken from Delhi and Haryana region using non-probability (convenience) sampling. There were 61.3% male and 38.7% female. The average age of the respondents was 23.5 years. Both primary and secondary data was collected for the study. Method of collecting primary data was through questionnaires. A standardised questionnaire was used in which the statements were adapted from the scales of Mehmetoglu and Engen [19], Tsaur et al. [29], Schmitt [24]. The secondary data are those which have already been collected by someone else and which have already been passed through statistical process [15]. The data was analysed using mean, correlation and regression.

The data collected in the previously mentioned manner have been tabulated in condensed form to draw the meaningful results. In this research, two types of scales were used: Nominal scale and Likert scale. Nominal scale was used in this study which shows demographic variables. Likert scale was used in the study in some questions i.e. for finding out the effect of experiential marketing on consumer behaviour ranging from 1-strongly agree to 5-strongly disagree.

### 6.1 ANALYSIS OF DATA

Cronbach's alpha test is used for the data with five-point scale i.e. for finding out the reliability of the scale. The overall value of reliability was .812 for the 23 items.

On applying factor analysis, three factors were obtained. Since the factor loadings of all the items were above 0.5, hence no item was deleted. Further on checking the reliability of the factors it was found that the reliability of the factor experience was 0.729, loyalty was 0.704 and satisfaction was 0.637. Hence the scale was found reliable for further analysis. On analysing the twenty-three statements using descriptive analysis it was seen that the items had values of mean below 2 as seen in Table.1 which suggests that

majority of the respondents were agreeable regarding the statements (as 2 represents agree on the 5-point Likert scale).

Table.1. Descriptive

| Statements  | Mean | Std. Deviation | Factor Loading |
|---|------|----------------|----------------|
| <b>Experience (<math>\alpha = .729</math>)</b>                                      |      |                |                |
| The experience provider tries to engage my senses.                                  | 2.02 | .672           | .603           |
| The experience provider is perceptually interesting.                                | 2.30 | .775           | .696           |
| The experience provider lacks sensory appeal for me.                                | 2.69 | .908           | .685           |
| The experience provider tries to put me in a certain mood.                          | 2.37 | .802           | .696           |
| The experience provider makes me respond in an emotional manner.                    | 2.34 | .825           | .658           |
| The experience provider does not try to appeal to feelings.                         | 3.06 | .922           | .811           |
| The experience provider tries to intrigue/interest me.                              | 2.12 | .726           | .651           |
| The experience provider stimulates my curiosity.                                    | 2.41 | .811           | .674           |
| The experience provider does not try to appeal to my creative thinking.             | 2.84 | 1.129          | .828           |
| The experience provider tries to make me think about my lifestyle.                  | 2.43 | .809           | .623           |
| The experience provider reminds me of activities I can do.                          | 2.05 | .706           | .575           |
| The experience provider does not try to make me think about actions and behaviours. | 2.96 | .994           | .793           |
| The experience provider tries to get me think about relationships.                  | 2.23 | .768           | .666           |
| I can relate to other people through this experience provider.                      | 2.45 | .810           | .650           |
| The experience provider does not try to remind me of social rules and arrangements. | 2.66 | 1.046          | .796           |
| <b>Loyalty (<math>\alpha = .704</math>)</b>   |      |                |                |
| Say positive things about the experience provider to other people.                  | 1.88 | .641           | .566           |
| Recommend the experience provider to someone who seeks your advice.                 | 2.27 | .795           | .737           |

|   |      |      |      |
|---|------|------|------|
| Encourage friends and relatives to visit the experience provider.                           | 2.05 | .718 | .792 |
| Visit the experience provider more in the next few years.                                   | 2.30 | .867 | .674 |
| Consider the experience provider as your first choice to engage in a recreational activity. | 2.08 | .741 | .534 |
| <b>Satisfaction (<math>\alpha = .637</math>)</b>  |      |      |      |
| I am happy with my decision to visit here.  | 1.84 | .581 | .587 |
| My experience here exceeded my expectations.  | 2.26 | .837 | .689 |
| Over all I am satisfied with my visit here.   | 2.03 | .649 | .726 |

Source: Survey by authors

Table.2. Correlations

|    |                     | CS     | CE     | CL  |
|----|---------------------|--------|--------|-----|
| CS | Pearson Correlation | 1      |        |     |
|    | Sig. (2-tailed)     |        |        |     |
|    | N                   | 300    |        |     |
| CE | Pearson Correlation | .528** | 1      |     |
|    | Sig. (2-tailed)     | .000   |        |     |
|    | N                   | 300    | 300    |     |
| CL | Pearson Correlation | .603** | .645** | 1   |
|    | Sig. (2-tailed)     | .000   | .000   |     |
|    | N                   | 300    | 300    | 300 |

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

Source: Survey by authors

Here, CE is the customer experience, CL is the customer loyalty, CS is the customer satisfaction

### 6.2 IMPACT OF CUSTOMER EXPERIENCE ON CUSTOMER LOYALTY

Table.3. Coefficients<sup>a</sup>

| Model | Unstandardized Coefficients |            | Standardized Coefficients | T    | Sig.   |      |
|-------|-----------------------------|------------|---------------------------|------|--------|------|
|       | B                           | Std. Error | Beta                      |      |        |      |
| 1     | (Constant)                  | .050       | .144                      |      | .346   | .729 |
|       | CE                          | .804       | .055                      | .645 | 14.560 | .000 |

a. Dependent Variable: CL

Source: Survey by authors

In order to find the relationship between customer satisfaction, customer emotion and customer loyalty; Karl-Pearson coefficient of correlation was applied. As shown in Table.2 the value of correlation was significant and positive for all the three variables, with customer experience and satisfaction ( $r=.528$ ), customer experience and loyalty ( $r=.645$ ); and customer satisfaction with

loyalty ( $r=.603$ ). Thus, it can be said that customer satisfaction, customer emotion and customer loyalty are significantly and positively correlated.

In order to find the impact of customer experience on customer loyalty and customer satisfaction, regression analysis was applied. It was found that the values were significant and positive in both cases. In case of customer loyalty, 41.6% variance in customer loyalty was explained by customer experience. It was found that the impact was significant (Standardized  $\beta = .645$ ;  $p < .01$ ) as shown in Table.3. Since, there was a significant and positive impact of customer experience on customer loyalty, hence hypothesis H<sub>1</sub> was accepted.

### 6.3 IMPACT OF CUSTOMER EXPERIENCE ON CUSTOMER SATISFACTION

In case of customer satisfaction, 27.9% variance in customer satisfaction was explained by customer experience. It was found that the impact was significant (Standardized  $\beta = .528$ ;  $p < .01$ ) as depicted in Table.4. Since, there is a significant and positive impact of customer experience on customer satisfaction, hence hypothesis H<sub>2</sub> was accepted. The value of customer loyalty was higher which shows that among the two variables the impact of customer loyalty was greater.

Table.4. Coefficients<sup>a</sup>

| Model | Unstandardized Coefficients |            | Standardized Coefficients | T    | Sig.   |      |
|-------|-----------------------------|------------|---------------------------|------|--------|------|
|       | B                           | Std. Error | Beta                      |      |        |      |
| 1     | (Constant)                  | .285       | .166                      |      | 1.721  | .086 |
|       | CE                          | .684       | .064                      | .528 | 10.745 | .000 |

a. Dependent Variable: CS

Source: Survey by authors

### 7. IMPLICATIONS

- The experience provider has to make the customer experience memorable enough so that he becomes loyal to that brand which in turn can generate profit as well as promote the business by word of mouth.
- The experience provider has to focus on satisfaction of customers with the service provided so that there is more chance of repeat purchases by the customer from the experience provider.

### 8. CONCLUSION

In this research the objective was to analyse customer experience, customer loyalty and customer satisfaction in context to the experiential marketing. After taking into consideration the feedback from 300 different customers, it can be said that experiential marketing is positively related with customer loyalty and customer satisfaction. In accordance with Bernd Schmitt, there exist five experience types: sense, feel, think, act and relate, which were used in this study. Each of these five experience types is important in creating experiences. The study reveals that to shape a consumer–brand relationship, individual work through

brand affiliation, brand identity and brand image. The results of the study also suggest that customer experience has a significant and positive impact of customer loyalty as well as customer satisfaction. Creating experiences that lead to positive emotions like happiness are key to the success of experiential marketing strategy. By using experiential marketing, the experience provider can build good relations with the customer as this not only creates profit but also advertises the business for free of cost. When the customer become loyal to the business, they promote the business by word of mouth.

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