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An Assessment of Tourists’ Shopping Experiential and Loyalty Intentions in Malaysian Outlet Shopping Malls

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Abstract
This study was conducted to empirically examine the effects of shopping tourism experiences on visitors’ loyalty intentions at Gateway@KLIA2 and Mitsui Outlet Park, Sepang. Administrative questionnaires were distributed personally to 384 tourists using tablet google form. The data was analysed using the Statistical Program for the Social Science (SPSS) and Partial Least Squares -Structural Equation Modelling (PLS-SEM). Findings revealed that there is a significant relationship between tourists’ shopping experience and loyalty intentions. The study concluded that understanding the tourist experiences based on experiential marketing or Strategic Experience Modules by Schmitt which are sensory, affective, intellectual, behaviour, and relational is beneficial for shopping mall operators and retail industry in Malaysia.

Keywords: Shopping Tourism, Tourist Experiences, Schmitt Experiential Marketing, Structural Equation Modelling, Loyalty Intentions.

Introduction
In Malaysia, the tourism industry is one of the major contributors to its economic development. The contribution derived from various tourism related commercial activities such as accommodation, transportation, recreation and shopping. Similar to other tourism products, shopping is considered as one of the fastest increasing segments and its outlay represents the second biggest share of tourist spending after accommodation (Bernama, 2016). In 2016, the income from shopping tourism increased by 17.1% within the first half year and the sector was making around RM11.7 billion (Bernama, 2016). According to UNWTO (2016), one of the top four best shopping cities in the world is Kuala Lumpur and there are three largest malls which are located within it (Kim & Ritchie, 2014). Economic Census 2016’s report by the Department of Statistics Malaysia (2018) proved that Selangor is the highest state that contributed to the tourism industry, followed by Kuala Lumpur and Johor.

Based on the record stated above, it is understandable that it must be quite challenging for the shopping mall providers to deliver their best services so that it creates memorable experiences for the customers. Kim and Ritchie (2014) claimed that the competitive marketplace in the
tourism industry has influenced the interest of scholars on tourism experience research. A memorable experience given by the service providers has not only come from the products and services alone (Meyer & Schwager, 2007). Apart from that, Quan and Wang (2004) agreed that tourists are constantly try to search for the best experience that they could have, hence fulfilling significantly their inner need in travelling and spending. This is also affirmed by Tung and Ritchie (2011) who proclaim that tourists look for various sceneries or landscapes, different cultures, and lifestyles of the locals at different tourism destinations. All of these has offered integrated experiences to tourists due to the unique delivering and memorable tourism experiences, and thus encouraged them to have loyalty intentions (Hudson & Ritchie, 2009). Schmitt (1999) has introduced a framework of Strategic Experience Modules which focused on experiential marketing. This framework has helped some companies to have a better understanding on different delivery methods and experiences to the customers. Chang (2018) stated that tourists understand differently the meanings and values of the industry’s tangible and intangible products. A whole new experience will be created once they have analysed and then reconstruct the experiences in their minds. There are various studies in various fields which have been conducted on tourists' experience. There are also number of scholars encouraged to test tourist experience instruments on different samples of tourists and travel segments. Thus, this study seeks to understand the effects of tourist experience and their loyalty intentions after their visits in the context of premium shopping outlet and airport shopping.

Literature Review

Shopping Tourism

Despite many destinations and activities that the tourists could enjoy during their tours, shopping seems to be one of the most important components which cannot be left out in the itinerary. A study by Henderson, Chee, Mun, and Lee (2011) revealed that in some cities, shopping is one of the main pulling factors that grab the tourists’ attention. Cai, Lehto, and O'leary (2001) mentioned that shopping activities can also be one of the highest in terms of spending on their travel list. Based on Malaysia Tourist Profile (2013), shopping has become an important category of tourist activity in Malaysia. The amount that tourists spent on shopping is about the same as the money spent on the accommodation.

Mao-Ying Wu, Wall, and Pearce (2014) mentioned that tourists who visited attractions would definitely try to find time to do shopping especially on souvenirs for relatives, and others maybe just doing for some ‘window shopping.’

There are many studies were conducted on various elements of shopping tourism. A few of interesting studies were completed by Bojanic (2011) on cross border shopping behaviours; Murphy, Benckendorff, Moscardo, and Pearce (2011) on visit shopping villages’ motivations; Swanson and Timothy (2012) which elaborated on the meanings of souvenirs and their relation to sustainability; Lloyd, Yip, and Luk (2011) discussed on the shopping satisfaction among different tourist nationalities; as well as a study by Kim et al. (2011) which highlighted on the growing popularity of online shopping among travellers. Based on the researches, they have provided more findings on essential role of shopping in many tourists’ experiences and the development of destinations. However, there are few studies have chosen shopping tourism that focus on outlet shopping mall concept. Outlet shopping mall concept is one of the visited...
attractions in tourism destinations that create an important element in the tourists’ experience.

**Tourist Tourism Experience**

Lin and Kuo (2016) highlighted in their study that tourist experience and various choices of tourist destinations have become the main issue. Travelers would normally search for values and benefits that they may get in the destination chosen by them. Pine and Gilmore (1998) pointed out that the concept and relationship to experience must be parallel to the economy of experience. This message obviously leads to the researcher's attention to include user or tourist experience in their future study. Meyer and Schwager (2007) stated that high-quality tourism products or services are not necessarily bring an extraordinary experience to the tourists. In certain situations, tourist's main goal is to search for the ultimate experience, where their inner need for experience becomes more important than the high quality of products (Quan and Wang, 2004). Pine and Gilmore (1998) mentioned previously that tourists will achieve the best experience if they join enthusiastically in the activity. It is essential to produce a memorable sensation along with product differentiation that can lead to satisfaction, and consumers can evaluate the high or low values gained from the usefulness of the product (Sahiraliani, 2013; Rosanti, 2014). In other words, when the value is higher, consumers who consume the products will have more satisfaction and vice versa. Lemon and Verhoef (2016) added that tourism shopping experiences may also relate to shopping environment, typology of tourists, services and product attributes, as well as the entire perceptions of the products, services, and place.

**Schmitt’s Concept**

Lemon and Verhoef (2016) described that Schmitt (1999) was among the first scholars who emphasized customer experience's significance. He used a multi-dimensional assessment and recognized five kinds of experiences or the five strategic experiential modules (SEM) which are sensory (sense), affective (feel), cognitive (think), physical (act), and social-identity (relate) experiences. The first element which is sensory, is focused on both visual and non-visual senses because they are considered as essential components in the tourists' experiences (Agapito, Mendes & Valle, 2013). According to Rodriguez-Santos, González-Fernández, and Cervantes-Blanco (2013), the cognitive as second element is known to have relation with one's knowledge and beliefs about any destinations. Some of the elements of cognitive that involved with tourists' experiences are perception (Gil & Droit-Volet, 2009) which involved the way of thinking, choosing, and learning. Then, the third element which is affective, can be understood into two groups that include basic emotions and other detailed affective stages (Pharino et al., 2018). Fredrickson (2001) highlighted that the act is also relevant to the numerous tourism settings, and these involved the moods of happiness, joy, fear and surprise. This is also supported by Pearce (2011) that the enjoyment, excitement, love, sympathy, and indifference influenced by the same factor. Apart from that, he identified behavioural as the element which implicates more on what people normally or will do on site. From the study, there is also a relation between tourist behaviour and technology used, for example, the people’s movement, and their specific behaviour or actions such as self-taking pictures, do videos’ recording, chatting, and others. Pearce, Wu, De Carlo, and Rossi (2013) outlined on the closeness and experience of going holiday with friends or family may give different impacts compares to travel in groups, with people who are totally strangers or solo travellers.
Loyalty Intentions
According to Zhang, Fu, Cai, and Lu (2014), there are several elaborations on loyalty intentions. The tourists’ attitude is depending on the value of a product or service that they get, which lead them to have the intention to repurchase. They pointed out that loyalty can be classified as behaviours which will encourage the tourist to recommend to others about the destination or products and services. Reichheld (2001) in the study noted that customer loyalty will boost the profit of the company. Oliver (1999) described that loyalty is an approach to re-buying or re-using a product or service constantly in future even though the competitors are trying hard to change that. Suhartanto and Triyuni (2016) mentioned on due to the behavioural and attitudinal limitations, numbers of experts in tourism marketing recommend a blend of these two approaches. This is because loyalty towards a destination by tourists is analysed by using their actual visit to the destinations, their intention to revisit in the future and the intention to recommend the destination to other people.

Aligning to that, behavioural intentions can be considered as one of the elements which well-represent the customer loyalty as expressed in a study by Zeithaml, Berry, and Parasuraman (1996). Adding to that, some literatures has revealed that customer perceived value has a direct relationship on loyalty intention. Also, the positive results that derived from behavioural intentions consist of distribution positive word of mouth (WoM), recommendations to friends and family, repeat of tour, purchasing the same product/service and paying the items at the best price. Jones and Taylor (2007) added that there are two elements of loyalty which are the behavioural (for example, repurchase intentions) and attitudinal (for example, the willingness to recommend). Baker and Crompton (2000) supported the approach of revisit intentions as one of the possibilities for tourist to repeat activity and revisit a destination. If the tourists have good experience at the destination, they may select the options to return, promote to the friends and relatives or recommend to others (Yoon & Uysal, 2005; Hung & Petrick, 2012). Sheorey (2014) stated Besides product quality or service offered to the consumers seem to be important, ‘value-added services’ is also element that should be taken into account (Sheorey, 2014). Therefore, it is important for retailers of shopping malls to concentrate on the visitor experiences and their loyalty intentions which will benefit their businesses.

The Relationship between Tourism Experiences and Loyalty Intentions
Lin and Kuo (2016) revealed that the connection between experience and loyalty is used and contributed to the literature. One of the studies found that loyalty has influenced the brand experience (Brakus et al.; 2009). Meanwhile, in some other relationships, the word-of-mouth and loyalty behaviours were influenced by the service experience (Klaus & Maklan; 2012). According to Han and Back (2008), tourists’ emotional experiences will affect intentions to revisit. Besides, the quality of previous experience can also determine tourists’ intention to revisit to the destination (Kim and Ritchie; 2014). Behavioural intention to revisit a destination can be enhanced if the management provide their visitors with a good memorable experience. The satisfaction, positive experiences or pleasurable outcomes and stimulations on previous visits will influence their visit intentions (Marschall, 2012; Mahdzar et. al, 2017; Brakus et al., 2009) Due to that, tourism experience should touch not only past-directed satisfaction decisions but also future-directed consumer loyalty. Tourists who visited and have positive experience in any attractions including shopping outlets or malls should be more likely to
come again and recommend to others. Therefore, this study hypothesized that the five dimensions of tourism experiences (i.e. sensory, affective, behavioural, intellectual and relational) will significantly influence on loyalty intentions as follows:

H1. Tourists experience has significant effect on loyalty intentions
H1a. Sensory in tourists’ experiences have significant effect on loyalty intentions.
H1b. Affective in tourists’ experiences have significant effect loyalty intentions.
H1c. Behavioural in tourists’ experiences have significant effect on loyalty intentions.
H1d. Intellectual in tourists’ experiences have significant effect on loyalty intentions.
H1e. Relational in tourists’ experiences have significant effect on loyalty intentions.

Methodology
The data was collected from visitors who did their shopping activities at several spots in Gateway@KLIA2 and Mitsui Outlet Park, Sepang. The study was carried out by using tablet devices where respondents were required to key in their answers. The researcher used Google Form to replace the traditional technique (paper and pen) as it is more convenient and can prevent missing information. A total of 384 questionnaires were distributed to shoppers, completed and used for analysis. Out of these respondents, 35.9% were male whereas 64.1% were female. 63% were in the age range between 28-37 years, 24.5% were between 18-27 years and 12.5% were older than 38-47 years. 38.5% of the total respondents had monthly income of above RM5000, 28.6% had monthly income between RM3001 to RM5,000 and 20.3% % had monthly income between RM1000 – RM3000, and 12.5% stated their income as not applicable. 52.3% were local (Malaysians), whereas 47.4% were foreigners. The data was analysed using SPSS and SEM-PLS. To assess the measurement model, the research conducted a confirmatory factor analysis (CFA) with reliability and construct validity checks. To assess the structural model and test hypotheses, structural equation modelling - partial least squares (SEM-PLS) was conducted as recommended by Anderson and Gerbing (1988).

Result and Analysis
All standardized factor loading of each construct was above 0.700 that confirmed the convergent validity. Composite reliability for six latent constructs was between 0.862 and 0.953 that showed the internal consistency (See Table 1). The average variance extracted (AVE) from all constructs exceeded the cut-off criterion of 0.500.
This research was subsequently tested for the structural model and hypotheses. The corrected $R^2$ refer to the explanatory power of the predictor variables on the respective construct. 81.2%
(R$^2 = 0.812$) of tourists’ loyalty intentions can be predicted by sensory, affective, intellectual, behavioural and relational in tourist shopping experience. Based on the model validity, Chin et al. (2008) classified endogenous latent variables as substantial, moderate or weak based on the $R^2$ values of 0.67, 0.33, or 0.19, respectively. Hence, all the five dimensions in tourist experience; sensory (0.001), affective (0.048), intellectual (0.013), behavioural (0.050) and relational (0.024) has indicated weak effect sizes towards loyalty intentions.

In addition, the complete results of the structural model and hypotheses testing are presented in Table 2. Three hypotheses (H1, H1b, and H1c) were supported, showing that tourism shopping experience of affective and behaviour are good predictors of tourists’ shopping experience and their loyalty intentions to patronage. Additionally, the findings also depicted that tourists’ tourism shopping experience is a significant predictor of their loyalty patronage intentions.

Table 2: Structural estimates (hypotheses testing)

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Path</th>
<th>Standard Beta</th>
<th>T-Statistics</th>
<th>p-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Shopping Tourism Experience $\Rightarrow$ Loyalty Intentions</td>
<td>0.402</td>
<td>6.301</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>H1a</td>
<td>SEN $\Rightarrow$ LIB</td>
<td>0.038</td>
<td>1.020</td>
<td>0.300</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H1b</td>
<td>AFF $\Rightarrow$ LIB</td>
<td>0.225</td>
<td>4.963</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>H1c</td>
<td>BEH $\Rightarrow$ LIB</td>
<td>0.157</td>
<td>2.726</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>H1d</td>
<td>INT $\Rightarrow$ LIB</td>
<td>0.002</td>
<td>0.161</td>
<td>0.872</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H1e</td>
<td>REL $\Rightarrow$ LIB</td>
<td>0.135</td>
<td>1.874</td>
<td>0.061</td>
<td>Not Supported</td>
</tr>
</tbody>
</table>

Discussion and Conclusion

Among the five dimensions in Schmitt’s’ experiential marketing or strategic experience modules, the first two dimensions; affective and behaviour have the significant to loyalty intentions and this followed with relational, intellectual and relationship as insignificant dimensions. Affective dimension in tourists’ experiences contributed the highest significance to loyalty intentions due to $\beta=0.225$, $t=4.963$. This can be understood where the tourists were happy with the facilities and amenities provided, decorations and surrounding. Besides, they agreed that they made the right decision to visit the malls and gained positive feelings because of the personnel’s friendliness. Hence, shopping mall providers should strive at creating emotional attraction from moderate positive moods to powerful feelings of happiness and pride. Shopping mall operators are expected to cater for more entertainment activities and occasions by inviting celebrities, Korean pop boy group, local festivals and cultural activities that will emotionally enhance visitors’ desire to visit shopping malls (Devi Juwaheer, Pudaruth, & Ramdin, 2013).

Furthermore, behaviour experience was the second highest significance to loyalty intentions as $\beta=0.157$, $t=2.726$. This can be related to the time when the tourists would like to know more about the shopping mall details, reminded them of activities that they can do and the promotion the shopping outlets had held. These would encourage them to purchase more in
the outlets. Despite of all these, the tourists experienced less engagement and would not prefer to ask the receptions or check out the websites during their trip. They less favoured in any physical actions and behaviour when they were in the shopping malls. Therefore, Schmitt, Rogers, and Vrotsos (2003) suggested that shopping mall operators may consider providing visitors with guidelines or establish working item links to the pictures so that customers can discover the products and encourage further browsing. Thus, getting illustrations of the products on the pages may boost the intentions of consumers to buy. The study, however, found that sensory, intellectual and relational dimensions of experiential marketing were not significant predictor to loyalty intentions.

The current study highlighted on several important issues including to examine the concept of tourist shopping experience in the context of Malaysian outlet shopping malls. Some of the limitations of this study may guide to the future research. Since the study employed convenience sampling, the generated results cannot be generalized. For instance, the findings of this study should be interpreted with caution when applied to different types of shopping malls or at different states. Future research should be extended to examine the proposed relationships in shopping malls of different categories and at distinct times of the year, or on distinct population backgrounds.

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