CREATING CUSTOMER VALUE THROUGH SERVICE EXPERIENCES: AN EMPIRICAL STUDY IN THE HOTEL INDUSTRY

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Abstract
The main research objectives of this paper are: first, to identify the three levels of a service evaluation: attributes (service value), outcome (service experience), and values (developing service relationships); secondly, to differ and to relate the perceptions of service value with service experience components.
According to the 'theory of cognitive schemata' and the '*means-end theory*', the components of a service experience are hierarchical in nature. Thus, customers evaluate their experiences – and build their service relationships – taking into account not only the attributes of the service (first level of abstraction), but also the outcomes and consequences that those attributes cause on them (highest level of abstraction). Marketing research has been mostly focused on the detection of affective aspects of quality and satisfaction. However, little attention has been devoted to the cognitive organization of the structure of evaluative judgments in the customer's mind.
According to our results, servicescape provides the strongest driver of service value when creating service experiences, followed by service equity. Elements such as the service atmosphere, hotel facilities, etc. are significant contributors to customer's easiness to relax and escape from routine, which are the two major factors in the service experience. Similarly, hotel managers should take note of the importance of service equity by developing strong brand images which capitalize on customer's experiences rather than service attributes.
Keywords Customer value, Service experience, Relationship, Hotel

INTRODUCTION

Tourism is essentially a service industry or, perhaps more accurately, an amalgam of service industries. Consequently, its management practices are typically concerned with such issues as quality and productivity as they fall within the field of services marketing. While these concerns are critical, they may only be telling part of the management story. The other side of the story is the *'psychological environment'*; that is, the subjective personal reactions and feelings experienced by consumers when they consume a service. This phenomenon has been termed the service experience and has recently been found to be an important part of consumer evaluation of and satisfaction with services (Orsingher&Marzocchi, 2003).

With this in mind, what are the keys to achieve excellent customer service experiences? Service marketing literature has initially focused on service quality, and on service value creation recently (Martín et al., 2008). However, customers evaluate their

experiences – and build their service relationships – taking into account not only the attributes of the service, but also the outcomes and consequences that those attributes cause on them.

Therefore, focusing only on the objective, technical aspects of tourism services leaves untapped a crucial resource; that is, the ability to understand and manage the true nature of consumer satisfaction as it occurs in the context of service delivery. In fact, research has shown that affective or emotion-based reports, which we argue, form the basis of the quality of the service experience and contribute a significant, but often ignored, portion of explained variance in satisfaction evaluations.

In conclusion, we speculate that at the beginning of the interaction process with a service provider, customers emphasize the attributes of the services (service value components). As customers accumulate services experiences, it is the outcome of such experiences what becomes salient in the service provider evaluation process. Finally, we believe that personal values are involved in the intention to develop a lasting relationship with the service provider, since these relationships somehow reflect the customer's self-concept and aspirations.

Thus, our main research objectives are: first, to identify the three levels of a service evaluation: attributes (service value), outcome (service experience), and values (developing service relationships); second, to differ and to relate the perceptions of the service value with service experience components.

The remainder of this paper is organized as follows. Firstly, a review of the most relevant literature in service experience has been developed, to provide a theoretical perspective for the arguments on the relationship between service value and service experience. Secondly, the design and results of an empirical study carried out to analyze those relationships are presented. Finally, the major research findings and managerial implications are discussed.

1. SERVICE EXPERIENCE

Service experience (encounter) can be defined as a process within many factors can determine perceived quality or value, whereas perceptions of quality and value often determine multiple outcomes such as organizational effectiveness or consumer behaviors (Andreu et al., 2010; Hartline & Jones, 1996).

Consumer satisfaction and perceived quality resulting after a service encounter have drawn a lot of attention in marketing research from an operative point of view. Thus, multi-item scales have been developed in order to indentify detailed elements that integrate customer's satisfactionjudgment. However, these instruments have limitations to know the reasons that explain the evaluation of the service experience.

More exactly, marketing research has been mostly focused on the detection of affective aspects of quality and satisfaction. However, little attention has been devoted to the cognitive organization of the structure of evaluative judgments in the customer's mind.

Thus, "evaluations may be linked to one another in customer's overall interpretative system in a more complex way: attributes may be connected to a set of consequences and values that are relevant for the customer" (Orsingher&Marzocchi, 2003, p. 203).

According to the 'theory of cognitive schemata' and the '*means-end theory'*, the components of a service experience are hierarchical in nature (Orsingher&Marzocchi, 2003), starting at the attribute level (i.e. employee's kindness), the outcome of such attributes (i.e. the pleasuring sense of being taken care of), and finally reaching abstract values (i.e., the search of happiness through gratifying experiences).

In consequence, customer evaluation of a service experience is organized in a hierarchical means-end schema, that is, a hierarchical cognitive structure that contains individual knowledge about a concept –service-, the components of this concept -service attributes- and the set of relationships among these components –service experience- (Fiske & Taylor, 1991). Hence, the knowledge about service attributes is stored at a first level of abstraction, consequences at a second level –higher than first level- and values at the highest level of abstraction. Therefore, customers' decisions depend on the expected capacity of services to provide desired consequences and values (Holbrook, 1994; Reynolds &Gutman, 1988).

2. SERVICE VALUE

Service value can be defined as a trade-off between the quality or benefits that customers perceive in the service relative to the sacrifice they associate to acquire it (Monroe, 1990). Hence, service value consists of various benefits and sacrifices, and represents a higher-order (multiple dimensions) construct that refers to the role of the service components in shaping customers' perceptions of value. That is, perceived value evaluation results from consumers cognitively integrate their perceived benefits with perceived costs, and depends on a combination of monetary and non-monetary sacrifices, quality, performance, and disconfirmation experiences.

Woodruff's (1997) proposes that value stems from customers' learned perceptions, preferences, and evaluations. This view depicts customer value as a hierarchy or means–end chain that begins with customers thinking about desired attributes and performance and builds to customers' goal-directed and purposeful behavior or their satisfaction with the received value (Martin et al., 2008).

Research on service value for customers is underdeveloped to the extent that the definition is on fusing (Flint et al., 2002). In addition, customer value is a construct too complex to be operationalized as unidimensional (Lam et al., 2004; Wang et al., 2004). Thus, it is necessary to use a multidimensional approach to consider its multiple components. In this context, Martin et al. (2008) propose a formative model of service value with four components: service quality, service equity, confidence benefits, and perceived sacrifice. The results theoretically and empirically support the conceptualization of service value with formative components, and the measure is robust and works well across multiple service contexts.

This research proposes a formative model of service value that integrates six components: employees, processes and servicescape (components of service quality), service convenience, service equity, and price fairness. This model is an extension of the proposal of Martin et al. (2008).

2.1. Service Quality

Perceived service quality represents an essential pillar of value (Grönroos, 1995) and a basis for differentiation and competitive advantage for building service value. Both Lapierre (2000) and Lam et al. (2004) conceptualize service quality as a component of service value.

Service quality is a complex, abstract, and multidimensional construct (Grönroos, 1984; Parasuraman et al. 1988) that has been found to be a major determinant of customers' behavioral intentions (Choi et al. 2004; Cronin et al. 2000; Jen et al., 2011. In order to capture the nature of service quality, we adopt a hierarchical factor structure which served service quality as the high-order factor. The dimensions considered (employees, processes and servicescape) are seen as indicators of service quality and they share a common theme represented by service quality. Constructing service quality in this way may more fully explain the complexity of human perception.

Employees

The perceived risk in services context stimulate customers to attach great importance to the capabilities and knowledge possessed by employees (Helm, 2011). More specifically, the attitudes and behaviors of service employees may contribute significantly to customers' perceived service value. "The dedication of the employees may turn the interactions into memorable experiences for customers and increase their satisfaction and trust" (Cheng et al., 2008).

Employees that are customer-oriented are able to empathize with customers and are concerned with satisfying their needs (Brown et al., 2002). These customer-oriented employees represent a key driver for customers' trust and satisfaction with the service firm and, most importantly, for their degree of retention (Bejou et al., 1996; Szymanski and Henard, 2001). In consequence, the customer orientation of service personnel is regarded as a main determinant of service firms' success (Henning-Thurau, 2004).

In summary, the customer may stay with a certain service provider not because of superiority of performance, but because of the commitment he or she has developed to the service provider (Andreu et al., 2010) and its employees, that can be characterized by elements of emotionality and friendship. Consequently, we presume that the employees' handling of interactions with customers strongly influences the service value, the overall satisfaction (Cheng, 2004) and the level of commitment a customer develops toward a service provider.

Processes

Service processes are focused on the realization of the specified service, and involves the service encounter, human contact, operations, time and environmental factors (Van Raaij&Pruyn, 1998). Whether the service is realized according to services specifications is a reliability question.

Service reliability (is the correct service produced?) is a critical factor of service value. Thus, commitment with the promised service, absence of mistakes and flexibility in service delivery have a positive influence on the trade-off between the benefits and the sacrifices that customers associate to services (Parasuraman et al. 1988).

Servicescape

Strategic experiential branding entails the careful management of many factors to deliver a memorable guest experience. Among these factors, servicescape variables are important variables that hotel managers must attend to in creating such an experience. More exactly, adequate servicescape leads to more favorable customers responses such as perception of comfort and increased positive word of mouth intentions (Crouse, 2010).

2.2. Service convenience

Seiders et al. (2007) conceptualizes service convenience as a second-order construct that reflects consumers' perceived time and effort in purchasing or using a service. Thus, service convenience is salient at different stages of the purchase decision process, and represents another value component to consider in evaluations of the service delivery process.

Recent empirical studies indicate that service convenience influences critical marketing consequences, including customer services evaluation and purchase behavior (Rust et al. 2004; Seiders et al., 2005). Although convenience may not be sufficient to ensure customer loyalty, it appears a strategic condition for maintaining customer relationships (Keaveney, 1995), and becomes salient during key stages of the service experience (Berry et al., 2002).

2.3. Service equity

In the context of the services marketing decision-making, service equity concerns how service brands are perceived by consumers (Kim, Kim, & An, 2003), and offers an additional source of service value (Lapierre, 2000) in that company communications and customers' experiences with the service define their perceptions of the brand (Berry and Parasuraman, 1991). Cultivating brand equity in services is quite important given the intangible nature of the invisible purchase that a service represents (Berry, 2000). Therefore, service equity likely provides a salient dimension of service value and a path to value creation for the customer.

2.4. Price Fairness

Equity Theory (Adams, 1965) deals with the question of how people judge what is fair or deserved, and how such judgments affect behavior (Adam, 1965). Thus, the fairness of a situation is evaluated by assessing the ratio of outcomes (benefits) to inputs (sacrifices). Therefore, customers may face fairness that involves the monetary costs to obtain a service. Although customers do not always want low prices, they consistently want the service to be worth the money they spend (Martín y Rondán, 2008).

3. METHODOLOGY

In response to limitations of existing research, this study attempts to achieve three goals: (1) identify components that indicate service value —namely, service quality, service convenience, service equity, and price fairness; (2) define a multidimensional conceptualization of a customer service experience; and (3) evaluate this conceptualization by examining the relationship between service value and service experience components, testing for discriminant and external validity between both constructs. A survey methodology supports this study in a hotel context, as explained next.

3.1. Industry selection

We acknowledge that the motivations to develop a service relationship depend on the functional or hedonic nature of service. In any case, even when tourism sectors have a clear functional component to them, as do accommodation and transportation services, experiential benefits will remain a critical part of the process evaluation. The intimate, hands-on nature of the service encounter itself affords many opportunities for affective responses. For instance, experiencing the beauty of mountain resort clearly produce psychological benefits which goes beyond the need “to sleep somewhere”.

Therefore, the scope of this study has been initially limited to hotels – ranging from three-star to five-star category – in a major touristic region in the south of Spain. We have identified a database of 262 hotels in the region fulfilling these requirements, which have been personally contacted by a professional interviewing company in order to get their participation in the empirical study.

3.2. Measures and data collection

Our objective is to get information from, at least, 30 customers of each participating hotel. Data collection process was conducted during Spring 2010, accounting for a final sample of 80 hotels and 2400 customers. Each customer has been personally surveyed following a structured questionnaire which gathers information about their experience at the hotel. The survey starts by collecting general information regarding: lodging mode (only accommodation, accommodation and breakfast, half-board, full-board, all-inclusive), length of the stay (number of nights), trip motivation (leisure, business, family-related), customer type (first-time, returning), loyalty program membership, rate per night, frequency of travelling, composition of the travelling group and amount of

money spent in the hotel. Similarly, the final section of the survey addresses customer's socio-demographics information (gender, age, country of origin, educational level, family size, household income). All this data will be useful for conducting a multigroup analysis in further research.

The service value components consist of a collection of 27 items that measure each of the components: service quality (16 items), service convenience (5 items), service equity (3 items), and price fairness (3 items). All items came directly or slightly modified from previously validated measures. Specifically, the service quality scale comes from Brady and Cronin (2001); service convenience from Seiders et al. (2007) and Akbaba (2006), service equity items from Yoo and Donthu (2001), and price fairness measures from Martín and Rondan (2008). The service experience battery – 14 items - has been developed by the authors drawing on research from Orsingherand Marzocchi(2003) and Otto and Richie (1996). The scales, which appear in the Appendix, are seven-point Likert scales anchored at strongly disagree and strongly agree. Three other sets of measures appear in the survey. In line with MacKenzie et al.'s (2005) recommendations for developing and evaluating constructs with formative measures, two reflective (direct) measures of value, used in previous research (Sweeney and Soutar, 2001), assess the service value measure. Another construct provide an external validity assessment:future intentions, which employs three items from Zeithaml, Berry, and Parasuraman (1996).

3.3. Data analysis

Structural equation modeling serves to construct the formative service value index and to assess the psychometric properties of the service experience battery (Diamantopoulos and Winklhofer, 2001; Jarvis et al., 2003). To operationalize service value, the process follows the steps suggested by MacKenzie et al. (2005) to avoid model misspecification and therefore defines and evaluates the conceptual dimensionality of the construct, generates a set of measures to represent the construct's domain fully, considers the relationships among the construct's measures, and specifies the measurement and structural relationships to be tested. Figure 1 shows that the formative measure of service value consists of a second-order formative factor composed of six reflective components (service quality – processes, employees, and servicescape – service convenience, service equity, and price fairness). On the other hand, the service experience battery has three reflective dimensions (wellness and pleasure, sense of escape of routine, and control/participation in the service delivery).

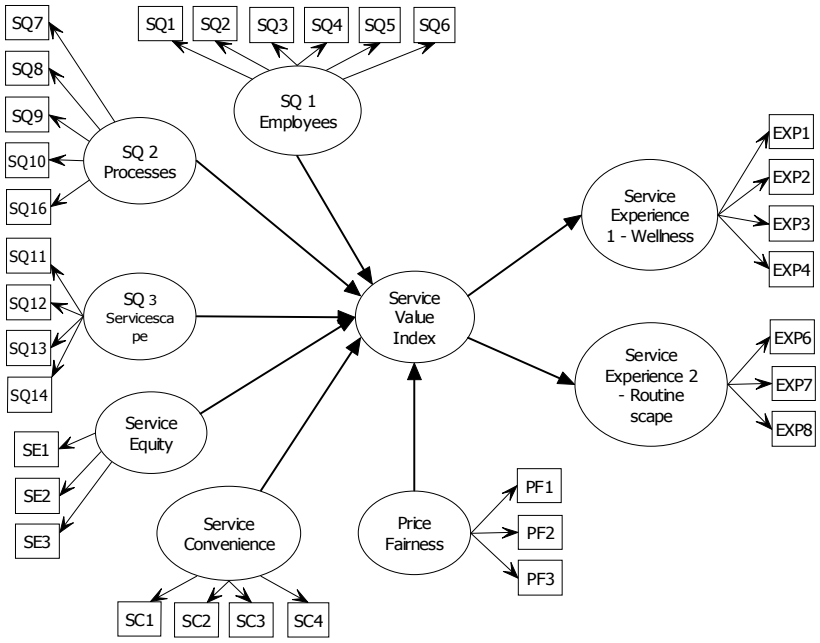
To identify the service value and the service experience index measurement model, a multiple indicator multiple causes (MIMIC) model uses two dimensions of the service experience as dependent variables. This MIMIC model approach can assess the appropriateness of a set of formative indicators (Diamantopoulos and Winklhofer, 2001), including item validity, discriminant validity among the components, and nomological validity (MacKenzie et al., 2005). The examination of external validity linked the service value index to the other constructs, customer's evaluation of the experience and customer's future intentions that theoretically relate to service value (see Figures 1 and 2). The test of the measurement and structural models employs EQS 6.1.

4. RESULTS

4.1. Measurement model estimation

Tables 2 and 3 provide the results from assessments of the measurement model in terms of interconstruct correlations, item-to-construct correlations, Cronbach's alphas, composite reliabilities, and average variance extracted (AVE) for each construct, as well as overall fit. The measurement model is displayed in the following figure:

Figure 1: **Service Value Measurement Model (formative)**



Determining how well each item relates to the latent constructs indicates the reliability of each service value component, as well as of the other measures. Table 1 provides the construct-to-item loadings of the reflective measures for the entire sample, which demonstrate that all standardized loadings exceed .60. The loadings for the direct reflective measures of the service experience and customer's behavioral intentions are as expected (i.e., greater than .72).

Two measures gauge internal consistency: Cronbach's alpha and composite reliability. Nunnally (1978) suggests .70 as a benchmark for a "modest" reliability during the early stages of the research and .80 as a more "strict" reliability applicable to basic research. As Table 2 shows, both the alphas and the composite reliability of the set of reflective measures for each component of the service value index and the other measures exceed .83.

Table 1: **MIMIC model statistics**

	Entire Sample	Sample Group 1	Sample Group 2	Sample Group 3
MIMIC MODEL	N=2400		Work in Progress	
Service Value Index[a]				
Employees - Service Quality (SQ1) component[b]	**0.188*****			
SQ1	0.694			
SQ2	0.770			
SQ3	0.734			
SQ4	0.748			
SQ5	0.778			
SQ6	0.793			
Processes - Service Quality (SQ2) component[b]	**0.085*****			
SQ7	0.806			
SQ8	0.810			
SQ9	0.796			
SQ10	0.670			
Servicescape – Service Quality (SQ3) component[b]	**0.249*****			
SQ11	0.691			
SQ12	0.755			
SQ13	0.757			
SQ14	0.736			
SQ15	0.659			
Service Convenience (SC) component	**0.144*****			
SC1	0.653			
SC2	0.746			
SC3	0.742			
SC4	0.761			
Service Equity (SE) component	**0.207*****			
SE1	0.857			
SE2	0.851			
SE3	0.828			
Price Fairness (PF) component	**0.098*****			
PF1	0.844			
PF2	0.920			
PF3	0.816			
MIMIC Model:				
Service Experience – Wellness	**0.977*****			
EXP1	0.736			
EXP3	0.744			
EXP4	0.793			
EXP5	0.738			
Service Experience – Escape of Routine	**0.788*****			
EXP6	0.854			
EXP7	0.801			
EXP8	0.717			
Measures of Fit				
X^2 (*df, p*) = (440, 0.00)	3680.05			
R^2	0.704			
Disturbance[b]	0.544			
NFI	0.916			
CFI	0.925			
GFI	0.898			
SRMR	0.045			
RMSEA	0.057			

[a] Standardized parameters. Bold parameters represent the beta coefficient (contribution) of the proposed relationship between each service value component and the service value index.
[b] Disturbance represents the error term in formative measurement models (Diamantopoulos, 2006)

Table 2: **Descriptive and measurement statistics**

	Mean	SD	CA	CR	AVE	1	2	3	4	5	6	7	8	9	10
1. Employees (SQ1)	6.126	0.706	0.888	0.912	0.633	**0.795**									
2. Processes (SQ2)	6.004	0.776	0.856	0.857	0.601	0.748	**0.775**								
3. Servicescape (SQ3)	5.700	0.929	0.836	0.882	0.653	0.551	0.646	**0.808**							
4. Convenience (SC)	5.970	0.783	0.830	0.853	0.662	0.617	0.706	0.570	**0.813**						
5. Service Equity (SE)	5.619	0.937	0.880	0.849	0.653	0.547	0.633	0.652	0.571	**0.808**					
6. Price Fairness (PF)	5.649	0.978	0.895	0.860	0.673	0.439	0.505	0.506	0.467	0.625	**0.820**				
7. Wellness (EXP1)	5.919	0.824	0.840	0.872	0.632	0.605	0.671	0.582	0.579	0.640	0.513	**0.795**			
8. Sense of Scape (EXP2)	5.645	1.053	0.823	0.796	0.571	0.452	0.491	0.509	0.441	0.534	0.386	0.645	**0.755**		
9. Sense of Control (EXP3)	5.568	0.976	0.731	0.725	0.521	0.482	0.537	0.501	0.443	0.612	0.430	0.666	0.574	**0.721**	
10. Future Intentions (FI)	5.590	1.053	0.836	0.885	0.626	0.527	0.590	0.603	0.509	0.701	0.576	0.600	0.516	0.572	**0.791**

Notes: Mean = the average score for all items included in this measure; SD = standard deviation; CA = Cronbach's alpha; CR = composite reliability;
AVE = average variance extracted; n.a. = not applicable. The **bold** numbers on the diagonal are the square root of the AVE. Off-diagonal elements are correlations among constructs.

The test for discriminant validity involves several steps. First, for the reflective components, the average variance extracted (AVE) indicates the amount of variance captured by the construct in relation to the variance due to measurement error. Second, the comparison of the square root of the AVE (i.e., diagonal in Table 2) with the correlations among constructs (i.e., off-diagonal elements) reveals that the square root of the AVE for each reflective component exceeds .721, and each is greater than the correlation between components, in support of discriminant validity, which requires that the diagonal elements be greater than the off-diagonal elements (Fornell and Larcker, 1981). These findings provide evidence of discriminant validity among the components and the constructs.

These results also support the appropriateness of the first-order reflective measures and suggest all the items are good indicators of their respective components. In particular, all the service value component reflective measures, as well as the service experience dimensions are reliable and internally consistent and have discriminant validity.

The coefficients of the six service value components indicate the anticipated statistics. As Table 1 reports, the component weights for employees (.188), processes (.085), servicescape (0.249), convenience (0.144), service equity (.207), and price fairness (.098) suggest that each component is an important determinant of service value when determining a service experience. The fit indices indicate the model fits the data well: the normed fit index (NFI), comparative fit index (CFI), and goodness-of-fit index (GFI) statistics are at or above .90, and the square root mean residual (SRMR) and root mean square error of approximation (RMSEA) are at or below .09. In addition, the six

components explain a relatively large amount of variance in service value, and the R^2 value is .704.

Next, we present the statistics of the measurement model of the service experience battery. As it is displayed in figure 2 and Table 3, three dimensions arise that we labelled respectively wellness, scape of routine, and sense of control. Although four items of the battery have been discarded due to low consistency (see Annexe), the scale presents good psychometric properties. Similarly, customer's future intentions battery performs as expected, according to previous research.

Figure 2: **Service Experience Measurement Model**

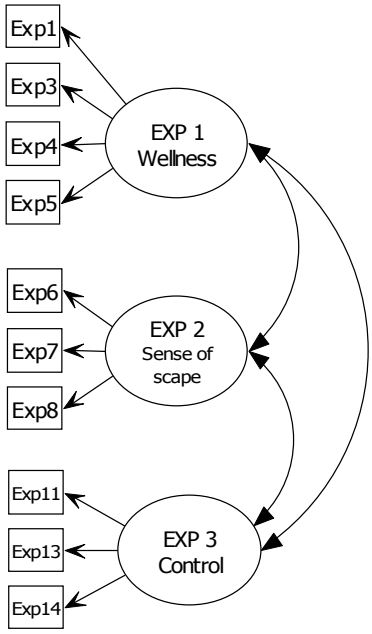


Table 3: **Service Experience Measurement Model**

Dimension	St. Loading	C.R.	R^2
Service Experience – Wellness			
EXP1	0.705	*	0.497
EXP3	0.762	33.85	0.581
EXP4	0.818	36.07	0.670
EXP5	0.733	32.63	0.537
Service Experience – Escape of Routine			
EXP6	0.848	*	0.719
EXP7	0.817	41.44	0.668
EXP8	0.638	31.62	0.408
Service Experience – Sense of Control			
EXP11	0.623	*	0.404
EXP13	0.730	27.05	0.533

Dimension	**St. Loading**	**C.R.**	**R^2**
EXP14	0.770	27.86	0.592
Measures of Fit			
X^2 (*df, p*) = (32, 0.00)	617.5		
NFI	0.945		
CFI	0.948		
GFI	0.952		
SRMR	0.065		
RMSEA	0.088		

Table 4: **External validity test (Structural Model)**

Structural Relationship	**St. Loading**	**C.R.**	**R^2**
Service Value Index → Service Experience	**0.853**	**11.222**	**0.728**
SQ1 →SVIdx	0.166	6.158	0.911
SQ2 →SVIdx	0.208	6.437	"
SQ3 →SVIdx	0.173	6.719	"
SC →SVIdx	0.088	2.574	"
SE →SVIdx	0.363	9.960	"
PF →SVIdx	0.1667	7.340	"
Service ValueIndex → Future Intentions	**0.838**	**11.194**	**0.802**
FI →FI1	0.868	*	
FI →FI2	0.811	42.16	
Service Experience→ Future Intentions	**0.803**	**10.704**	"
EXP →EXP1	0.849	*	
EXP →EXP2	0.720	42.21	
EXP → EXP3	0.742	41.09	
Measures of Fit			
X^2 (*df. p*) = (26. 0.00)	305.4		
NFI	0.962		
CFI	0.963		
GFI	0.976		
SRMR	0.024		
RMSEA	0.068		

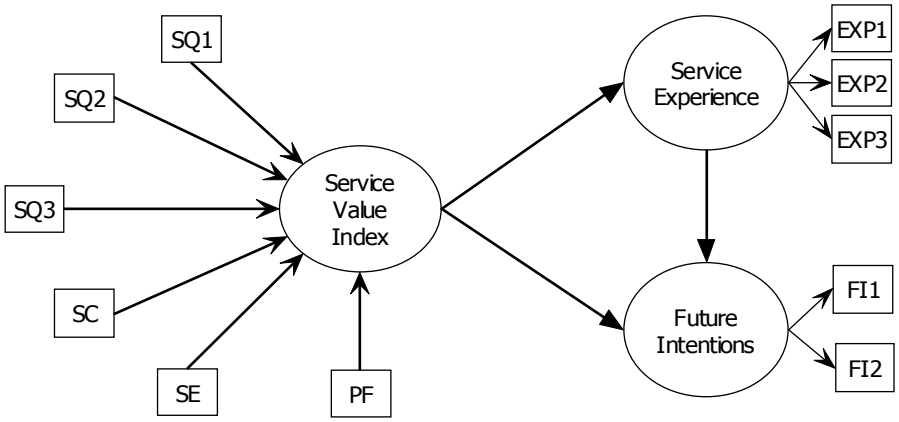
Notes: Mean = the average score for all items included in this measure

4.2. Structural Model

Finally, to provide evidence of external validity, the service value index should correlate significantly with other theoretically associated constructs (Bagozzi, 1994). Figure 3 examines the relationship between service value and two constructs—service experience and customer's future intentions—that theory suggests should be related. Consistent with services literature (e.g., Cronin et al., 2000), the estimated model uses the service value index as an antecedent of each of the two constructs (see Figure 2). The resulting statistics confirm the external validity of the service value index, and the coefficients are significant in each relationship (service experience γ = .853, future intentions γ = .838), as Table 4 shows. The fit indices also suggest the model fits the data well: The NFI, CFI, and GFI statistics are all at or above .9, and both SRMR and RMSEA are at or below .07. Also, the service value index explains a large proportion of the variance for each construct (service experience R^2 = .73, future intentions R^2 =

.80). Overall, the statistics support the external validity of the service value index, as well as its relationship with the service experience and customer's future intentions.

Figure 3: **Structural Model (External Validity)**



5. DISCUSSION

In today's hospitality industry, keeping a long-term relationship with valued customers to satisfy them will sustain competitive advantages (Kim, 2004), and requires a more comprehensive approach than a exclusive focus on service quality or customer satisfaction (Vargo&Lusch, 2004). The links between concrete attributes, high-level benefits, and values provide a better explanation of overall satisfaction than service attributes alone (Orsingher&Marzocchi, 2003). Gronroos (2008) states that value for customers means that they feel better off than before they have a service experience. Similarly, consumers' post-purchase thoughts tend to shifts toward higher means-end hierarchy when compared with pre-purchase thoughts (Orsingher&Marzocchi, 2003).

The issue we addressed in the study concerns the hierarchical organization of service experience in the customer's mind. Thus, service experience components are stored at different level of abstraction. More exactly, attributes of the service are integrated at the first level; employees, processes, servicescape, service equity, service convenience and price fairness compose the second level; and finally, wellness, routine scape, and sense of control represent the highest level of abstraction.

Customer perceptions of value depend significantly on those initial service attributes; therefore, service must be an integral part of any customer value creation strategy. In particular, the model builds into six elemental parts – employees, processes, servicescape, service equity, service convenience and price fairness, and by improving on one or more of these factors; managers can affect service value and create satisfactory service experiences.

According to our results, servicescape provides the strongest driver of service value when creating service experiences, followed by service equity.Elements such as the service atmosphere, hotel facilities, etc. are significant contributors to customer's easiness to relax and escape from routine, which are the two major factors in the service experience. Similarly, hotel managers should take note of the importance of service equity by developing strong brand images which capitalize on customer's experiences rather than service attributes. Literature reveals that service equity is particularly salient in industries that generally do not provide high-contact, customized services, such as banking, hotels, airline travel, and health clubs (Martin et al., 2008).

On the other hand, service processes, and price fairness are weaker contributors in the creation of service experiences. This seems reasonable since service processes are more related to the absence of problems during the service provision (i.e. service as promised), whereas price fairness plays a more significant role before the purchase (i.e. booking the hotel) than it does during the service delivery (i.e. enjoying the hotel amenities). Finally, the role of employees (i.e. personal interactions) and service convenience (i.e. time and effort savings during the service delivery) are average contributors to the customer service experience.

Another important research implication arises from this study. First, researchers willing to enrich this topic should avoid unidimensional conceptualizations of service experiences whenever possible. Those scholars who attempt to capture the essence of a customer service experience by defining it as a single dimension likely will emerge with an incomplete portrayal of the construct that limits their understanding of its drivers and consequences. This study hasmodeledcustomer service experiences value as multidimensional, identifying three different dimensions – wellness, sense of escape, and control of the service delivery. Wellness and sense of escape are the stronger drivers of the customer experience, whereas customer's control of the service delivery seems relevant only for those customers who have experienced a problem during the service provision. Wellness captures issues such as relax, freedom, privacy, safety, feeling of being take care of, etc. On the other hand, sense of escape addresses stimulation, newness, avoid of routine, etc. We believe these are relevant aspects in the context of a service which is majorly hedonic in nature, therefore we have tested and developed a measurement scale that properly capture this construct.

With respect to other *managerial implications* the comprehension of links between service attributes, customer benefits and customer values provide a guide for the development of the service offer by taking into account the values customer want to reach through the service experience and provides the firm with a sustainable competitive advantage (Bejou et al., 1996; Donavan et al., 2004). More exactly, understanding how clients evaluate service experience is crucially important for a company success and determines relationship quality from the customer's perspective (Cheng et al., 2007). Thus, committed customer relationships often bring about greater payoffs for the firm, such as customer satisfaction, positive word of mouth, referrals, and loyalty and less price sensitivity (Ekinci et al., 2008; Fock et al., 2011; Hartline & Jones, 1996; Kim & Cha, 2002; Kim, 2004; Kim, 2010; Szymanski and Henard, 2001).

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