The Hedonic Experience of Travel-Related Consumption

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Abstract
Many travel-related products and services are hedonically driven consumption. However, the hedonic experience of travel-related consumption is not well understood. This study examines the hedonic experience of a travel-related consumption event at its pre-consumption, consumption and post-consumption phases. The results from a spring break study show that predicted hedonic value is largely a function of temporal distance to a consumption event and shows an upward pattern as the event draws near. Our results also reveal that the experienced hedonic value is the lowest among the hedonic value ratings captured at six different points of time over the eight-week study period. The outcomes of this research bear theoretical and managerial implications for customer experience management, experiential consumption and consumer subjective well-being in the hospitality and tourism field.

Key Words: customer experience management, hedonic consumption, travel.

Introduction
Recent years have witnessed a growing interest among hospitality researchers and practitioners in Customer Experience Management (CEM). Many travel-related consumption events occur over an extended period of time. A growing body of work suggests that customer experience with a consumption occurs not only after an event has taken place but also prior to it (e.g., Finkenauer et al., 2007). The hedonic impact of a consumption event is predicted, experienced and remembered by consumers (Berridge & Aldridge, 2008). However, prior research usually takes a time slice approach to evaluate the hedonic impact of a consumption event, either measuring the hedonic value at one point in time when a consumption event occurs or taking a retrospective measure after the event has taken place (Finkenauer et al., 2007). Relatively little research has examined consumers’ enjoyment with a consumption event over time (Wang, Novemsky, & Dhar, 2009). Many travel-related products or services, such as a national park visit or a cruise vacation, are consumed primarily for hedonic purposes (Hirschman & Holbrook, 1982). Hedonic consumption refers to experiences that are positive, fun and intrinsically enjoyable (Arnould & Price, 1993). The reward utility of such consumption is the hedonic value of the experience (i.e., how pleasant the experience makes one feel).
A holistic approach to customer experience management is especially critical for hedonic consumption events because such purchases are often made with a primary intention of acquiring an experience that one lives through, as opposed to acquiring a tangible object that is kept in one’s possession (Van Boven & Gilovich, 2003). The utilities of such purchases are primarily based on how the hedonic values of the consumption are predicted, experienced and remembered as consumers live through the experience. The objective of the present research is to examine the trajectory of hedonic experience at various phases of a travel-related consumption event. Specifically, the current study is to evaluate the predicted, experienced and remembered hedonic value of a travel-related consumption event and to examine how the hedonic impact changes as a function of the temporal distance to the consumption event.

The current research contributes to the customer experience management, hedonic consumption and consumer subjective well-being literature in the field of tourism and hospitality management in several important ways. Moving beyond the traditional time-slice approach, the present study extends the existing literature by exploring customer experience as a total experience that evolves over time. This research also distinguishes itself from the traditional outcome-focused expectancy disconfirmation paradigm and offers a process-focused perspective of consumption experiences.

Theoretical Background
Predicted, Experienced and Remembered Utility of a Consumption Event

A hedonically-based purchase decision with temporally extended enjoyment requires consideration of the purchase’s utility profile integrated over its life (Kahneman & Snell, 1990). Utility refers to the pleasure, gain or reward derived from a choice (Kahneman et al., 1997). The utility theorists identified three types of reward utility: predicted utility, experienced utility and remembered utility (Berridge & Aldridge, 2008). Predicted utility is defined as an individual’s prediction of the hedonic impact of a future experience (Kahneman & Snell, 1992). Stated differently, predicted utility is the expectation of how much a future reward will be liked (Berridge & Aldridge, 2008). Experienced utility is the hedonic impact of a consumption event actually experienced when the event occurs (Berridge & Aldridge, 2008). For most consumers, experienced utility is the essence of what a consumption event is all about. Experienced utility is an important measure of hedonic and affective experience of a choice (Kahneman et al., 1997). Remembered utility is the memory-based and reconstructed representation of the hedonic impact of a consumption event (Berridge & Aldridge, 2008). Remembered utility is subject to memory limitations (Gilbert, 2006) but is a major factor that determines predicted utility of future purchases (Berridge & Aldridge, 2008). In a temporally extended consumption experience, hedonic impact of the consumption progresses from predicted utility to experienced utility and then to remembered utility over time.

Effect of Temporal Distance on Predicted Hedonic Value

Decision makers often attempt to predict hedonic impact of future consumption experiences (Kahneman & Snell, 1992). Many hospitality consumption choices, such as taking a vacation, often involve hedonic predictions (ie, how pleasant such consumptions would make us feel) at different points in time in a temporally extended decision situation. Hedonic consumption is tied to imaginative constructions of reality (Singer, 1966). A growing body of work suggests that the temporal distance to an event influences hedonic predictions. Temporal distance refers to the time lapse between the time a prediction is made and the future event (Finkenauer et al., 2007). Dynamic shifts in hedonic predictions occur as events draw near (e.g., Shepperd et al., 2000). People tend to overvalue the temporally proximate reward compared to the temporally distal one. In other words, the perceived utility of a forthcoming event is higher than that of an event that will take place in the distant future. As the temporal distance becomes more proximate, people become more responsive to the hedonic aspects of the event. As such, the present study predicted that:
H1: Hedonic predictions are a function of temporal distance to a consumption event. The predictions should show an upward trend as the event draws near.

Effect of Decision Time on Predicted Hedonic Value

While people tend to make greater hedonic predictions for events that are temporally approximate than distal, hedonic predications of a future event are also affected by whether people have made focal decisions about the future event at the time a hedonic prediction is made. Focal decisions refer to decisions that are central to the outcome of an event. For example, for a travel-related consumption event, destination choice is considered as a focal decision made toward the event. Prior research showed that there is a systematic relationship between temporal distance and subjective confidence (Gilovich, Kerr, & Medvec, 1993). People become less confident in success when events draw near than they are at a more distant time (Sanna & Schwarz, 2004). As an event draws near, people tend to have more realistic assessments of future preparatory efforts, activate defensive pessimism mechanism and have a growing sense of accountability (Gilovich et al., 1993). People may be motivated to activate such psychological strategies to lessen the aversive impact of potential outcomes on future feelings (e.g., Shepperd & McNulty, 2002). As a result of such psychological mechanisms, when focal decisions on a future event haven’t been made at the time of prediction, people tend to lower their hedonic predictions as the event draws near (e.g., van Dijk, Zeelenberg, & van de Pligt, 2003). Therefore, the present study predicted that:

H2: Hedonic predictions are affected by decision time. Individuals (“early birds”) whose focal decisions are made when the event is temporally distal will make more extreme hedonic predictions than those (“late bloomers) whose decisions are made when the event is temporally proximate.

Discrepancy between Predicted and Experienced Hedonic Value

Prior research suggested that people often make inaccurate predictions of how hedonic experiences will make them feel, particularly when these experiences are temporally extended (e.g., Sanna & Schwarz, 2004). Such forecasting inaccuracy manifests in durability bias (Wilson & Gilbert, 2003) and intensity bias (Buehler & McFarland, 2001). In other words, people tend to overestimate the duration and intensity of emotions arising from future events. Gilbert et al. (2007) attributed the forecasting inaccuracy to three mechanisms: Simulations are essentialized, abbreviated and decontextualized. In making hedonic predictions, people tend to imagine the essential features that define the event. Omission of inessential features of the future event in mental simulations can significantly influence the subsequent hedonic experience. According to Gilbert et al. (2007), due to the omission of inessential features in making hedonic predictions, people tend to predict that good events will be better than they turn out to be. In addition, people often do not consider the potentially significant differences between contextual factors at the time when predictions are made and the time the event occurs. For example, people who are hungry at the time of prediction are more likely to give higher hedonic ratings for a future dinner than those who are not. Given this, the present study hypothesized that:

H3: The experienced hedonic value of a consumption event will be significantly lower than the predicted hedonic value of the event.

Remembered Hedonic Value

Consumer research has examined hedonic adaptation to physical goods that deliver their utility over extended periods of time (Wang et al., 2009). In this context, hedonic adaptation refers to the attenuation of affective reactions resulting from continued ownership and usage of a particular product (Wang et al., 2009).
attenuation is attributed to waning novelty, shifting reference points and expectations, and various other mechanisms (Wang et al., 2009). One of the major findings in this stream of research is that people adapt to products purchased and the products fail to provide enduring enjoyment (Frederick & Loewenstein, 1999). Unlike physical goods, hedonic consumption is experiential in nature and does not involve ongoing ownership and continued usage. Therefore, the perceived utility after a consumption event is largely memory-based. For information stored in memory, only a very small subset will be readily accessible at any given time (Huber et al., 1997). Retrospective evaluations of temporally extended experiences are almost entirely based on several key moments of an experience such as the peak and the end of the event (Kahneman et al., 1993). Furthermore, prior research showed that experiences are more open to positive interpretation (Van Boven, 2005). Experiences often give people pleasure in retrospect when incidental annoyances and distractions that detract from momentary enjoyment of an experience are not readily accessible. As a result, the experience seems better in retrospect that it actually was (Mitchell et al., 1997). Following the above theorization, the present study predicted that:

H4: The remembered hedonic value of a consumption event will be significantly higher than the experienced hedonic value.

Methodology
Participants, Research Design and Procedures
Eighty undergraduate students on a Midwestern university campus were recruited to take part in this study in exchange of a ten-dollar Starbucks gift card. Spring break vacation, a common consumption experience amongst the undergraduate population was chosen as the context of this research. The data collection occurred in the early months of 2010 at seven different time points. Participants were invited to complete a set of hedonic predictions via an online questionnaire approximately six weeks, four weeks, two weeks and two days prior to the spring break event. Additionally, the study also solicited participants' responses at the point of consumption (during spring break) via an online survey to capture the experienced hedonic value during the spring break. The remembered hedonic value measures were obtained two days and two weeks after the spring break.

Variables
The key variables of interest were temporal distance to the consumptive event, decision time and perceived hedonic values. In this study, temporal distance to the consumption event was divided into seven time lapses. Namely, six weeks, four weeks, two weeks and two days prior to spring break, the week during spring break, two days and two weeks after spring break. The participants were divided into three groups based on their decision characteristics with regard to the spring break event. Twenty five participants indicated that they were planning to stay in town instead of traveling. This group was labeled as "Staycationers". The remaining participants who indicated that they planned to take a vacation were divided into two groups based on the timing of their focal decision. The "early birds" group included participants who had decided on a vacation destination seven or more weeks before the actual start of the spring break. The "late bloomers" were those who made their destination decisions in less than 6 weeks prior to the start of the break.

Hedonic value was measured via a six-item nine-point scale that included happy, pleased, satisfied, delighted, joyful, and fun (Sanna, 1996). Hedonic value was a repeated measure captured at seven different points of time. Participants were asked to indicate the extent to which they predicted (measured at four different points of time prior to spring break), experienced (measured during spring break) or remembered (measured at two different points of time after spring break) the above six positive affects as a result of a spring break vacation on 9-point scales anchored by 1 (not at all) and 9 (very much).
Results

Out of the 80 students recruited for the study, one case was eliminated from the analysis due to significant missing data. The average age of the sample was 21 years old. The means and standard deviations of the hedonic ratings were provided in Table 1. The means of the hedonic ratings of the three travel decision groups are also illustrated in Figure 1.

Table 1
Means and Standard Deviations of Hedonic Values by Travel Decision Group and Temporal Distance

<table>
<thead>
<tr>
<th>Vacation decision group</th>
<th>6 Weeks before</th>
<th>4 weeks before</th>
<th>2 weeks before</th>
<th>2 Days before</th>
<th>Spring Break</th>
<th>2 Days after</th>
<th>2 weeks after</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early Birds (N=35)</td>
<td>8.12 (0.99)</td>
<td>8.09 (0.93)</td>
<td>8.00 (1.15)</td>
<td>8.18 (1.15)</td>
<td>8.18 (1.15)</td>
<td>8.18 (1.15)</td>
<td>8.18 (1.15)</td>
</tr>
<tr>
<td>Later Bloomers (N=19)</td>
<td>7.50 (1.11)</td>
<td>7.43 (1.56)</td>
<td>7.61 (1.45)</td>
<td>7.99 (1.37)</td>
<td>7.99 (1.37)</td>
<td>7.99 (1.37)</td>
<td>7.99 (1.37)</td>
</tr>
<tr>
<td>Staycationers (N=25)</td>
<td>6.67 (1.55)</td>
<td>6.29 (2.0)</td>
<td>6.74 (1.71)</td>
<td>7.00 (1.71)</td>
<td>7.00 (1.71)</td>
<td>7.00 (1.71)</td>
<td>7.00 (1.71)</td>
</tr>
<tr>
<td>All (N=79)</td>
<td>7.54 (1.36)</td>
<td>7.36 (1.67)</td>
<td>7.50 (1.51)</td>
<td>7.76 (1.47)</td>
<td>7.76 (1.47)</td>
<td>7.76 (1.47)</td>
<td>7.76 (1.47)</td>
</tr>
</tbody>
</table>

Figure 1
Estimated Marginal Means of Hedonic Ratings by Decision Group
To examine the effects of temporal distance and decision time on the perceived hedonic value of the consumption event, the present study adopted the GLM Repeated Measure Mixed Model using SPSS 18. For the purpose of this study, we included in the mixed model both within-subject effects and between-subject effects. Temporal distance to the event was treated as a within-subject factor and vacation decision was treated as a between-subjects factor. The repeated measures of hedonic values of the spring break event were to be compared over time, following the design principals of a within-subjects design.

Effect of Temporal Distance on Predicted Hedonic Value

H1 proposed that hedonic predictions should show an upward trend as a consumption event draws near. The multivariate tests for the overall model based on the repeated measures of predicted hedonic value at four different time points prior to the actual event showed that the effect of temporal distance was significant ($F = 3.86$, $p < 0.05$). The univariate tests of within-subjects effects also indicated that the effect of temporal distance on predicted hedonic value was significant ($F = 3.46$, $p < 0.05$). A trend analysis was conducted to further explore the specific pattern of consumers’ hedonic predictions over time. The significant linear statistic ($F = 4.33$, $p < 0.05$) indicated that the participants’ predicted hedonic value forecasts increased over time. The significant quadratic statistic ($F = 4.70$, $p < 0.05$) indicated that although predicted hedonic value increased linearly over time for all participants, the quadratic component reflected the fact that the predicted hedonic value decreased after the initial response at time 1 before exhibiting a generally upward trend. This trend was visualized in Figure 2. Taken together, H1 was supported.

Figure 2
Overall Estimated Marginal Means of Predicted Hedonic Value by Temporal Distance
Effect of Decision Time on Predicted Hedonic Value

H2 predicted that individuals (“early birds”) whose focal decision was made when the event is temporally distant would make more extreme hedonic predictions than those (“late bloomers”) whose decisions were made when the event was temporally proximate. To test this hypothesis, the between-subjects factor of decision group was examined in relation to predicted hedonic values. The results of the GLM between-subjects test indicated that hedonic predictions among the three decision groups were significantly different from each other ($F = 3016.55$, $p < 0.001$). As shown in Figure 3, lines representing the three groups were quite distant from each other. Post hoc tests showed that while both early birds ($M = 8.10$) and late bloomers ($M = 7.60$) had significantly higher hedonic predictions than the staycationers ($M = 6.70$), the difference between the early and late decision makers was not statistically significant. As a result, H2 was not supported. However, it is worth noting that the early vacation decision makers appeared to report the highest predicted hedonic values among the three decision groups across all four time points.

Experienced and Remembered Hedonic Value

H3 predicted that the experienced hedonic value would be significantly lower than the predicted hedonic value. H4 predicted that the remembered hedonic value would be significantly higher than the experienced hedonic value. The two hypotheses were tested utilizing the data gathered at four points of time (e.g., two days before spring break, during spring break, two days and two weeks after spring break). Both the multivariate tests and univariate tests ($F = 9.45$, $p < 0.001$) indicated that temporal distance played a role in explaining the discrepancies between predicted, experienced and remembered hedonic values. The results of trend analysis showed that all three
components (linear, quadratic and cubic) were significant, indicating that the overall shift in hedonic value followed a complex pattern. The significant linear statistic ($F = 21.35, p < 0.001$) indicated that there was a linear pattern of hedonic value ratings over time. In other words, the participants’ hedonic value ratings decreased over time. The significant quadratic statistic ($F = 12.17, p < 0.001$) indicated that there was a significant decrease between Time 4 (two days before Spring Break) and Time 5 (during Spring Break), demonstrating that the experienced hedonic value was significantly lower than the predicted hedonic value right before the break. The significant cubic component ($F = 5.38, p < 0.05$) indicated that remembered hedonic value at Time 6 (two days after Spring Break) took an upward turn from Time 5 and eventually declined again as temporal distance from the consumption event became distal.

Conclusions and Implications

The current research examined the hedonic experience of a travel-related consumption event. The results from the trend analysis showed that the perceived hedonic value of a consumption event is dynamic over the course of the consumption event. Specifically, results show that predicted hedonic value is largely a function of temporal distance to a consumption event. The predicted hedonic value shows an upward pattern as the event draws near. As predicted, the hedonic ratings by early decision makers at all measured time points were consistently higher than those by late decision makers. However, the differences failed to reach conventional levels of significance. The null effect observed might be due to the lack of statistical power due to relatively small sample size. The insignificance may also the result of ceiling effect. The results further reveal that the experienced hedonic value is the lowest among the hedonic ratings captured at the different points of time over the course of the consumption
event for all three decision groups. For the vacationers, the remembered hedonic value appears to be higher than the experienced hedonic value right after the consumption event but decline over time.

From a theoretical perspective, this research contributes to hospitality and consumer research in several ways. This research adds to a relatively new body of Customer Experience Management (CEM) literature in the tourism and hospitality context by modeling the hedonic experience of travel-related consumption as a total experience. Prior research predominantly relied on retrospective measurements of hedonic value of a consumption experience. The results show that consumers undergo a trajectory of affective experience leading to a consumption event. The findings from this study shed light on the importance of approaching consumption experience as a total experience. It is critical to recognize that customer experience is not limited to the time when consumption actually occurs. Customer experience is affected by a combination of experiences that evolve over time, including search, purchase, consumption and after-sales phases of the experience (Verhoef et al., 2009).

The results show that the dynamic pattern of emotional experience is probably more complicated than the suggested reversed “U”-shaped curve in current hedonic consumption literature. It is also worth noting that the peak emotional experience during a temporally extended consumption event does not necessarily take place at the consumption phase. In this study, the peak experience occurred two days prior to the start of the spring break. The experienced hedonic value hit the lowest point at the consumption stage. The findings from this research suggest that emotional experience associated with hedonic consumption should not only limit to simultaneously felt emotions during consumption. Future-oriented anticipatory emotions (Baumgartner, Pieters, & Bagozzi, 2007) at the pre-consumption stage and retrospective ratings of emotions (Barrett, 1997) at the post consumption stage should also be considered at part of the emotional experience associated with hedonic consumption.

The present study also offers insights into assessment of reward utility of experiential purchase. Hedonic consumption is experiential in nature and the reward utility of such consumption is a primarily subjective state of consciousness with hedonic responses (Hirschman & Holbrook, 1982). Prior studies traditionally adapted an expectancy disconfirmation paradigm to measure consumption outcomes such as perceived service quality, customer satisfaction or perceived value. Such variables tend to be outcome-focused and thus do not adequately capture the experiential aspect of the consumption. It is important to note that experienced hedonic value is not merely a function of expectancy. The results show that perceived hedonic value is also affected by other factors such as temporal distance to the event. Furthermore, dynamic shifts in hedonic predictions suggest that expectancy itself is not static and changes over time. Therefore, this study demonstrates the need to capture the experiential aspect of reward utility of hedonic consumption and questions the veracity of relying on outcome-focused variables such as service quality and customer satisfaction to measure the reward utility of hedonic consumption. It is important to note that hedonic experience is subjective, resides within an individual, and can be independent of evaluative measures such as service quality, satisfaction and value.

Managerial Implications
Several managerial implications emerge from this research. From a managerial perspective, the results from this study highlight the importance of taking a holistic approach to customer experience management. Customers always have an experience – good, bad or indifferent. The key is how effectively a company manages the experience. Tourism and hospitality firms have long recognized the need to create value for their customers in the form of experiences. Unfortunately, companies have often proceeded by focusing on customer experience and service enhancements in isolated packets of their business. Findings from this research show that customer experience is holistic in nature and the engineering of hedonic consumption experiences should take place not only
during the consumption, but also before and after the consumption event occurs. At the pre-consumption phase, consumers “pre-experience” the consumption by simulating it in their minds. To stage a total hedonic experience, companies must gain an understanding of the customers’ journey – from the expectations they have before a consumption event occurs to the assessments they make when it’s over. Using that knowledge, companies can orchestrate an integrated gestalt that meets or exceeds people’s emotional needs and expectations.

The implication of this research for hospitality marketing practice highlights the need to manage consumers’ emotional experiences not only during the consumption, but also in pre-consumption and post-consumption phases. Companies traditionally focus on product and service enhancements that aim to improve the experienced hedonic value of consumption. Hospitality marketing also emphasizes on the importance of “consumption marketing” – marketing during consumption (Kandampully, 2006). The results show that across the three decision groups examined in this study, the perceived hedonic value reaches its peak at the pre-consumption phase and the experienced hedonic value is consistently the lowest among the perceived hedonic value captured at the seven different points of time. However, the results also show that predicted, experienced and remembered hedonic value is positively correlated with each other. As remembered hedonic value of past consumption forms basis for predicted hedonic value of future consumption, companies need to not only create experiences, but also memories. It is important to recognize that not all memories are from actual experiences. Predictions of such experiences also help to form part of the memory-based hedonic value at the post-consumption phase. Therefore, constant interactions with consumers at the pre-consumption phase to build a positive anticipatory experience and communications with consumers at the post-consumption phase to reinforce remembered experience will help influence future repurchase decisions.

Limitations and Directions for Future Research

Although the current research provides interesting new insights into travel-related consumption experience, several limitations exist. The first limitation concerns the context of the study. The hypotheses were tested in the context of a college spring break experience. Therefore, generalizing the results to other hedonic consumption contexts should be approached with caution. As the second limitation, the remembered hedonic value of the consumption experience was only assessed at two different points of time (two days and two weeks after the Spring Break) in this study. While the data collected allowed us to evaluate the short-term emotional benefits of travel-related consumption experience, the study was unable to capture the long-term emotional benefits.

In conclusion, tourism and hospitality firms are operating in an increasingly customer-centric business environment. There is a growing stream of literature that deals with customer experience management. The current research constitutes an important step toward understanding consumers’ hedonic experience of a travel-related consumption over an extended period of time. Studies that replicate and extend the present research are called for.

References


1 Selected references are listed here due to page limit. A complete list is available upon request.


