

體驗行銷對顧客滿意之影響：顧客參與之中介角色

The Effects of Experiential Marketing on Customer Satisfaction: The Mediating Roles of Customer Participation

楊豐華¹ 蔡侑勳² 沈佳儀³

(Received: Jul. 18, 2013 ; First Revision: Nov. 6, 2013 ; Accepted: Dec. 11, 2013)

摘要

本研究透過理論明確界定體驗行銷、顧客參與與顧客滿意間之關聯性。整合體驗行銷-顧客參與-顧客滿意架構，我們提出體驗行銷不僅直接對顧客滿意具正向影響，其亦經由顧客參與而對顧客滿意產生間接影響。本研究運用 I 跨國家具家飾業之顧客為研究對象，收集 405 份有效問卷。研究結果支持我們的假設。總體而言，本研究結果不僅可提供家具家飾業者相關行銷管理決策之參考，並透過善用顧客參與進一步明確釐清體驗行銷與顧客滿意間之關係，以期對於家具家飾業之行銷理論與研究皆有所貢獻。

關鍵詞：體驗行銷、顧客參與、顧客滿意

Abstract

In this study, we theoretically identify the relationships among experiential marketing, customer participation, and customer satisfaction. Integrating the experiential marketing-customer participation-customer satisfaction framework, we propose that experiential marketing not only has a direct positive influence on customer satisfaction, but also indirectly influences customer satisfaction through customer participation. This study uses a multinational furniture and home furnishings company's (Company I) customers as the research subject, collecting 405 effective questionnaires. The results support our hypotheses. Overall, the results of this study can provide the furniture and home furnishings industry with a reference for marketing management decisions, and clarify the relationship between experiential marketing and customer satisfaction using successful customer participation. Therefore, the results of this study contribute to services marketing theory and research for the furniture and home furnishings industry.

Keywords: Experiential Marketing, Customer Participation, Customer Satisfaction

¹ 大葉大學國際企業管理學系副教授

² 大葉大學管理學院博士班研究生

³ 大葉大學國際企業管理學系碩士

1. Introduction

With the developing concept of “experience,” Pine and Gilmore (1998) proposed the arrival of the experience economy era. They divided economic development into four stages: the agricultural economy, the industrial economy, the transition to the service economy, and finally the experience economy. Society has already entered the era of the experience economy. In other words, enterprise marketing strategies should emphasize not only the functionality of products, but also increased interaction with customers, allowing customers to experience and indulge in the process of value co-creation (Robinette et al., 2001). In an experience economy, enterprises do not merely provide products or services; instead, they offer the ultimate or end experience, allowing customers to enjoy attentive and considerate products and services and leaving customers with unforgettable positive memories (Pine & Gilmore, 1998). Schmitt (1999) stated that “experiential marketing is everywhere.” Lewis and Chambers (2000) also suggested that customers purchase an overall package of environment, products, and services. Finally, Prahalad and Ramaswamy (2000) suggested that the creation of unique customer experience will be an important source of competitive advantage or competitiveness for enterprises in the future.

Gautier (2004) asserted that experiential marketing is the “big theme” of this era of marketing, constituting all-new marketing concepts and techniques rather than a minor adjustment to marketing approaches. McNickel (2004) described experiential marketing as a guiding tool for marketing in the future. Petkus (2004) emphasized that enterprises cannot only provide experiential products; they must also intentionally sell the experience or experiential method itself. Thus, enterprises no longer only sell products, they must also carefully construct the process and ambience of the sales experience. Traditional marketing focuses on confirming customer intention and ignores emphasis on the differences between customer experiences (Williams, 2006). Berry et al. (2006) explained that a positive customer experience is excellent customer service. Leighton (2007) further asserted that experiential marketing is crucial to survival. Customers are concerned not only with the functional benefits of products, but also with the overall consumption experience, and they view the realization of a positive emotional experience as a central element of consumption. Consequently, providing customers with positive experiences may surpass the provision of services themselves in importance (Klaus & Maklan, 2011).

Based on the theories and experimental results reported by Cardozo (1965), the term “customer satisfaction” first appeared in the public policy of the U.S. Department of Agriculture in the 1970s (Pfaff, 1972). Olshavsky and Miller (1972) and Anderson (1973) examined the mutual influence of expectancy and product performance. A significant gap between expectancy and product performance generates negative assessments, that is, dissatisfaction, and product performance can also influence expectancy (Olshavsky & Miller, 1972; Olson & Dover, 1976). Early factory record management was transformed

into an era of traditional marketing, which was centered on products, finally ending in a service-centric era (Lusch & Vargo, 2006). Thus, the differences in marketing methods between these eras are apparent. This transformation prompted enterprises to provide high-quality services to achieve crucial outcomes regarding customer satisfaction, loyalty, and positive word-of-mouth (WOM), which were consistently emphasized by enterprises (Anderson et al., 1994).

These conclusions and results, particularly those regarding customer satisfaction, have been shown to generate excellent financial returns while reducing risk and increasing shareholder and market value (Fornell et al., 2006). Satisfaction is considered an emotional assessment or evaluation (Hunt, 1977) reflecting the degree of positive feelings evoked when customers possess and use services (Rust & Oliver, 1994). Oliver (1992) employed affective difference theory to investigate emotional effects, focusing on and elucidating post-purchase satisfaction. Oliver subsequently suggested that satisfaction is an assessment of an emotional reaction toward a service (Oliver, 1997). Havlena and Holbrook (1986) and Mano and Oliver (1993) explored the relationship between consumers' experiential emotions and satisfaction, concluding that consumer emotions influence their satisfaction of a product or service as well as their purchasing behaviors.

Dabholkar (1990) described customer participation as the degree of client participation in the production and delivery of services. Prahalad and Ramaswamy (2000) recommended involving customers and increasing customer power or authority to create competitive advantages. Customers are no longer passive observers, but rather proactive co-producers. They actively cooperate with suppliers to co-create service value, resulting in superior services and achieving their personal needs. These services also increase customer satisfaction. Vargo and Lusch (2004) introduced the concept of the customer as a creator co-existing with an enterprise, and customer participation consequently became an essential issue for enterprise marketing. Subsequently, customer participation has developed into one of the most widely discussed marketing strategies for both academia and industry (Bendapudi & Leone, 2003). Dong et al. (2008) suggested that the ameliorative or recovery process of customer participation in self-service enhances customers' perceived value of willingness to co-create in the future and their service recovery satisfaction. Customer participation has a direct positive influence on employee performance, satisfaction, and commitment (Yi et al., 2011). Because most extant studies have emphasized the relationship between experiential marketing and customer satisfaction, this study adopts customer participation as a mediating variable to identify the correlation between experiential marketing and customer satisfaction and to address the deficiencies of existing literature.

Pine and Gilmore (1998) used the baking of a cake to illustrate changes between various economic eras. During the agricultural economy, mothers would combine farm

products to bake a cake, at a cost of mere dimes. In the industrial economy, mothers would pay money to outsource the pre-mixing of some ingredients, and then bake the cake. With the transition to a service economy, busy parents directly ordered cakes from bakeries, at a cost of approximately 10 times the original. In the modern era, parents not only do not bake cakes themselves, but also do not host parties at home. Instead, they pay over one hundred times the original cost of a cake to “outsource” the entire celebration to create unforgettable memories for their children, and these activities typically provide “free” cake. For another example, the early automobile industry tended to emphasize functionality and performance in their marketing strategies, focusing on horsepower or gas mileage and safety. By contrast, modern marketing appeals to our sense of family and affection, and advertising employs emotional appeals to affect audiences and generate widespread discussion that strengthens brand or product impressions and entices customers to seek out products independently, thereby increasing product exposure, enhancing positive corporate image, and boosting product sales. Furthermore, most products similar to perfume and makeup are no longer sold based on striking explanations of fragrance or ingredients; instead, sales are based on the internal journeys experienced through using the product, including improved confidence or transformed image for the user.

The majority of industry practices can be represented by the activities of a famous Swedish furniture and furnishings retail brand referred to as Company I. This company has branches in 37 countries throughout the world and over 300 retail locations, making it a global leader. One characteristic of Company I is its departure from traditional methods of arranging and presenting furniture in stores. Rather than grouping sofas together in one location and beds in another, Company I constructs actual example living rooms and bedrooms in the display space. These rooms or sections feature not only functionally comprehensive and matching tables and chairs, but also carpets, curtains, and eating utensils, as well as fragrances and music. Thus, Company I sells the overall ambience rather than just sofas. These careful arrangements prompt every customer who enters the retail floor to consider their own living environment, inspiring them to select a few products to create a novel or innovative style. This marketing method has enabled Company I to achieve sustained growth, allowing it to become the global leader of the home furnishings industry. Hence, for this study, we adopted the operating model of the multinational Company I as the foundation. This approach is consistent with the subject of this study and representative of the topic.

Overall, we infer that the world has already entered the age of an experiential economy (Pine & Gilmore, 1998). Product functions and benefits or effectiveness are no longer the most important aspects of modern marketing. Instead, sales approaches emphasize attracting and impressing or moving consumers and evoking deep emotions, which then leads to the actual purchase of products. Can the consumption environments or

scenarios carefully crafted by enterprises prompt potential customers to purchase products? Or can consumers still rationally manage their spending? Furthermore, because customers are typically passive participants in the consumption environments created by enterprises as a part of experiential marketing, can increasing customer participation result in greater customer satisfaction? These questions inspired the study researchers, motivating them to conduct more extensive research. Therefore, although the relationships between the variables listed above can only be considered indirect evidence, they can be reasonably used to support our inferences regarding research hypotheses and deductions concerning model development. Accordingly, this study uses Company I as the case study for examining the correlation between experiential marketing, customer participation, and customer satisfaction to provide a reference for the management decisions of marketing personnel in the service industry.

2. Theoretical framework

The key to enterprise success is creating an irreplaceable competitor position and possessing the potential for future development. Fonvielle (1997) contended that high customer satisfaction is a type of competitive advantage, especially because it generates repeat purchases by customers. Hawkins et al. (1998) suggested that to create customer satisfaction and future sales, customers must continue to believe that a company's products meet their needs following actual product use. The unforgettable experiences created by experiential marketing can benefit the retention of existing customers (Yelkur, 2000). The positive messages or information created by experiences can also attract consumption from potential customers (Hudson & Ritchie, 2009), creating new profits for enterprises. Thus, experiential marketing cannot be overlooked as a marketing approach if enterprises hope to succeed. Many studies have suggested that the consumption experiences associated with experiential marketing have a positive and direct influence on customer emotions, increasing customer satisfaction (Tsaour et al., 2006; Yuan & Wu, 2008).

Lovelock and Christopher (1993) described customer satisfaction as the comparison between usage performance and users' expectations or expectancy regarding products and services. Schmitt (1999) suggested that customers develop identification or purchasing actions through observation or participation in events. Mano and Oliver (1993) further noted that consumers evaluate their consumption experiences based on product function utility, feelings of enjoyment, and other benefits, which then influence their satisfaction assessment by generating positive or negative consumption emotions. Therefore, when customers have positive consumption experiences, they develop positive emotions, increasing their satisfaction, and vice versa (Mano & Oliver, 1993; Jarrett et al., 1996). Zeithaml et al. (1990) suggested that after accepting services, customers develop a perception or cognition of service quality based on their actual experiences, leading to

satisfaction and loyalty behaviors. Good service experiences have a strong influence on customers, particularly regarding influence on customer satisfaction, loyalty, and the establishment of WOM (Klaus & Maklan, 2012). Fornerino et al. (2008) investigated the behaviors of consumers from different backgrounds and found that experiential marketing is highly correlated with satisfaction. Consequently, experiential marketing can be considered an essential antecedent of customer satisfaction; thus, positive experiences can influence customers in generating high satisfaction and positive evaluations. As such, this study proposed the following hypothesis:

Hypothesis 1: Experiential marketing has a significant positive influence on customer satisfaction.

Pine and Gilmore (1998) employed the two dimensions of customer participation and connection or environmental relationship to establish the following four realms of experience: (1) Entertainment experiences, such as watching television or attending concerts; these experiences involve relatively passive customer participation, where customers can only receive messages or information and are less able to interact with the overall environment or scenario. (2) Educational experiences, such as attending classes or activities; these experiences involve relatively active participation, but minimal interaction with the environment. (3) Escapist experiences, such as acting, band performances, or descending the Grand Canyon; these experiences involve the highest degree of customer participation and environmental or scenario interaction. Finally, (4) Aesthetic experiences, such as superficial tourism and art gallery visits, involve the lowest degree of customer participation and environmental interaction relationships; thus, they provide the lowest level of customer perception or feeling. The intersection between the four realms of experience forms a “sweet spot” of the most abundant and diverse experiences, such as visiting Disneyland or gambling in Las Vegas.

Prahalad and Ramaswamy (2004) suggested that production activities centered on the enterprise or products can no longer satisfy consumers. Only through the co-creation of unique experiences shared by enterprises and their customers can higher value be created. Hence, enterprises must ask themselves what unique experiences they can offer customers. Answers to this question provide the basis for enterprise competitive advantage, highlighting the importance of customer participation in experiential marketing. The “services” provided by enterprises include the processes of mass standardization and selling, which represent increasing commercialization (Meyer & Schwager, 2007). The modern consumer not only demands services provided by enterprise employees, but also seeks majestic, eye-catching, and unforgettable experiences they can participate in (Gilmore & Pine, 2002). Based on the concepts discussed above, we proposed the

following hypothesis:

Hypothesis 2: Experiential marketing has a significant positive influence on customer participation.

Dabholkar (1990) suggested that customer participation can strengthen perceived service quality and satisfaction and that organized socialized behaviors and emotions can be obtained through service quality regarding customer participation. Claycomb et al. (2001) asserted that customer participation is a behavioral concept that refers to actual customer involvement and assistance in creating value. Cermak et al. (1994) asserted that specific customer behaviors are related to service delivery systems and that customer behaviors at the time of purchase reflect actual behavioral involvement. Extant literature on customer participation maintains that active customer participation and cooperation with employees in the process of co-creation increases service quality (Zeithaml & Bitner, 2003). Customers are directly related to satisfaction and understanding how to improve service quality (Kelley et al., 1990). Thus, customer participation improves perceived service quality and enhances satisfaction. In the event of service failures, customers are willing to invest additional effort to protect their dignity and demonstrate their diligence in the service recovery process (Walster et al., 1973).

Ennew and Binks (1999) contended that consumer participation is directly and positively related to satisfaction and quality. Consumer participation can reduce the gap between expectations or expectancy and actual services, facilitating the achievement of customer satisfaction. Bendapudi and Leone (2003) verified that the relationship between customer satisfaction and product or result quality and enterprises is influenced by customer participation. Therefore, active consumer participation is essential for achieving high-quality satisfactory results during the service process. Increased customer participation causes customers to perceive that they are contributing more, which enhances their satisfaction with the recovered results or outcomes. Through participating in “experiences,” consumption benefits are also increased because customers become more capable. Based on these concepts, we proposed the following hypothesis:

Hypothesis 3: Customer participation has a significant positive influence on customer satisfaction.

Experiential marketing can increase customer satisfaction (Yuan & Wu, 2008), and customer participation can enhance the perceived service quality, leading to higher satisfaction (Walster et al., 1973). Empirical findings have shown that customer participation can increase perceived service quality (Dabholkar, 1996; Ennew & Binks,

1996; Claycomb et al., 2001), strengthen re-purchase behaviors, (File et al., 1992; Cermak et al., 1994), and increase customer satisfaction (Kelley et al., 1990; Kellogg et al., 1997; Youngdahl & Kellogg, 1997; Ennew & Binks, 1999). In other words, customer participation not only increases the realization of economic value for customers, but also strengthens the relationship or ties between customers and employees (Chan et al., 2010). Based on this discourse, this study proposed the following hypothesis:

Hypothesis 4: Customer participation has a mediating effect on the relationship between experiential marketing and customer satisfaction.

3. Methodology

3.1 Participants and procedures

The participants of this study were customers of Company I in Taiwan. Company I has a total of four retail locations in Taiwan: Taipei (Dunhua North), Hsinchuang, Taoyuan, and Kaohsiung. For this study, we employed paper questionnaires, distributing a total of 500 copies. Design and distribution of the questionnaire combined with statistical analysis was conducted and purposive sampling was used to perform relevant research. Before distributing the questionnaire, the content and purpose of the questionnaire were explained to customers via telephone calls and personally visiting the retail locations to ensure that the customers understood and consented to the questionnaire investigation.

In addition, the respondents in this study is easy to answer and reply to the questionnaire, hereby request shop managers agree that the stores are located in the questionnaires and recycling area. The questionnaire distributed two months, respectively by three authors intervals of two weeks to each branch in turn disseminate and explain the content and purpose of the questionnaire. The questionnaire provided at the same time of contact numbers for any questions or concerns addressed.

3.2 Measures

This study used a seven-point Likert scale, with points 1 to 7 representing “*strongly disagree*,” “*disagree*,” “*slightly disagree*,” “*neutral*,” “*slightly agree*,” “*agree*,” and “*strongly agree*.” After collecting the participants’ responses, the average scores and standard deviations were calculated. SPSS 18.0 was used to perform statistical analysis of the scale items.

3.3 Experiential Marketing

This study used the following definition of experiential marketing proposed by Schmitt (1999): the focus of experiential marketing is the customer experience, where experiences provide sensory, emotional, cognitive, active, and correlative value to create

different forms of experience for customers. The five experiential module scales developed by Schmitt (1999) were adopted as a measurement tool.

3.4 Customer Participation

This study employed the following definition of customer participation proposed by Dabholkar (1990): customer participation is the degree to which clients participate in the production and delivery of services. Additionally, the customer participation scale developed by Chan et al. (2010) was adopted as a measurement tool.

3.5 Customer Satisfaction

Finally, this study used the following definition of customer satisfaction proposed by Westbrook and Oliver (1991): the evaluations that accompany the purchase of specific products or services. The customer satisfaction scale developed by Cronin et al. (2000) was employed as a measurement tool.

3.6 Control Variables

In view of this study to quantify statistical analysis, for the purification of the empirical results, it requires the use of control variables in order to better clarify the relationships among experiential marketing, customer participation, and customer satisfaction. Thereby the results of this study strengthen the explanatory power.

3.6.1 Service Quality

Rust and Zahorik (1993) suggested that customer re-purchase behaviors have a positive influence on corporate finances. Therefore, numerous scholars have examined whether improvements in service quality can influence customer satisfaction or dissatisfaction (Oliver, 1980; Westbrook, 1981; Tse & Wilton, 1988). These studies have found that service quality is directly and positively related to customer satisfaction (Bolton & Drew, 1991; Taylor & Baker, 1994). When customers are more satisfied or enterprises provide higher-quality services, customers may exhibit specific behavioral results, such as customer loyalty (Schlossberg, 1990). This type of satisfaction and loyalty can drive the creation of increased company profits (Barsky & Nash, 2003). The difference between standardized services (Zero Defects) and customer-centered services (Emphasis on the Client) is crucial to success in the service industry (Anderson et al., 1997).

According to the above, the service quality was indeed an important factor affecting customer satisfaction. In order to elimination the influence on the empirical results, therefore to use service quality as a control variable in this study. This study adopted the definition of service quality developed by Parasuraman et al. (1988): a perceived judgment of overall corporate or enterprise services, and the positioning of service quality as the

antecedent to the perceived value of purchasing results. Additionally, we employed the service quality scale developed by Cronin et al. (2000) as a measurement tool.

3.6.2 Brand Equity

Brand equity provides customers with the ability to process messages or information, enabling customers to decide whether to purchase products or services and increasing customer satisfaction after purchase. Brand equity also increases company value, creating more efficient and effective marketing solutions or plans and improving product prices and profits, brand extensions, commercial leverage, and competitive advantage (Aaker, 1991). Improving brand equity results can allow companies to earn greater profits from consumers, prompt customers to proactively search for messages or information, increase the effectiveness of marketing communications, and enhance consumer interest in brand extensions (Keller, 1993).

We suggest that brand equity can be considered as affecting the relative importance factor of customer satisfaction, thereby selecting brand equity as a control variable in this study. Trying to avoid the influence on study results. This study employed the definition proposed by Yoo and Donthu (2001) for brand equity: the difference in consumer reactions toward a key brand and unbranded product can be attributed to the influence of the brand name and the long-term introduction and investment of the brand in marketing. The brand equity scale developed by Yoo and Donthu (2001) was also adopted as a measurement tool for this study.

4. Results

Data were collected for this study by distributing questionnaires to customers of Company I. A total of 500 questionnaires were distributed. Employing questionnaire tracking and reminders, a total of 498 completed questionnaires were returned, for an overall retrieval rate of 99%. After excluding 93 invalid questionnaires, a total of 405 effective questionnaires were retained, for an effective retrieval rate of 81%. Both the reliability and validity of the measures were examined. This work used Cronbach's coefficient alpha (α) to assess the reliability of the measures. Each scale demonstrated satisfactory reliability (α exceeding 0.70). Table 1 provides the means, standard deviations and correlations of the variables used in the study. Reliabilities are located along the diagonal of the correlation matrix.

Table 1 Descriptive statistics, correlation, and reliability

Variables	Means	S.D.	1	2	3	4	5
1. EM	5.87	0.948	1				
2. CP	4.43	1.426	0.329***	1			
3. CS	5.43	0.984	0.641***	0.357***	1		
4. SQ	5.74	0.976	0.616***	0.327***	0.737***	1	
5. BE	6.28	0.870	0.545***	0.078	0.463***	0.531***	1

Note: EM=Experiential Marketing, CP=Customer Participation, CS=Customer Satisfaction, SQ= Service Quality, BE=Brand Equity, S.D.=Standard Deviation. *** $p < .001$.

This study employed hierarchical regression analysis to examine the impact that experiential marketing has on customer satisfaction, and assess the mediating effect of customer participation in the relationship between experiential marketing and customer satisfaction. The analysis results are shown in Table 2. Model 2 represents the regression analysis of experiential marketing as it relates to customer satisfaction, indicating that experiential marketing has a significant positive influence on customer satisfaction ($\beta = 0.276, p < .001$); the F value was 207.012 ($p < .001$). These results support H1, that is, experiential marketing has a significant positive relationship with customer satisfaction.

The findings also demonstrate that greater feelings of experiential marketing were associated with higher customer satisfaction. Model 3 represents the regression analysis of experiential marketing as it relates to customer participation. The results confirm that experiential marketing has a significant positive influence on customer participation ($\beta = 0.269, p < .001$); the F value was 24.913 ($p < .001$). These results support H2, that is, experiential marketing has a significant positive relationship with customer participation. Thus, greater feelings of experiential marketing are associated with higher levels of customer participation.

Model 4 represents the regression analysis for customer participation as it relates to customer satisfaction. The results demonstrate that customer participation has a significant positive influence on customer satisfaction ($\beta = 0.137, p < .001$); the F value was 173.894 ($p < .001$). These results support H3. In other words, customer participation has a significant and positive relationship with customer satisfaction, and greater customer participation is associated with higher customer satisfaction.

Finally, Model 5 incorporated the interaction between customer participation and experiential marketing and customer satisfaction. The results showed that after incorporating customer participation in experiential marketing, the positive relationship with customer satisfaction changed from 0.276 to 0.257. The cumulative R^2 was 60.3%,

and the F value was 154.366 ($p < .001$). These results support H4, that is, customer participation has a partial mediating effect on the relationship between experiential marketing and customer satisfaction. The Hypothesized Model were shown in Figure 1.

Table 2 Hierarchical regression analysis result

	Model 1	Model 2	Model 3	Model 4	Model 5
Dependent Variables	CS	CS	CP	CS	CS
Control Variables					
SQ	0.684***	0.548***	0.270***	0.627***	0.523***
BE	0.100	0.009	-0.219***	0.119**	0.029
Independent Variable					
EM		0.276***	0.269***		0.257***
Mediator Variable					
CP				0.137***	0.094**
R^2	0.548	0.596	0.158	0.565	0.603
ΔR^2		0.048		0.017	0.007
F	245.560***	207.012***	24.913***	173.894***	154.366***

Note: EM=Experiential Marketing, CP=Customer Participation, CS=Customer Satisfaction, SQ= Service Quality, BE=Brand Equity. ** $p < .01$. *** $p < .001$.



Figure 1 Hypothesized Model.

Note: *** $p < .001$.

5. Discussion

The reason for establishing the research theories was primarily to establish the relationship between experiential marketing and customer satisfaction and to test and validate the theoretical framework of the associated correlations based on Company I's

implementation of experiential marketing and its effectiveness for increasing customer participation. The empirical analysis results supported H1, that is, experiential marketing has a significant positive influence on customer satisfaction. Superior experiences of experiential marketing were associated with higher customer satisfaction. These results are consistent with those of Tsaur et al. (2006), Yuan and Wu (2008), and Klaus and Maklan (2012).

The analysis results also supported H2, that is, experiential marketing has a significant positive influence on customer participation. For participants or customers, experiential marketing can be adapted or modified based on the degree of customer participation. In other words, a greater sense of experiential marketing was associated with a higher degree of customer participation. Finally, the analysis results also supported H3, that is, customer participation has a significant positive influence on customer satisfaction. A greater level of customer participation resulted in higher customer satisfaction. These results are consistent with those reported by Dabholkar (1990) and Zeithaml and Bitner (2003). The above findings confirm those of previous studies and verify that experiential marketing and customer participation are both highly important influences on customer satisfaction.

According to Baron and Kenny (1986), a mediating effect can be established if the following three conditions are achieved met during regression model analysis: (1) the independent variable and the mediating variable are significantly correlated; (2) the dependent variable is significantly correlated to both the independent and mediating variables; and (3) after introducing the mediating variable into the regression model, if the significance of the relationship between the independent and dependent variables declines while the correlation between the mediating variable and the dependent variable remains significant, partial mediation is achieved.

However, if the independent variable no longer influences the dependent variable, full mediation is established. The empirical results of this study support H4, that is, customer participation has a partial mediating effect between experiential marketing and customer satisfaction. This finding indicates that the influence the experiential marketing experiences of the participants had on customer satisfaction was subject to the influence of and modified based on the degree of customer participation.

5.1 Practical Implications

In summary, experiential marketing has a direct influence on both customer participation and customer satisfaction. Customer participation has a direct influence on customer satisfaction, and experiential marketing has an indirect influence on customer satisfaction through the mediation of customer participation. Thus, the results of the causal tests were significant. Experiential marketing not only positively influences customer satisfaction, but it also indirectly influences customer satisfaction through customer

participation. The empirical results of this study support the views held by many scholars, namely, the effective and proper use of experiential marketing strategies and treating customers as prospective or quasi-employees or co-producers to allow participation in service production and transmission processes and effectively develop relationships with customers will become the primary source of competitiveness for enterprises in the future (Firat & Venkatesh, 1995; Lengnick-Hall, 1996; Rifkin, 2001; Esgate, 2002; Gautier, 2003).

The main contribution of this study is the confirmation of a direct and positive correlation between experiential marketing and customer participation and the partial mediating effect of customer participation on the relationship between experiential marketing and customer satisfaction. The hierarchical regression analysis results showed that the impact of experiential marketing is not limited to facilitating the involvement of customers in actively cooperating with suppliers during the co-creation of service value, thereby providing superior services to customers (direct and positive correlation between experiential marketing and customer participation). Rather, experiential marketing can also indirectly improve satisfaction by allowing customers to actively participate in the production or service process (direct and positive correlation between customer participation and customer satisfaction).

Pine and Gilmore (1998) suggested that the value consumers seek to purchase is not only the fulfillment provided by the core product or service, but also the achievement of abundant enjoyment and valuable experiences. In recent years, the transformation of consumption patterns has led to the development of new factors influencing purchasing decisions. Consumption now emphasizes not only the value of the product itself, but also the entire consumption process experience, including post-purchase experiences. Different experiences have varying experiential value, which significantly influence customer satisfaction. Enterprises must increase customer satisfaction through differing experiential marketing strategies. Marketing managers should consider how to stimulate customers' participation intentions through experiential marketing activities. Companies may increase satisfaction by establishing long-term relationships characterized by mutual benefit and mutual trust. Increases in customer satisfaction result in greater customer loyalty for the enterprise, enabling the enterprise to increase overall operating profits and move further toward achieving the long-term goal of sustainable operation. Therefore, the results of this study support the importance of experiential marketing strategies for enterprises.

Based on the average scores for items related to experiential marketing, "Company I does not seek to remind me of certain social norms and arrangements" received the lowest average value ($M = 4.56$). This result shows that although Company I has strong sensory attractiveness and can prompt actual product purchase behaviors, their products lack a sense of connection with others. The enhancement of experiential marketing designs and

activities that include interaction with others can assist Company I in achieving enhanced experiential marketing results. Because consumer products are characterized by high substitutability and low switching costs, customer loyalty generally tends to be low. This generates a definite need to establish more complete customer relationship management systems through experiential marketing.

5.2 Limitations and future research

5.2.1 Limitations

Because of the emergence of an experience economy, many industries can now employ experiential marketing concepts to increase customers' participation intentions and satisfaction. However, this study only examined the home furniture and furnishings industry. Therefore, the generalizability of the results may be limited. This study also adopted a self-reporting Likert scale and purposive sampling of a single source (Customers). Consequently, in addition to the uneven distribution of demographic variables reducing the representativeness of the sample, underlying common method variance (CMV) may exist. These issues limit the potential inferences based on the results of this study.

In addition, because this study is a quantitative statistical analysis of research aimed at clarifying the relationships among experiential marketing, customer participation, and customer satisfaction. Although this study has been the use of a relatively significant impact on the dependent variables of service quality and brand equity as control variables. However, in view of this study, many factors affecting customer satisfaction. Such as relationship quality (Crosby et al., 1990), service recovery (Goodwin & Ross, 1992; Webster & Sunndaram, 1998; Kau & Loh, 2006), customer value (Brady & Cronin Jr., 2001; Varki & Colgate, 2001; Coelho & Esteves, 2007), corporate image (Oliver, 1981; Grönroos, 1988; Hastak & Olson, 1989; Fornell, 1992), and trust (Reinartz & Kumar, 2000). Our study can not be completely avoided through statistical analysis of the effect of other variables, CMV and sample characteristics impose influence factors is not excluded. That is presented as part of customers to participate in mediation ineffective.

This study primarily examined customer satisfaction based on the perceived degree of experiential marketing implementation by an enterprise and the degree of customer participation. Nevertheless, significant differences in the participants' perceptions and feelings regarding the questionnaire items may exist. For example, does customers' self-purchasing and self-service consumption without interaction with employees constitute customer participation? How can service quality be precisely measured in this situation? These differences in perception also limit the results of this study.

5.2.2 Future Research

This study was focused on customers. We suggest that future researchers target companies as subjects when examining the effects of adopting experiential marketing. Future studies can expand the scope of product inclusion, increasing the generalized applications of the concepts of experiential marketing and “qualia.” Furthermore, participation and scope can be expanded to all home furniture or furnishings enterprises or even other industries to provide all companies with a reference for adopting experiential marketing and relevant effects.

Moreover, based on the aforementioned many variables affect customer satisfaction. We recommend that future research on exploring related issues may can consider other variables diversification, or as control variables in the study. In addition to help improve existing literature on potential factors that affect the understanding of customer satisfaction, but also to enhance the overall research rigor and explanatory power.

The experiential marketing scale used in this study was referenced from Schmitt (1999). Although confirmatory factor analysis showed that the model exhibited an excellent goodness-of-fit, referencing suitable self-directed items from various industries can increase the representativeness of the questionnaire. We suggest that future researchers execute these improvements for more effective academic research.

References

1. Aaker, D. A. (1991), *Managing brand equity: Capitalizing on the value of a brand name*, New York: The Free Press.
2. Anderson, R. E. (1973), "Consumer dissatisfaction: The effect of disconfirmed expectancy on perceived product performance," *Journal of Marketing Research*, 10(1), pp.38-44.
3. Anderson, E. W., C. Fornell and D. R. Lehmann (1994), "Customer satisfaction, market share and profitability: Findings from Sweden," *Journal of Marketing*, 58 (3), pp.53-66.
4. Anderson, E. W., C. Fornell and R. T. Rust (1997), "Customer satisfaction, productivity and profitability: Differences between goods and services," *Marketing Science*, 16(2), pp.129-145.
5. Baron, R. M. and D. A. Kenny (1986), "The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations," *Journal of Personality and Social Psychology*, 51(6), pp.1173-1182.
6. Barsky, J. and L. Nash (2003), "Customer satisfaction: Applying concepts to industry-wide measures," *Cornell Hotel and Restaurant Administration Quarterly*, 44(5-6), pp.173-183.
7. Bendapudi, N. and R. P. Leone (2003), "Psychological implications of customer participation in co-production," *Journal of Marketing*, 67(1), pp.14-28.
8. Berry, L., E. Wall and L. Carbone (2006), "Service clues and customer assessment of the service experience: Lessons from marketing," *Academy of Management Perspectives*, 20(2), pp.43-57.
9. Bolton, R. N. and J. H. Drew (1991), "A multistage model of customers' assessments of service quality and value," *Journal of Consumer Research*, 17(4), pp.375-384.
10. Brady, M. K. and J. J. Cronin Jr. (2001), "Customer orientation: Effects on customer service perceptions and outcome behaviors," *Journal of Service Research*, 3(3), pp.241-251.
11. Cardozo, R. (1965), "An experimental study of customer effort, expectation and satisfaction," *Journal of Marketing Research*, 2(3), pp.244-249.
12. Cermak, D. S. P., K. M. File and R. A. Prince (1994), "Customer participation in service specification and delivery," *Journal of Applied Business Research*, 10(2), pp.90-97.
13. Chan, K. W., C. K. Yim and S. S. K. Lam (2010), "Is customer participation in value creation a double-edged sword?," *Journal of Marketing Management*, 74(3), pp.48-64.
14. Claycomb, C., C. A. Lengnick-Hall and L. W. Inks (2001), "The customer as a productive research: A pilot study and strategic implications," *Journal of Business*

- Strategies*, 18(1), pp.47-68.
15. Coelho, P. S. and S. P. Esteves (2007), "The choice between a five-point and a ten-point scale in the framework of customer satisfaction measurement," *International Journal of Market Research*, 49(3), pp.313-339.
 16. Cronin, J. J., M. K. Brady and G. T. M. Hult (2000), "Assessing the effects of quality, value, and customer satisfaction on consumer behavioral intentions in service environments," *Journal of Retailing*, 76(2), pp.193-218.
 17. Crosby, L. A., K. R. Evans and D. Cowles (1990), "Relationship quality in service selling: An interpersonal influence perspective," *Journal of Marketing*, 54(3), pp.68-81.
 18. Dabholkar, P. A. (1990), "How to improve perceived service quality by improving customer participation," In B. J. Dunlap (Ed.), *Developments in marketing science*, pp.483-487, Cullowhee, NC: Journal of the Academy of Marketing Science.
 19. Dabholkar, P. A. (1996), "Customer evaluations of new technology based self service options: An investigation of alternative models of service quality," *International Journal of Research in Marketing*, 13(1), pp.29-51.
 20. Dong B., K. R. Evans and S. Zou (2008), "The effects of customer participation in co-created service recovery," *Journal of the Academy of Marketing Science*, 36(1), pp.123-137.
 21. Ennew, C. T. and M. R. Binks (1996), "Good and bad customers: The benefits of participating in the banking relationship," *International Journal of Bank Marketing*, 14(2), pp.5-13.
 22. Ennew, C. T. and M. R. Binks (1999), "Impact of participative service relationships on quality, satisfaction and retention: An exploratory study," *Journal of Business Research*, 46(2), pp.121-132.
 23. Esgate, P. (2002), "Pine and Gilmore stage a fourth think about experience," *Strategy & Leadership*, 30(3), pp.47-48.
 24. File, K. M., B. B. Judd and R. A. Prince (1992), "Interactive marketing: The influence of participation on positive word of mouth and referrals," *The Journal of Services Marketing*, 6(4), pp.5-14.
 25. Firat, A. F. and A. Venkatesh (1995), "Liberatory postmodernism and the reenchantment of consumption," *The Journal of Consumer Research*, 22(3), pp.239-67.
 26. Fonvielle, W. (1997), "How to know what customers really want," *Training and Development*, 51(9), pp.40-44.
 27. Fornell, C. (1992), "A national customer satisfaction barometer: The Swedish experience," *Journal of Marketing*, 56(1), pp.6-21.
 28. Fornell, C., S. Mithas, F. Morgeson and M. S. Krishnan (2006), "Customer

- satisfaction and stock prices: High returns, low risk,” *Journal of Marketing*, 70(1), pp.3-14.
29. Fornerino, M., A. Helme-Guizon and D. Gotteland (2008), “Movie consumption experience and immersion: Impact on satisfaction,” *Recherche et Applications en Marketing*, 23(3), pp.93-110.
 30. Gautier, A. (2003), “Think again: Why experiential marketing is the next big thing,” *New Zealand Marketing Magazine*, September, pp.8-15.
 31. Gautier, A. (2004), “Why experiential marketing is the next big thing,” *New Zealand Marketing Magazine*, September, pp.8.
 32. Gilmore, J. H. and B. J. Pine, II (2002), “Customer experience places: The new offering frontier,” *Strategy & Leadership*, 30(4), pp.4-11.
 33. Goodwin, C. and I. Ross (1992), “Consumer responses to service failures: Influence of procedural and interactional fairness perceptions,” *Journal of Business Research*, 25(2), pp.149-163.
 34. Grönroos, C. (1988), “Service quality: The six criteria of good perceived service quality,” *Review of Business*, 9(3), pp.10-13.
 35. Hastak, M. and J. C. Olson (1989), “Assessing the role of brand-related cognitive responses as mediators of communication effects on cognitive structure,” *Journal of Consumer Research*, 15(4), pp.444-456.
 36. Havlena, W. and M. Holbrook (1986), “The varieties of consumption experience: Comparing two typologies of emotion in consumer behavior,” *Journal of Consumer Research*, 13(3), pp.394-404.
 37. Hawkins, J. D., T. Herrenkohl, D. P. Farrington, D. Brewer, R. F. Catalano and T. W. Harachi (1998), “A review of predictors of youth violence,” In Loeber, R. and D. P. Farrington (Eds.), *Serious and violent juvenile offenders: Risk factors and successful interventions*, pp.106-146, Thousand Oaks, CA: Sage Publications.
 38. Hudson, S. and J. R. B. Ritchie (2009), “Branding a memorable destination experience: The case of ‘Brand Canada’,” *International Journal of Tourism Research*, 11(2), pp.217-228.
 39. Hunt, H. K. (1977), “CS/D—overview and future directions,” *Conceptualization and Measurement of Consumer Satisfaction and Dissatisfaction*, Marketing Science Institute, pp.7-23, Cambridge, MA: Harvard University Press.
 40. Jarrett, P. E. M., M. Wallace, M. E. D. Jarrett and N. J. Keeling (1996), “Experience of a hospital hotel,” *Ambulatory Surgery*, 4(1), pp.1-3.
 41. Kau, A. K. and E. W. Y. Loh (2006), “The effects of service recovery on consumer satisfaction: A comparison between complainants and non-complainants,” *Journal of Services Marketing*, 20(2), pp.101-129.
 42. Keller, K. L. (1993), “Conceptualizing, measuring, and managing customer-based

- brand equity,” *Journal of Marketing*, 57(1), pp.1-22.
43. Kelley, S. W., J. H. Jr. Donnelly and S. J. Skinner (1990), “Customer participation in service production and delivery,” *Journal of Retailing*, 66(3), pp.315-335.
 44. Kellogg, D. L., W. E. Youngdahl and D. E. Bowen (1997), “On the relationship between customer participation and satisfaction: Two frameworks,” *International Journal of Service Industry Management*, 8(3), pp.206-219.
 45. Klaus, Ph. and S. Maklan (2011), “Bridging the gap for destination extreme sports - A model of sports tourism customer experience,” *Journal of Marketing Management*, 27(13-14), pp.1341-1365.
 46. Klaus, Ph. and S. Maklan (2012), “EXQ: A multiple-item scale for assessing service experience,” *Journal of Service Management*, 23(1), pp.5-33.
 47. Leighton, D. (2007), “Step back in time and live the legend: Experiential marketing and the heritage sector,” *International Journal of Nonprofit and Voluntary Sector Marketing*, 12(2), pp.117-125.
 48. Lewis, R. C. and R. E. Chambers (2000), *Marketing leadership in hospitality*, New York: John Wiley.
 49. Lovelock, P. and H. Christopher (1993), *Product plus: How product + service = competitive advantage, 7th ed*, pp.45-63, Mahwah, NJ: McGraw Hill.
 50. Lusch, R. F. and S. L. Vargo (2006), “The service-dominant logic of marketing: Reactions, reflections, and refinements,” *Marketing Theory*, 6(3), pp.281-288.
 51. Mano, H. and R. L. Oliver (1993), “Assessing the dimensionality and structure of the consumption experience: Evaluation, feeling, and satisfaction,” *Journal of Consumer Research*, 20(3), pp.451-466.
 52. McNickel, D. (2004), Hands on brands, from <http://www.marketingmag.co.nz>
 53. Meyer, C. and A. Schwager (2007), “Understanding customer experience,” *Harvard Business Review*, 85(2), pp.117-126.
 54. Oliver, R. L. (1980), “A cognitive model of the antecedents and consequences of satisfaction decisions,” *Journal of Marketing Research*, 17(4), pp.460-469.
 55. Oliver, R. L. (1981), “Measurement and evaluation of satisfaction process on retail settings,” *Journal of Retailing*, 57(3), pp.25-49.
 56. Oliver, R. L. (1992), “An investigation of the attribute basis of emotion and related affects inconsumption: Suggestions for a stage-specific satisfaction framework,” *Advances in Consumer Research*, 19(1), pp.237-244.
 57. Olshavsky, R. W. and J. A. Miller (1972), “Consumer expectations, product performance and perceived product quality,” *Journal of Marketing Research*, 9(1), pp.19-21.
 58. Olson, J. C. and P. Dover (1976), “Effect of expectations, product performance, and disconfirmation on belief elements of cognitive structures,” *Advances in Consumer*

- Research*, Association for Consumer Research.
59. Parasuraman, A., V. A. Zeithami and L. L. Berry (1988), "SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality," *Journal of Retailing*, 64(1), pp.12-40.
 60. Petkus, E. (2004), "Enhancing the application of experiential marketing in the arts," *International Journal of Nonprofit and Voluntary Sector Marketing*, 9(1), pp.49-56.
 61. Pfaff, A. B. (1972), "An index of consumer satisfaction, proceedings of the third annual conference, association," *Consumer Research*, November, pp.713-737.
 62. Pine, B. J., II and J. H. Gilmore (1998), "Welcome to the experience economy," *Harvard Business Review*, 76(4), pp.97-105.
 63. Pine, B. J., II and J. H. Gilmore (1999), *The experience economy: Work is theatre & every business a stage*, Boston, MA: Harvard Business School Press.
 64. Prahalad, C. K. and V. Ramaswamy (2000), "Co-opting customer competence," *Harvard Business Review*, 78(1), pp.79-87.
 65. Prahalad, C. K. and V. Ramaswamy (2004), "Co-creation experiences: The next practice in value creation," *Journal of Interactive Marketing*, 18(3), pp.5-14.
 66. Reinartz, W. J. and V. Kumar (2000), "On the profitability of long-life customers in a noncontractual setting: An empirical investigation and implications for marketing," *Journal of Marketing*, 64(4), pp.17-35.
 67. Rifkin, J. (2001), *The age of access: The new culture of hypercapitalism, where all of life is a paid-for experience*, New York: J. P. Tarcher.
 68. Robinette, S., C. Brand and V. Lenz (2001), *Emotion marketing: The hallmark way of winning customers for life*, New York: McGraw-Hill.
 69. Rust, R. T. and R. L. Oliver, (1994), "Service quality: Insights and managerial implications from the frontier," *Service Quality: New Directions in Theory and Practice*, pp. 1-19, New York: Sage Publications.
 70. Rust, R. T. and A. J. Zahorik (1993), "Customer satisfaction, customer retention and market share," *Journal of Retailing*, 69(2), pp.193-215.
 71. Schlossberg, H. (1990), "Satisfying customers is a minimum: You really have to delight them," *Marketing News*, 24(8), pp.10-11.
 72. Schmitt, B. (1999), "Experiential marketing," *Journal of Marketing Management*, 15(1-3), pp.53-67.
 73. Schmitt, B. H. (1999), "Experiential marketing: A new framework for design and communications," *Design Management Journal*, 10(2), pp.10-16.
 74. Tsaur, S. H., Y. T. Chiu, and C. H. Wang (2006), "The visitors behavioural consequences of experiential marketing: An empirical study on Taipei zoo," *Journal of Travel and Tourism Marketing*, 21(1), pp.47-64.
 75. Taylor S. A. and T. L. Baker (1994), "An assessment of the relationship between

- service quality and customer satisfaction in the formation of consumers' purchase intentions,” *Journal of Retailing*, 70(2), pp.163-178.
76. Tse, D. K. and P. C. Wilton (1988), “Models of consumer satisfaction formation: An extension,” *Journal of Marketing Research*, 25(2), pp.204-212.
77. Vargo, S. L. and R. F. Lusch (2004), “Evolving to a new dominant logic for marketing,” *Journal of Marketing*, 68(1), pp.1-17.
78. Varki, S. and M. Colgate (2001), “The role of price perceptions in an integrated model of behavioral intentions,” *Journal of Service Research*, 3(3), pp.232-240.
79. Walster, E., E. Berscheid and G. W. Walster (1973), “New directions in equity research,” *Journal of Personality and Social Psychology*, 25(2), pp.151-176.
80. Webster, C. and D. S. Sundaram (1998), “Service consumption criticality in failure recovery,” *Journal of Business Research*, 41(2), pp.153-159.
81. Westbrook, R. A. (1981), “Sources of consumer satisfaction with retail outlets,” *Journal of Retailing*, 57(3), pp.68-85.
82. Westbrook, R. A. and R. L. Oliver (1991), “The dimensionality of consumption emotion patterns and consumer satisfaction,” *Journal of Marketing Research*, 18(1), pp.84-91.
83. Williams, A. (2006), “Tourism and hospitality marketing: Fantasy, feeling and fun,” *International Journal of Contemporary Hospitality Management*, 18(6), pp.482-495.
84. Yelkur, R. (2000), “Customer satisfaction and the services marketing mix,” *Journal of Professional Services Marketing*, 21(1), pp.105-115.
85. Yi, Y., R. Natarajan and T. Gong (2011), “Customer participation and citizenship behavioral influences on employee performance, satisfaction, commitment, and turnover intention,” *Journal of Business Research*, 64(1), pp.87-95.
86. Yoo, B. and N. Donthu (2001), “Developing and validating a multidimensional consumer-based brand equity scale,” *Journal of Business Research*, 52(1), pp.1-14.
87. Youngdahl, W. E. and D. L. Kellogg (1997), “The relationship between service customers' quality assurance behaviors, satisfaction, and effort: A cost of quality perspective,” *Journal of Operation Management*, 15(1), pp.19-32.
88. Yuan, Y. H. and C. K. Wu (2008), “Customer satisfaction relationships among experiential marketing, experiential value, and customer satisfaction,” *Journal of Hospitality and Tourism Research*, 32(3), pp.387-410.
89. Zeithaml, V. A. and M. J. Bitner (2003), *Services marketing*, New York: McGraw-Hill.
90. Zeithaml, V. A., A. Parasuraman and L. L. Berry (1990), *Delivering Quality Service: Balancing Customer Perceptions and Expectations*, New York: The Free Press.