Defining the experiential value of auxiliary special events in shopping centres: A shopper’s perspective

Abstract

The purpose of this study is to define the experiential value of auxiliary special events offered by shopping centres, which are also classified as special event entertainment (Sit et al., 2003). Through a series of focus group discussions with shoppers, this study identifies that shoppers define the experiential value of special event entertainment by four dimensions and they are labelled as ‘entertainment/economic value’, ‘social value’, ‘exploration value’ and ‘escapism value’. With the exception of entertainment/economic value, all dimensions of experiential value relative to special event entertainment are considered to be hedonic in nature. On the contrary, entertainment/economic value is considered to be ‘hybrid’ oriented as it comprises both hedonic and utilitarian characteristics. Contributions to marketing theory and retail practice are discussed.

Keywords Experiential value, Event marketing, Shopping Centres, Consumer behaviour

Introduction

Shopping centres are operating in a very competitive environment that is characterised by excess capacity and declining shopper patronage (Haytko and Baker, 2004; Parsons, 2003). Not only are shopping centres competing among themselves, but they are also competing with other alternative shopping destinations such as high street stores and factory outlet centres (Hahn, 2000; Reynolds et al., 2002). Moreover, the advancement of the Internet has created another battle ground for shopping centres and thus has further intensified the competition for shopping
centres in terms of enticing shopper patronage and spending (Demangeot and Broderick, 2007; Kim et al., 2007; Song et al., 2007).

As a strategic attempt to entice shopper patronage and win back shopper loyalty, shopping centres are increasingly using auxiliary special events to create entertaining and memorable experiences for their patrons (Barbieri, 2005; Gentry, 2004; Haeberle, 2001). Popular auxiliary special events used by shopping centres include school holiday events (for example, children workshops), fashion shows, celebrity appearances, cooking shows and market days (Haeberle, 2001; Parsons, 2003; Wilhelm and Mottner, 2005). Using those auxiliary special events, shopping centres seek to provide their patrons with another reason to visit, visit more often, stay longer and thus spend more at their shopping precincts (Kim et al., 2005; Parsons, 2003; Wilhelm and Mottner, 2005).

In the retailing literature, the auxiliary special events offered shopping centres are classified as special event entertainment (Sit et al., 2003). In comparison to other entertainment services offered shopping centres (for example cinemas, video arcades and food courts), the nature of special event entertainment is considered to be unique in two ways (ICSC, 1996; Sit et al., 2003). First, special event entertainment does not constitute a permanent part of the tenant mix of a shopping centre. Instead, special event entertainment consists of special events that are typically offered on a seasonal, temporary and intermittent basis (ICSC, 1996; Sit et al., 2003). Second, the consumption of special event entertainment (for example, school holiday events) does not normally incur any admission fee to shoppers. Indeed, special event entertainment is offered free of charge to shoppers by shopping centre managers (ICSC, 1996; Sit et al., 2003).
Despite the wide use of special event entertainment as an experiential strategy by shopping centre managers, very few studies in the retailing literature have attempted to understand how shoppers define the experiential value of special event entertainment. Instead, previous studies in the retailing literature have typically focused on the experiential value of *merchandise shopping* (Jones *et al.*, 2006; Rintamaki *et al.*, 2006), *mall shopping* (Stoel *et al.*, 2004), *online shopping* (Fiore *et al.*, 2005; Toa *et al.*, 2007) and even *teleshopping* (Chen and Tsai, 2008).

Hence, this study aims to address the gap in the retailing literature by examining the experiential value of special event entertainment. In particular, using a qualitative approach, this study aims to explore shopper definitions of experiential value associated with special event entertainment. Moreover, this study also aims to explore if different shopper groups define the experiential value of special event entertainment differently. An understanding of shopper definitions of the experiential value of special event entertainment is considered to be important to both academic researchers and shopping centre managers. Not only would this study extend our theoretical knowledge on the experiential consumption of special event entertainment in shopping centres, but it would also provide a valuable input to shopping centre managers in promoting special event entertainment to their patrons.

**Theoretical background**

Generally, value is often defined as the trade-off between quality and price (Zeithaml, 1988). This economic definition of value has been widely adopted and examined in the retailing literature (McDougall and Levesque, 2000; Patterson and Spreng, 1997; Sweeney *et al.*, 1999; Tam, 2004; Yi and Jeon, 2003).
Despite the wide application of the economic definition of value, it is considered to be less relevant to examining the underlying meaning experiential consumption (Holbrook, 1994, 1996). In particular, Holbrook (1994; 1996) has argued that the consumption itself is rich in value and the definition of value should not be confined to quality and price only. Instead, the definition of value associated with a consumption experience should also include other non-economic, hedonic elements such as enjoyment and playfulness. Hence, Holbrook (1994; 1996) has proposed that the definition of value in experiential consumption should be defined by two dimensions, namely intrinsic and extrinsic value. In particular, intrinsic value refers to the appreciation of an experience for its own sake, apart from any other consequence that may occur. Conversely, extrinsic value relates on the achievement of functional or economic benefits from an experience such as convenience or monetary savings (Holbrook, 1994, 1996).

**Focus of experiential value in shopping centre environments.** Since the publication of experiential value, it has been widely adopted by many retailing studies to examine shopper experience in various retail environments such as department stores (Rintamaki et al., 2006), online stores and also shopping centres (Babin et al., 1994; Griffin et al., 2000; Keng et al., 2007; Stoel et al., 2004). In the shopping centre environment literature, the examination of experiential value has typically focused on either shopping centre patronage in general (Babin et al., 1994; Chebat et al., 2005; Kim, 2002; Michon and Chebat, 2004; Stoel et al., 2004) or apparel shopping (McDonald, 1994; Michon et al., 2007). Very few studies on shopping centre environments have investigated the experiential value of special event entertainment from a shopper’s perspective.
In the retailing literature, some studies (Kim et al., 2005; Parsons, 2003) have either theoretically acknowledged or empirically reported the marketing significance of special event entertainment. However, those studies (Kim et al., 2005; Parsons, 2003) have typically focused on the behavioural importance of special event entertainment particularly in terms of its impact on the patronage and spending behaviours of shoppers.

The examination of the behavioural impact of special event entertainment is undeniably important to shopping centre managers as they need to know if their expenditures on special event entertainment are worthwhile (Parsons, 2003). In other word, shopping centre managers need to know if special event entertainment has yielded any return on investment such as any increase in door traffic and/or any increase in retail sales for tenant retailers (Parsons, 2003).

Nevertheless, the sole focus on the behavioural impact of special event entertainment does not provide an understanding of shopper experience with special event entertainment. That is, to what extent shoppers perceive the experience of special event entertainment is worthwhile to them? Hence, an examination of the experiential value of special event entertainment is important because it provides an understanding on why shoppers participate in special event entertainment (Holbrook, 1994, 1996). This understanding can serve as a valuable input to shopping centre managers in designing and promoting effective special event entertainment and in turn may help to generate positive behavioural outcomes such as longer duration of stay, more purchases and more visits. Yet, we have little understanding of how shoppers define the experiential value of special event entertainment offered by shopping centres.
Definitions of experiential value in shopping centre environments. In the shopping centre environment literature, experiential value is often defined by two dimensions, namely hedonic and utilitarian value. While an advantage of this two-dimensional definition of experiential value is its parsimony, it is deemed to fail to account for different meanings that shoppers may have for each utilitarian and hedonic value. Indeed, in other retail environment literature, hedonic and utilitarian value have been reported to consist of sub-dimensions (Mathwick et al., 2001). For example, in the context of online and catalogue shopping, Mathwick, Malhotra and Rigdon (2001) found that hedonic value consisted of playfulness and aesthetics, and utilitarian value was made up of consumer return on investment and service excellence (Mathwick et al., 2001). Similarly, in the context of sales promotion, Chandon, Wansink and Laurent (2000) reported that both hedonic and utilitarian value comprised three sub-dimensions respectively. In particular, hedonic value comprised value expression, exploration and entertainment, and utilitarian value was constituted of savings, quality and convenience. Beyond the shopping centre context, both studies by Mathwick, Malhotra and Rigdon (2001) and Chandon, Wansink and Laurent (2000) have suggested the possibility of consumers defining experiential value by core and supplementary dimensions. Despite that, neither of the studies (Chandon et al., 2000; Mathwick et al., 2001) has examined shopper definitions of experiential value associated with special event entertainment. Hence, we still have limited knowledge on how shoppers define the experiential value of special event entertainment.

In brief, there is a need for more studies on shopper definitions of the experiential value associated with special event entertainment as previous studies have predominantly focused on either shopping centre patronage in general or apparel shopping. Furthermore, a further
examination of experiential value in terms of its underlying dimensions is necessary as there has been an inconsistency between the shopping centre literature and other retailing literature.

**Research approach and analysis**

In this study, four focus group discussions were conducted to gain a preliminary understanding of how shopping centre patrons defined the experiential value of special event entertainment. In particular, 25 participants were recruited from the metropolitan and regional cities of Queensland, Australia. Those participants were then divided into four shopper groups and were labelled as Family Shopper I (6 participants), Family Shopper II (8 participants), Senior Shopper (6 participants), and Young Shopper (6 participants). Apart from Family Shopper I, all shopper groups consisted of an equal number of male and female participants. The groups of Family Shopper I and Family Shopper II were distinct in the sense that the former group consisted of mothers only and the latter group consisted of both fathers and mothers. The profiles of the four shopper groups are summarised in Table 1.

<table>
<thead>
<tr>
<th>Shopper Group</th>
<th>Participants</th>
</tr>
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<tbody>
<tr>
<td>Family Shopper I</td>
<td>6</td>
</tr>
<tr>
<td>Family Shopper II</td>
<td>8</td>
</tr>
<tr>
<td>Senior Shopper</td>
<td>6</td>
</tr>
<tr>
<td>Young Shopper</td>
<td>6</td>
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</tbody>
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Purposive sampling was used in this study because it allowed the researchers: i) to recruit participants that would provide meaningful or relevant information to address the research question; and also ii) to pre-identify eligible participants and then grouped them according to their demographic backgrounds. This helped to foster the harmony of each group and thus enhance group dynamics (Krueger and Casey, 2000; Skinner et al., 2005; Stewart et al., 2007).
A semi-structured interview protocol was developed and used to guide the flow of discussions. The first author of this paper was the moderator for all focus group discussions. Each focus group discussion took approximately one and a half hours to complete. All focus group discussions were audio recorded, transcribed and then analysed. The qualitative data was content analysed and supported by verbatim statements or direct quotations from the focus group discussions (Krueger and Casey, 2000).

For stimulus material, we collected different types of special event entertainment and then compiled them into a booklet. Types of special event entertainment included in the booklet were school holiday events, fashion shows, and community events.

**Results**

Four key dimensions of experiential value emerged from the focus group discussions they were labelled as ‘entertainment/economic value’, ‘social value’, ‘exploration value’ and escapism value’. Apart from entertainment/economic value, all other dimensions of experiential value are considered to be hedonic in nature. Conversely, entertainment/economic value is considered to be hybrid in nature as it appears to have both utilitarian and hedonic characteristics. Each dimension of experiential value relative to special event entertainment will now be discussed.

**Entertainment/economic value.** The first dimension of experiential value emerged from the focus group discussions is entertainment/economic value and it relates to the opportunities of enjoying free entertainment, receiving free prizes or gifts and having fun. All shopper groups were found to have a consistent definition of entertainment/economic value.
When shopper groups were asked why they would participate in special event entertainment, they consistently replied that it was free entertainment and it did not cost them any money to attend. Moreover, all shopper groups also replied that they took part in special event entertainment to get ‘freebies’ (free prizes or gifts) like a free sample or a show bag. All shopper groups did not seem to be too ‘fussy’ with the nature of free prizes or gifts so long as they could get something for free even thought it was something trivial. One participant from Family Shopper I stated:

‘If it (the event) has balloons, my girls are there. No matter what it is, they are there until they get balloons’ (Family Shopper I).

Besides enjoying free entertainment and receiving free prizes, all shopper groups also agreed that they took part in special event entertainment to have some fun. However, the aspect of having fun appeared to be more emphasised by young shoppers than other shopper groups. One participant from the Young Shopper group stated:

*The giant trampoline, it was a bit of fun, jumping up and down, who does not want to get on a massive trampoline. You cannot hurt yourself. You just go crazy (Young Shopper).*

**Social value.** Social value is the second dimension of experiential value emerged from the focus group discussions, and it relates to the benefits of doing something with family members or friends and meeting other people who share a similar interest. The definition of social value was slightly different between shopper groups. In particular, family and senior shoppers defined social value as the opportunity to spend time with their children or grandchildren and also to
support the interest of their children or grandchildren. Statements from family and senior shoppers include:

*My son is really into footy at the moment, if it is a league player or something, probably we may go out of our way to go there to meet someone he is fond of (Family Shopper I).*

*During school holiday, I often have my grandchildren. I have taken them to kids’ shows and they love them (Senior Shopper).*

Unlike their counterparts, young shoppers defined social value as the opportunity to hang out with their ‘mates’ or meet other people who shared a similar interest such as a rock band.

*If I was with my mates and if there was something funny, we all would stop and make fun of it (Young Shopper).*

**Exploration value.** Exploration value relates to the benefits of seeing something novel or new and meeting someone popular. Similar to social value, the definition of exploration value was slightly different between shopper groups. In particular, family and senior shoppers defined exploration value as the opportunity for their children or grandchildren to learn something new and/or exposure to a new subject. For example, one participant from the Family Shopper II group stated:
I would do it for my kids’ exposure to a particular thing like they might have not seen or held a python before. There is an opportunity for them to exposure to something that they may not come across again or frequently (Family Shopper II).

On the other hand, young shoppers appeared to define exploration value as the opportunity to see or meet someone popular especially someone that they would idolise such as a pop music artist or a sport figure. One participant from the Young Shopper mentioned that:

*If I knew someone I like or famous signing or whatever, I would go for something like that* (Young Shopper).

**Escapism value.** The fourth and final dimension of experiential value emerged from this study is escapism value and it relates to the opportunities to take a break from shopping trips and to relieve boredom. Similar to entertainment/economic value, the definition of escapism value was found to be invariant between shopper groups. Verbatim statements from different shopper groups are as follows:

*As an outing especially during the school holiday, sometimes you just need to get out of the house (with the kids) (Family Shopper I).*

*Like Christmas time, when majority of shows or activities are on, parents want to go there to have lunch and shop, they will bring their kids, kids want to be entertained because during school holiday, it can get pretty boring* (Young Shopper).
Discussions

Although the findings of this study are exploratory in nature, the findings suggest that shoppers define the experiential value of special event entertainment by four key dimensions and they are entertainment/economic value, social value, exploration value and escapism value. The definitions of the four key dimensions of experiential value relative to special event entertainment are summarised in Table 2.

Insert Table 2 here

In particular, entertainment/economic value relates to the opportunities of enjoying free entertainment, receiving free prizes and having fun. In the experiential consumption of special event entertainment, entertainment value and economic value appear to emerge as one dimension rather than as two distinct dimensions. This is contrary to the study by Mathwick and her colleagues (2001) who identified playfulness and return on investment as two distinct dimensions in the contexts of online and catalogue shopping. The contrary findings suggest that shopper definitions of entertainment and economic value may be context specific.

Social value relates to the opportunities of bonding with family members or friends and interacting with other people who share a similar interest. Social value was not identified by Mathwick and her colleagues (2001) and this could be due to the solitary nature of online and catalogue shopping. Unlike online and catalogue shopping, the experience of special event entertainment is considered to be a form of collective experience that is typically consumed with a mass of people in one location at one point in time (Ng et al., 2007). Hence, social value emerges as a key dimension underlying the experiential value of special event entertainment.
Exploration value relates to the opportunities to see or learn something new and also meet someone famous like a pop music artist. The exploration value of this study is considered to be related but not identical to the aesthetic value of Mathwick and her colleagues (2001). In particular, the aesthetic value presented by Mathwick and her colleagues (2001) focuses on consumers’ passive appreciation of the visual appeal of a website or a catalogue and the aesthetic value does not involve any interaction with the service provider. On the contrary, the exploration value of this study is deemed to involve both passive appreciation and active participation in the experience of special event entertainment. In the experiential consumption of special event entertainment, not only could consumers passively appreciate the performance of entertainers, but they could also interact with the entertainers during or after the performance.

Escapism value relates to the opportunities to take a break from shopping trips and relieve boredom. The definition of escapism value is slightly different from the study of Mathwick and her colleagues (2001) because their definition of escapism value involves telepresence that is not applicable to the experiential consumption of special event entertainment.

Definitions of experiential value between shopper groups. The exploratory findings of this study suggest that different shopper groups may have different definitions for some dimensions of experiential value in the context of special event entertainment. For example, all shopper groups appear to have consistent definitions for entertainment/economic value and escapism value. However, the definitions of social and exploration value vary slightly between different shopper groups. In particular, family and senior shoppers are likely to perceive special event entertainment as an opportunity to socialise with family members such as their children or
grandchildren, whereas young shoppers tend to perceive special event entertainment as an opportunity to socialise with friends or mates and meet other people. The varying definitions of social and exploration value by different shopper groups may be attributed to their interests in different types of special event entertainment. Future studies should explore if shoppers have different definitions of experiential value for different types of special event entertainment such as school holiday events, fashion events and celebrity appearances.

**Theoretical implications**

Understanding the experiential value of special event entertainment has practical implications for designing the promotional strategy of special event entertainment. The existence of multiple experiential value and their degree of importance varies between shopper groups provide a starting point for future studies that seek to examine why shoppers participate in special event entertainment.

Theoretically, this study extends our knowledge on the experiential consumption of auxiliary special events in shopping centres, notably special event entertainment. In the shopping centre environment literature, previous studies have typically focused on the experiential value of either shopping centre patronage or apparel shopping. Furthermore, previous studies on shopping centre environments have typically defined experiential value with two dimensions, namely hedonic and utilitarian value. The findings of this study suggest that shoppers may define the experiential value of special event entertainment with different dimensions, namely entertainment/economic value, social value, exploration value and escapism value.
Entertainment/economic value appears to be ‘hybrid’ oriented as it consists of both hedonic and utilitarian characteristics such as to enjoy free entertainment, receive free prizes and have fun. While entertainment value and economic value are often identified as two distinct dimensions in the experiential consumption of shopping activities (for example, online shopping) (Mathwick et al., 2001), such distinction is less evident in the experiential consumption of special event entertainment. This is consistent with the unique nature of special event entertainment as a free entertainment experience to consumers.

**Managerial implications**

The four dimensions of experiential value identified in this study can be used as a strategic tool by shopping centre managers in designing and promoting the experience of special event entertainment. By knowing which specific dimensions of experiential value are emphasised which shopper groups, shopping centre managers can ‘customise’ their promotional messages to entice shopper participation in special event entertainment and thus encourage shopper patronage.

The four dimensions of experiential value identified in this study can also be used as a diagnostic tool for shopping centre managers to evaluate shopper experience relative to special event entertainment. The four dimensions of experiential value can be helpful ways for shopping centre managers to articulate the kind of experience they want to create, for example, during initial discussions with special event providers (based on the first author’s past research, most special event entertainment in shopping centres are outsourced to special event providers). Such questions as: how can shopping centre managers convey different social experience of special event entertainment to family and young shoppers? What promotional messages should be used?
Limitations and future research

There are a number of limitations in this study. The findings of this study are exploratory or tentative due to the small purposive sample. Hence, future research should involve a larger number and other shopping centre patrons with diverse socio-demographics backgrounds.

More qualitative studies are needed to investigate if shoppers have different definitions of experiential value for different types of special event entertainment such as school holiday events versus fashion shows. Those qualitative studies will provide an indication on the feasibility of developing a generic survey instrument of experiential value for different types of special event entertainment. If a generic survey instrument of experiential value can be developed, it will provide some economy of scale to shopping centre managers when measuring shopper experience with special event entertainment and thus reduce research cost.

Moreover, future studies could adopt a quantitative approach to provide some statistical validity and reliability for the four key dimensions of experiential value associated with special event entertainment. For example, future studies may use mall intercept surveys with shopping centre patrons. With quantitative data, future studies can also empirically test the inter-relationships between the four dimensions of experiential value associated with special event entertainment. In this study, we suggest that the four dimensions of experiential value associated with special event entertainment are inter-related but we do know the strengths of their inter-relationships.

Conclusion

Special event entertainment is often used by shopping centre managers to add value to the total shopping centre experience of shoppers. However, very few studies in the shopping centre
literature have examined the experiential value of special event entertainment especially from a shopper’s perspective. Instead, previous studies have typically focused on the experiential value of either shopping centre patronage or apparel shopping. The lack of understanding on how shoppers define the experiential value of special event entertainment has prompted this study to fill the gap in the literature. Through a series of focus group discussions, this study has found that shoppers define the experiential value of special event entertainment by four dimensions and they are entertainment/economic value, social value, exploration value and escapism value. With the exception of entertainment/economic value, all dimensions of experiential value relative to special event entertainment are considered to be hedonic oriented. Entertainment/economic value is considered to be a ‘hybrid’ dimension as it consists of both utilitarian and hedonic characteristics. This study suggests that shopper definitions of experiential value associated with special event entertainment go beyond hedonic and utilitarian dimensions but also include other sub-dimensions.

Tentatively, this study also suggests that different shopper groups (for example, the family shopper versus the young shopper) may have different definitions of experiential value associated with special event entertainment differently. More research is needed to verify if different shopper groups do have different definitions of experiential value associated with special event entertainment, and if so what factors contribute to their different definitions of experiential value.
List of references


Table 1: Profiles of focus group participants

<table>
<thead>
<tr>
<th>Group</th>
<th>Number of participants</th>
<th>Gender</th>
<th>Age range</th>
<th>Marital status</th>
<th>Young children living at home</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family shopper I</td>
<td>5</td>
<td>Females only</td>
<td>25 – 40</td>
<td>Married</td>
<td>2 – 3</td>
</tr>
<tr>
<td>Family shopper II</td>
<td>8</td>
<td>Females and males</td>
<td>25 – 40</td>
<td>Married</td>
<td>1 – 2</td>
</tr>
<tr>
<td>Senior shopper</td>
<td>6</td>
<td>Females and males</td>
<td>50+</td>
<td>Married</td>
<td>0</td>
</tr>
<tr>
<td>Young shopper</td>
<td>6</td>
<td>Females and males</td>
<td>18 – 25</td>
<td>Single</td>
<td>0</td>
</tr>
</tbody>
</table>
Table 2: Shopper definition of experiential value relative to special event entertainment

<table>
<thead>
<tr>
<th>Dimensions of experiential value</th>
<th>Shopper definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entertainment/economic value</td>
<td>The opportunities to enjoy free entertainment, receive free prizes and have some fun.</td>
</tr>
<tr>
<td>Social value</td>
<td>The opportunities to do something with family, hang out with friends and meet other people.</td>
</tr>
<tr>
<td>Exploration value</td>
<td>The opportunities to see something new or novel and meet someone famous like a celebrity (eg a sport figure).</td>
</tr>
<tr>
<td>Escapism value</td>
<td>The opportunities to take a break from shopping trips and relieve boredom</td>
</tr>
</tbody>
</table>

Source: developed from literature review and focus group discussions