

*Full Length Research Paper*

# Goal, customer experience and purchase intention in a retail context in China: An empirical study

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Accepted 17 January, 2011

**In a retail business, how does goal affect customer experience? What are the relationships among the various dimensions of customer experience? And how does customer experience influence consumer's purchase intentions? In a retail business, the impacts of goal on customer experience are widely acknowledged to be important in current literature. To investigate this problem, we need to identify the relationships among the various dimensions of customer experience, which may significantly influence consumer's purchase intentions. We address these related questions by using structural equation model with the data in China. The results indicate that: (1) utilitarian-oriented goals have a significant effect on sensory experience and social experience, while the effect of these goals on emotional experience is insignificant. And hedonic-oriented goals have a positive effect on sensory experience, emotional experience and social experience. (2) In terms of the dimensions of customer experience, higher sensory experience leads to higher emotional experience and higher social experience, while the impact of emotional experience on social experience is insignificant. (3) Emotional experience and social experience have a positive effect on purchase intentions, and sensory experience has an indirect impact on purchase intentions. Based on these findings, we propose some managerial implications and suggestions.**

**Key words:** Goals, customer experience, purchase intentions.

## INTRODUCTION

Nowadays, competing in a global market has become increasingly difficult and at the same time the products and services provided by the businesses are tending to be similar. So under such circumstance, customers are not only satisfied with the products and services, but also pursuing perfect shopping experience during the shopping process. As the Experience Economy comes (Pine and Gilmore, 1999; Schmitt, 1999), the experience factor plays an increasingly important role in determining the success of a company's offerings. Many researches find that survival in today's economic climate and competitive retail environment requires more than just low prices and innovative products; to compete effectively, businesses must focus on the customer

experience (Grewal et al., 2009; Verhoef et al., 2009). Study by Shaw and Ivens (2005) shows that 85% of senior business managers believe that differentiation solely on the traditional elements, such as price, product and quality, is no longer a sustainable competitive advantage and even more senior managers hold the Customer Experience as the next competitive battleground.

A number of qualitative studies have identified the major factors which influence the customer experience. For example, Verhoef et al. (2009) propose a conceptual model, in which they discuss the determinants of customer experience, including the social environment, the service interface, the retail atmosphere, the assortment, the price and promotions. The model also posits that the effects of the considered determinants on customer experience are moderated by consumers' goals for the shopping trip. Using standard consumer decision-making stages (that is, need recognition, information

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search, evaluation, purchase, and post-purchase), Puccinelli et al. (2009) focus on seven consumer behavior research domains that influence the customer experience: (1) goals, schemas, and information processing; (2) memory; (3) involvement; (4) attitudes; (5) affect; (6) atmospherics; and (7) consumer attributions and choices. However, few papers have explored which factors influence customer experience actually and how the influence degree of each factor is with an empirical research. Exceptions are an exploratory investigation by Jones (1999) and quantitative research by Ibrahim and Wee (2002a).

Jones (1999) uses the critical incident technique with 724 incidents and finds that two broad groups including nine factors are characteristic of entertaining shopping experience. The two broad groups were retailer factors and customer factors. Retailer factors include selection, prices, store environment, and salespeople, while customer factors include social, task, time, involvement, and financial resources. The research by Ibrahim and Wee (2002a) attempt to extend Jones (1999) exploratory investigation in the Singapore context. It aims to identify and analyze the factors that are significant in affecting the entertaining shopping experience in Singapore. Also, it explores the significance of travel attributes in affecting the entertaining shopping experience. Moreover, Brakus et al. (2009) point out further research should focus on the antecedents and long-term consequence of customer experience. For example, regarding antecedents, how exactly are customer experience dimensions evoked by brand-related stimuli? We need empirical research to investigate the factors that significantly affect the customer experience in China. Although there are many factors that affect customer experience, we focus specifically on assessing how the goals impact customer experience in a retail context in China.

The importance of the customer experience in business is further demonstrated by evidence presented by many scholars. For example, Reichheld (2006) claims that exceptional customer experience creates, on average, a 5% increase in customer loyalty; Kakabadse et al. (2006) say that a single percentage investment in customer care programs has the potential to generate a 10% gain in customer loyalty and sales. Also many scholars have pointed out that customer experience would positively influence customers' purchase behavior (Babin and Attaway, 2000; Turley and Milliman, 2000), while few of them provide empirical evidence to test their assertions. Most empirical researches focus on testing whether customer experience affects consumer satisfaction and loyalty (Brakus et al., 2009; Shi, 2009). Thus, we need empirical research to explore the effect of customer experience on customer purchase intentions.

To fill the gaps mentioned above, the present paper conducts an empirical research with the data collected in China, investigating the effects that goals have on customer experience and the impact of customer

experience on customer purchase intentions in a retail context. The findings make explicit the importance of goals in influencing customer experience as well as the significance of customer experience in determining customer purchase intentions. Then, we provide some conclusions.

## **Theoretical background, hypotheses and conceptual model**

### ***Customer experience***

The concept of Customer experience was firstly conceived in the mid-1980s when Holbrook and Hirschman (1982) introduced a new experiential approach to consumer behavior domain. Despite these initial works, the concept of Customer Experience came to be one of the main streams of research in the late 1990s with Pine and Gilmore's book on the Experience Economy (1999) and Schmitt's book on Experiential Marketing: How to Get Customers to Sense, Feel, Think, Act, Relate to Your Company and Brands (1999). Hence, a number of studies since 1999 have tried to define Customer Experience. Just as the study by Gentile et al. (2007) stated, "The customer experience originates from a set of interactions between a customer and a product, a company, or part of its organization, which provoke a reaction. This is strictly personal and implies the customer's involvement at different levels (rational, emotional, sensorial, physical, and spiritual)" (Gentile et al., 2007). Moreover, Meyer and Schwager (2007) point out that customer experience is the internal and subjective response customers have to any direct or indirect contact with a company. After all, we would adopt the definition provided by Verhoef et al. (2009), which is that customer experience construct is holistic in nature and involves the customer's cognitive, affective, emotional, social and physical responses to the retailer, because this definition is the latest and much relates to retail.

On the other hand, Schmitt (1999) proposes five experience: sense, feel, think, act, and relate. The sense experience includes aesthetics and sensory qualities. The feel experience includes moods and emotions. The think experience includes convergent/ analytical and divergent/ imaginative thinking. The act experience refers to motor actions and behavioral experience. The relate experience refers to social experience, such as relating to a reference group.

According to the definition given by Verhoef et al. (2009) and the five experience proposed by Schmitt (1999), we assume that customer experience include three dimensions, that is, Sensory Experience, Emotional Experience, and Social Experience. Sensory Experience refers to the aesthetics and sensory perceptions about the shopping environment, atmosphere, products and service. Emotional Experience includes the moods and

emotions generating during the shopping trip. Social Experience emphasizes the relationships with others and society. Jones's research reveals that, besides pursuing happiness and relaxation, consumers view shopping with family and friends as an important mean to build social relations. Schmitt (1999) indicates that there is a hierarchy structure of these experiences, i.e., Sensory Experience at the bottom of the hierarchy, while Social Experience at the top of the hierarchy. Thus, we assume a sequence of effects between Sensory Experience, Emotional Experience and Social Experience. This sequence is also consistent with the cognitive-affective-conative structure (Ajzen and Fishbein, 1980). Therefore, the first three hypotheses state:

H<sub>1</sub>: Sensory Experience has a direct positive influence on Emotional Experience.

H<sub>2</sub>: Sensory Experience has a direct positive influence on Social Experience.

H<sub>3</sub>: Emotional Experience has a direct positive influence on Social Experience.

### ***Customer experience and goals***

If we want to understand customer experience, we must realize that consumers attempt to achieve some goals by purchasing and using a particular product or service (Ratneshwar et al. (2000). Jones (1999) shows that many consumers have a specific task in mind when go shopping. Verhoef et al. (2009) point out that, the customer experience is created not only by those elements which the retailer can control (e.g., service interface, retail atmosphere, assortment, price), but also by elements that are outside of the retailer's control (e.g., influence of others, purpose of shopping). They also suggest that goals influence how consumers perceive the retail shopping environment and its individual elements, their shopping behavior, and their satisfaction with the shopping experience. So goals may play an important role in determining customer experience in a retail context.

Furthermore, many studies show that consumers shop generally for hedonic goals and utilitarian goals, which would bring consumers positive emotions (Babin et al., 1994; Jones et al., 2006). Via factor analysis, Ibrahim and Wee (2002b) have proven hedonic-orientated goals and utilitarian-orientated goals are important factors influencing customer experience. Hedonic-oriented goals refers to the pursuit of fun and enjoyment rather than pure task completion, while utilitarian-oriented goals have been described as task-related or some type of conscious pursuit of an intended consequence (Babin et al., 1994). Therefore, the fourth and fifth set of hypotheses is formulated as follows:

H<sub>4a</sub>: Utilitarian-oriented goals have a significant effect on

sensory experience.

H<sub>4b</sub>: Utilitarian-oriented goals have a significant effect on emotional experience.

H<sub>4c</sub>: Utilitarian-oriented goals have a significant effect on social experience.

H<sub>5a</sub>: Hedonic-orientated goals have a significant effect on sensory experience.

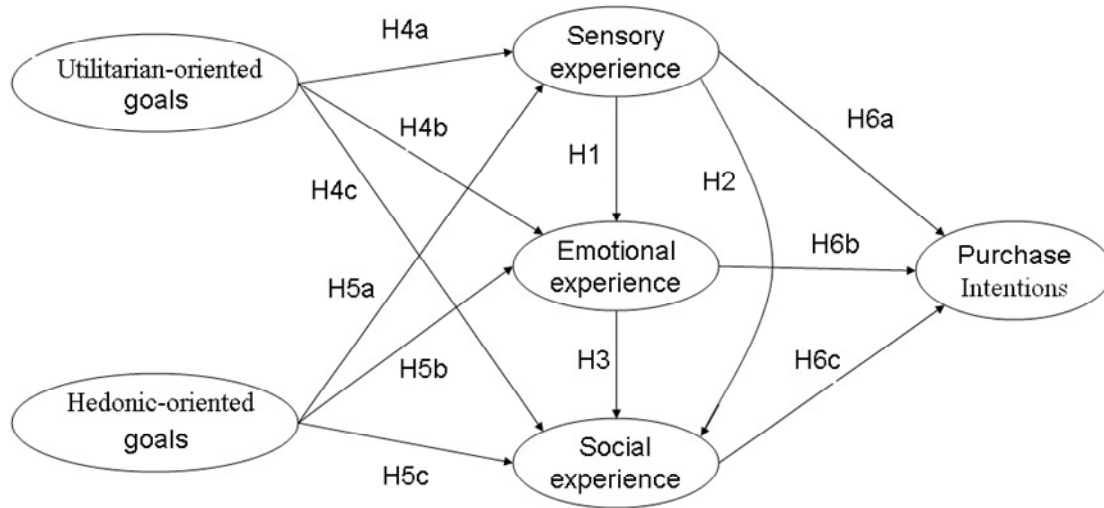
H<sub>5b</sub>: Hedonic-orientated goals have a significant effect on emotional experience.

H<sub>5c</sub>: Hedonic-orientated goals have a significant effect on social experience.

### ***Customer experience and purchase intentions***

As mentioned above, customer experience construct is holistic in nature and involves the customer's cognitive, affective, emotional, social and physical responses to the retailer, so it is necessary to take into account of aspects that refer to the emotional and irrational side of customer behavior and which, more than the only rational ones, account for the whole experience coming from the set of interactions between a company and its customer (Gentile et al., 2007). Such experience plays a fundamental role in determining the customers' preferences, which then influence their purchase decisions. Generating a delightful shopping experience results in many positive outcomes, for example, customers with favorable shopping experience may purchase the products again and recommend the retailer to friends and family. Thus, it is likely that there is a relationship between customer experience and purchase intentions. Furthermore, some research has provided evidence to substantiate that customer experience would influence consumer purchase intentions. For example, in 2001 and 2002, ASATSU-DK (short for ADK), which is an international communication company, did a survey involving more than 1000 respondents, showing that customer experience correlates with brand image, brand attitude, purchase intentions (Correlation index is above 0.4) (Schmitt, 2003). And recently, Boyer and Hult (2006) conduct an analysis on customer behavioral intentions for online purchases utilizing data from surveys of over 2100 customers, and the results indicate that behavioral intentions will differ based on customer experience level. In addition, researchers examining hedonic consumption have hypothesized that extremely positive, consumption-related emotions are likely to lead to very strong forms of commitment and repurchase intentions (Holbrook and Hirschman, 1982). Clearly, if the customers gain a more favorable shopping experience, then their intentions to repurchase the products and services would be much stronger. The last set of hypotheses is therefore formulated as follows:

H<sub>6a</sub>: Sensory Experience has a direct positive influence on purchase intentions.



**Figure 1.** Conceptual model of this research.

H<sub>6b</sub>: Emotional Experience has a direct positive influence on purchase intentions.

H<sub>6c</sub>: Social Experience has a direct positive influence on purchase intentions.

Based on the above stated hypotheses, we proposed our conceptual model of this research as follows, showed in Figure 1.

## METHODOLOGY

### Subjects

The nature of the research is exploratory. So the data for analysis for this paper came from a convenience sample of current undergraduate students at China Agricultural University (East Campus).

### Questionnaire design

The questionnaire consists of three sections. To begin with, the first section has two questions, which are “Do you go to some supermarkets or shopping marts recently?” and “If yes, then what supermarkets or shopping marts do you go?” to select the qualified respondents.

The second section consists of a number of scale items used to measure the various components of Figure 1. Drawing from prior research, we use existing scales. Each of the factors shown in Figure 1.

We adopt the goals scale developed by Li et al. (2008), using “Shopping is a task but not a hedonic thing for me.”, “When I finish buying the needed products, I will feel relaxed for accomplishing task.”, “When shopping, I only buy the needed products.”, “During the shopping trip, I only go through the needed products.”, and “I would feel disappointed if I find that the needed products are not available in the supermarkets or shopping marts.” these five items to measure utilitarian-oriented goals; using “I not only like shopping, but also enjoy the shopping process.”, “When shopping, I will be immersed in finding new products.”, “The reason why I shop is not that I have to do, but that I enjoy the shopping trip.”, “When shopping, I would feel happy, because I can pamper myself at that

time.”, and “When shopping, I can forget a lot of trouble.” these five items to measure hedonic-oriented goals. The variable—sensory experience—is measured by four items used by Wen (2007), i.e., “The shopping process would arouse my strong sensations.”, “The shopping trip would bring me great interest.”, “The shopping trip is very attractive.”, and “The shopping trip is quite worthwhile.”. Four items, which are adapted from Fan and Li (2006), are used to measure social experience. The items are “the shopping trip can promote my relationships with others, my feelings, and friendship.”, “By shopping in these supermarkets/shopping marts, I can get recognition.”, “By shopping in these supermarkets/shopping marts, I can find a sense of belonging.”, and “By shopping in these supermarkets/shopping marts, I can position my social status.” Lastly, three scale items, adapted from Shen and Zhao (2005), are used to measure purchase intentions. The items are “I will often shop in these supermarkets/shopping marts in the future.”, “I will shop for my family and friends in supermarkets/shopping marts.”, and “I will recommend other to shop supermarkets/shopping marts.” All these items adopt 5-point Likert-type scale (extent of agreement or disagreement with a statement, namely, 1 means “Disagree extremely”, 2 “Disagree”, 3 “Neither disagree nor agree”, 4 “agree”, and 5 “agree completely”).

The measurement of emotional experience refers to Brengman and Geuens (2004), using six items (i.e., “Depressed—Contented”, “Unhappy—happy”, “Unsatisfied—satisfied”, “Annoyed—pleased”, “Bored—relaxed”, “Despairing—hopeful”), which is designed to semantic-differential scale (continuum with a pair of opposite adjectives as anchors).

The third section consists of two questions related to demographics about the respondents’ gender and their monthly expenditure.

### Data collection

The survey was in Chinese, so the survey was first translated from English to Chinese and then back again to English to ensure the idiomatic equivalence of the Chinese and English versions. The questionnaire underwent a pre-test on a convenience sample of 30 current undergraduate students. Feedback showed that one question posed certain problems, so the authors deleted the item (i.e., “I would feel disappointed if I find that the needed products are not available in the supermarkets or shopping marts.”) which led to the final version of the questionnaire.

**Table 1.** The results of reliability and validity analysis.

Variable	Items	Factor Loadings	t-value	residual error	Construct reliability	Average extracted variances	Cronbach's alpha
Utilitarian-oriented goals	UOG1	0.77	14.67	0.41	0.84	0.57	0.842
	UOG2	0.7	13	0.51			
	UOG3	0.76	14.39	0.43			
	UOG4	0.8	15.78	0.36			
Hedonic-orientated goals	HOG1	0.78	15.44	0.39	0.89	0.62	0.888
	HOG2	0.76	14.96	0.41			
	HOG3	0.85	17.77	0.28			
	HOG4	0.78	15.77	0.39			
	HOG5	0.75	15.04	0.43			
Sensory Experience	Sensory_E1	0.81	16.41	0.31	0.89	0.67	0.882
	Sensory_E2	0.85	17.79	0.25			
	Sensory_E3	0.84	17.36	0.3			
	Sensory_E4	0.74	14.42	0.46			
Emotional Experience	Emotional_E1	0.65	12.01	0.31	0.9	0.61	0.835
	Emotional_E2	0.87	18.04	0.13			
	Emotional_E3	0.6	10.87	0.32			
	Emotional_E4	0.78	15.31	0.21			
	Emotional_E5	0.64	11.74	0.38			
	Emotional_E6	0.55	9.84	0.46			
Social Experience	Social_E1	0.58	10.42	0.66	0.85	0.59	0.841
	Social_E2	0.88	18.25	0.24			
	Social_E3	0.83	16.83	0.31			
	Social_E4	0.77	14.97	0.41			
Purchase Intentions	PI1	0.59	9.94	0.36	0.82	0.6	0.739
	PI2	0.69	11.96	0.37			
	PI3	0.83	14.46	0.27			

The respondents provided the data by means of a self-completed questionnaire at China Agricultural University (East Campus) in May 2010. A total of 375 questionnaires were distributed and 300 usable responses were obtained after removing incomplete samples, yielding a response rate of 80%. In terms of the demographic profiles of all 300 respondents, 113, or 37.7%, were male and 187 respondents, or 62.3%, were female. Of all the respondents, 25 (8.3%) respondents' monthly expenditure was less than 500RMB, 108 (36%) respondents' monthly expenditure was between 500RMB and 800RMB, 108 (36%) respondents' monthly expenditure was between 800RMB and 1000RMB, 33 (11.0%) respondents' monthly expenditure was between 1000RMB and 1200RMB, 26 (8.7%) respondents' monthly expenditure was more than 1200RMB.

An important limitation of our study is that the sample consisted of only students at China Agricultural University (East Campus). Consequently, since generalizations beyond this group are inadmissible, future research should consider another subject population which would better represent the consumers in China. Furthermore, managerial findings for international condition is

missing as counterpart to the local condition stimulus, so further research should extend the study in an international context so that the managerial implications would be more useful for marketing practitioners to develop marketing strategies for goods and services.

## RESULTS AND DISCUSSION

A confirmatory factor analysis (CFA) with LISREL 8.70 (Jöreskog and Sörbom, 1999) is first used to confirm the factor loadings of the six constructs (i.e. utilitarian-oriented goals, hedonic-oriented goals, sensory experience, emotional experience, social experience and purchase intentions) and to assess the model fit. The model adequacy was assessed by the fit indices suggested by Jöreskog and Sörbom (1999) and Fornell and Larcker (1981). As shown in Table 1, all the

**Table 2.** Goodness of fit.

	Criteria	Indicators
<b><math>\chi^2</math> test</b>		
$\chi^2$	$p > 0.05$	3.94 ( $p = 0.14$ )
$\chi^2 / d.f.$	< 5	1.97 (3.94/2)
<b>Fit indices</b>		
GFI	> 0.90	1
AGFI	> 0.90	0.95
RFI	> 0.90	0.96
NFI	> 0.90	0.99
NNFI	> 0.90	0.98
<b>Alternative indices</b>		
CFI	> 0.95	1
RMSEA	< 0.08	0.057
RMR	< 0.05	0.0084

standardized factor loadings of items exceed the 0.50 norm, and  $t$ -values for all the standardized factor loadings of items are found to be significant ( $p < 0.01$ ). In addition, construct reliability estimates ranging from 0.82 to 0.90, which exceed the critical value of 0.7, indicating a satisfactory estimation. Moreover, the average extracted variances of all constructs range between 0.57 and 0.67 which are above the suggested value of 0.5.

To assess the reliability of the constructs, the coefficient of internal consistency (Cronbach's  $\alpha$ ) is ascertained. As shown in Table 1, we can see that the Cronbach's alpha of each factors shown in Figure 1 is above the critical value of 0.70 (DeVellis, 1991; Nunnally, 1978), indicating that the measurement of each variable has a high reliability.

Therefore, the hypothesized measurement model is reliable and meaningful to test the structural relationships among the constructs.

The structural equation model is estimated with LISREL 8.70. Table 2 summarizes the fit indices of the structural equation model. The overall model indicates that  $\chi^2 = 3.94$ ,  $d.f. = 2$ , so the  $\chi^2 / d.f.$  ratio of model is 1.97 which is less than 5, indicating an acceptable fit. Furthermore, other indicators of goodness of fit are GFI=1.00, AGFI=0.95, RFI=0.96, NFI=0.99, NNFI=0.98, CFI=1.00, RMSEA=0.057, and RMR=0.0084. Comparing to the corresponding critical values shown in Table 2, it suggests that the hypothesized model fits the empirical data well.

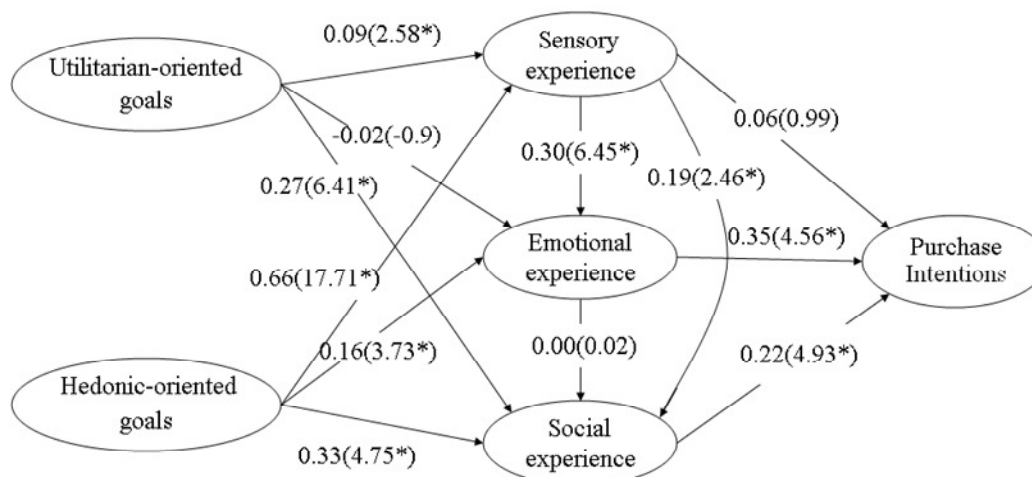
We utilize Lisrel 8.70 to estimate the conceptual model. Figure 2 provides details about the parameter estimates

for the model, and Table 3 reports the results of the hypothesis tests. Totally, nine out of twelve hypotheses are supported. Sensory experience has a significant positive effect on both emotional experience and social experience ( $\beta_1 = 0.30$ ,  $t$ -value=6.45 and  $\beta_2 = 0.19$ ,  $t$ -value=2.46, respectively), but the influence of emotional experience on social experience ( $\beta_3 = 0.00$ ,  $t$ -value=0.02) is not significant. Thus,  $H_1$  and  $H_2$  are supported while  $H_3$  is rejected. Utilitarian-oriented goals have a significant positive effect on both sensory experience and social experience ( $\beta_4 = 0.09$ ,  $t$ -value=2.58 and  $\beta_6 = 0.27$ ,  $t$ -value=6.41, respectively) but not on emotional experience ( $\beta_5 = 0.02$ ,  $t$ -value=-0.9). Thus,  $H_{4a}$  and  $H_{4c}$  are supported while  $H_{4b}$  is rejected. The hedonic-oriented goals, as hypothesized, has significant positive effects on sensory experience ( $\beta_7 = 0.66$ ,  $t$ -value=17.71), emotional experience ( $\beta_8 = 0.16$ ,  $t$ -value=3.73), as well as social experience ( $\beta_9 = 0.33$ ,  $t$ -value=4.75), thus supporting  $H_{5a}$ ,  $H_{5b}$  and  $H_{5c}$ . Finally, the pathway sensory experience  $\rightarrow$  purchase intentions ( $\beta_{10} = 0.66$ ,  $t$ -value=0.99) is not significant, while the emotional experience  $\rightarrow$  purchase intentions relationship ( $\beta_{11} = 0.35$ ,  $t$ -value=4.56) and the social experience  $\rightarrow$  purchase intentions relationship ( $\beta_{12} = 0.22$ ,  $t$ -value=4.93) are significant. Thus,  $H_{6b}$  and  $H_{6c}$  are supported while  $H_{6a}$  is not supported.

As we predicted, goals affects customer experience both directly and indirectly. The direct effects of utilitarian-oriented goals on sensory experience is 0.09, the indirect effects of utilitarian-oriented goals on emotional experience (through sensory experience) is 0.07 ( $0.09 \times 0.30$ ), and the total effect utilitarian-oriented goals have on social experience is 0.2871 ( $0.27 + 0.09 \times 0.19$ ), where the direct effect is 0.27 and the indirect effect (through sensory experience) is 0.171 ( $0.09 \times 0.19$ ). The direct effects of hedonic-oriented goals on sensory experience is 0.66, and the total effect of hedonic-oriented goals on emotional experience is 0.358 ( $0.16 + 0.66 \times 0.30$ ), where the direct effect is 0.16 and the indirect effect (through sensory experience) is 0.198 ( $0.66 \times 0.30$ ). And the direct effect of hedonic-oriented goals on social experience is 0.33, and the indirect effect of hedonic-oriented goals on social experience (through sensory experience) is 0.1254 ( $0.66 \times 0.19$ ), resulting a total effect of 0.4554. Although the direct impact of sensory experience on purchase intentions is insignificant, the indirect effect of sensory experience on purchase intentions (through emotional experience and social experience) is 0.1468 ( $0.30 \times 0.35 + 0.19 \times 0.22$ ). From Figure 2, we can see that both emotional experience and social experience have direct positive effects on purchase intentions.

## CONCLUSIONS AND MANAGERIAL IMPLICATIONS

The paper conducts an empirical study on goals, customer experience and purchase intentions in a retail context with the data collected in China. Given cultural



**Figure 2.** Results of conceptual model testing.

All coefficient values are standardized and the values in ( ) are T-values. \* $p < 0.05$

specifics and that China is in its transitional economy, the managerial findings drawn from the results may be just suitable for local condition.

The findings indicate that utilitarian-oriented goals have a significant effect on sensory experience and social experience, while the effect of utilitarian-oriented goals on emotional experience is insignificant. As we know, emotional experience includes the moods and emotions generating during the shopping trip. On the other hand, utilitarian-oriented goals have been described as task-related or some type of conscious pursuit of an intended consequence. So that the customers with utilitarian-oriented goals may only focus on finishing the task but not pursuing good mood results in the insignificant impact of utilitarian-oriented goals on emotional experience. On the other hand, hedonic-oriented goals have a positive effect on sensory experience, emotional experience and social experience. Hedonic-oriented goals refer to the pursuit of fun and enjoyment rather than pure task completion, so there is no doubt that they would influence emotional experience and social experience. When people are in good moods and emotions, they tend to generate good perceptions about the shopping environment, atmosphere, products and service. Therefore, hedonic-oriented goals, as hypothesized, have a positive effect on sensory experience. So customers with utilitarian-oriented goals may be only conscious about the utilitarian functions and do not care much about the emotions. Thus, the impact of utilitarian-oriented goals on emotional experience is insignificant. After all, in a retail context, the goals would influence customer experience, so when enterprises segment their markets, they should take full account of customer shopping goals and design the marketing mixes according to the shopping goals of the target markets. Goals and goal-derived categories also provide a useful way which would lead to better

customer experience (Puccinelli et al., 2009).

As shown in Figure 2, we can see that among the various dimensions of customer experience, higher sensory experience leads to higher emotional experience and higher social experience, while the impact of emotional experience on social experience is insignificant. According to the cognitive-affective-conative structure (Ajzen and Fishbein, 1980), it is reasonable that sensory experience impacts significantly emotional experience and social experience. However, why is the influence of emotional experience on social experience insignificant? It may be caused by the subjects' characteristic of the sample, for that the nature of the research is exploratory and the data for analysis for this paper came from a convenience sample of current undergraduate students at China Agricultural University (East Campus). Based on the survey data from restaurant industry, the paper by Fan and Li (2006) demonstrate that demographical factors have significant impacts on consumption experiences, and that among them age is the most important factors. Through independent-sample T test, they find that one who is older would be more likely to concern about social experience. Moreover, the study by Li (2009) also supports this point. With the data collected in sedan industry, she employs One-Way ANOVA to investigate the effect of age on customer experience, finding that in terms of sensory experience and emotional experience, the differences among various age groups are not significant, while the difference of social experience among various age groups are significant. It indicates that the older the customers are, the stronger they would feel about their belongings and social status and the higher positive social experience they would generate. In addition, she also finds that the customers' occupation would influence the social experience, that is, people working for the government care much about

**Table 3.** Hypotheses tests.

Path	Coefficients	t	Test result
H1: sensory experience → emotional experience	0.30	6.45	Support
H2: sensory experience → social experience	0.19	2.46	Support
H3: emotional experience → social experience	0.00	0.02	Reject
H4a: utilitarian-oriented goals → sensory experience	0.09	2.58	Support
H4b: utilitarian-oriented goals → emotional experience	-0.02	-0.9	Reject
H4c: utilitarian-oriented goals → social experience	0.27	6.41	Support
H5a: hedonic-oriented goals → sensory experience	0.66	17.71	Support
H5b: hedonic-oriented goals → emotional experience	0.16	3.73	Support
H5c: hedonic-oriented goals → social experience	0.33	4.75	Support
H6a: sensory experience → purchase intentions	0.06	0.99	Reject
H6b: emotional experience → purchase intentions	0.35	4.56	Support
H6c: social experience → purchase intentions	0.22	4.93	Support

the social experience and other people, such as students, would pay little attention to social experience. Thus, the fact that the sample of the research only consists of students would be a possible reason for the insignificant pathway of emotional experience → social intentions. This is also the limitation of the research and future research would consider another subject population which would better represent the consumers in China. If the customers' characteristics, such as age and occupation, do influence their social experience, then the retailers should develop marketing strategies according to customers' characteristics in order to provide high level social experience.

The study has also shown that emotional experience and social experience have a positive effect on purchase intentions, while the effect of sensory experience on purchase intentions is not significant. Nonetheless, an indirect effect of sensory experience on purchase intentions mediated by both emotional experience and social experience is evident. Through structural equation model analysis, we find sensory experience has a significantly direct positive effect on emotional experience and social experience. In conclusion, the findings show the importance of customer experience on purchase intentions in a retail context. Thus, if the businesses want to survive in the circumstance where the competition is fierce, the businesses should not only provide favorable sensory experience but also provide excellent emotional experience and social experience to create long-lasting competitive advantages and increase repatronage.

## LIMITATIONS

An important limitation of our study is that the sample consisted of only students at China Agricultural University (East Campus). Consequently, since generalizations beyond this group are inadmissible, future research should consider another subject population which would better represent the consumers in China.

On the other hand, managerial findings for international condition is missing as counterpart to the local condition stimulus, so further research should extend the study in an international context so that the managerial implications would be more useful for marketing practitioners to develop marketing strategies for goods and services.

## ACKNOWLEDGEMENTS

The authors would like to thank Professor Lu Juan for her valuable comments and suggestions. This work is supported by National Natural Science Foundation of China (No 71001101), and the research grant from program for New Century Excellent Talents in University.

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