

UNDERSTANDING CONSUMER EVALUATION CRITERIA FOR REPURCHASE IN A PERFORMING ARTS CONTEXT

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Abstract

The purpose of this paper is to examine consumers' experience of a performing arts service to identify the predictors of audience behaviour especially as related to positive repurchase intention. Experiential service settings such as the performing arts have been cited in recent research as service contexts that may challenge current theory that repurchase intention is driven by service quality and customer satisfaction. It is posited that consumer emotions and the hedonic nature of the consumption experience may complicate the evaluation process to repurchase intention in a setting such as the performing arts. Qualitative semi-structured in-depth interviews were undertaken of twenty-six performing arts consumers using a pool of questions and prompts developed from a review of the extant literature. Transcribed field notes were examined for key words and phrases and data was divided into the main emergent themes related to each of the questions and also coded for confirmation and dis-confirmation of the extant literature constructs and relationships. The dimensions of service experience, price, service quality, target goal-directed emotions and non-target appraisal emotions were identified as driving repurchase intention in a performing arts setting. Customer satisfaction in this setting appears to result from emotional factors rather than expectancy dis-confirmation. This research supports the notion that an experiential consumption experience such as the performing arts will challenge the current theory of the drivers of repurchase intention and suggests that a more thorough large scale examination of these dimensions in this service setting is warranted.

Introduction

The purpose of this paper is to examine consumers' experience of a performing arts service to better understand this service context and focus research on identifying the predictors of audience behaviour especially as related to positive repurchase intention. It has been suggested in recent services marketing literature that increases in customer satisfaction positively contribute to an organisation's financial strength and competitiveness through customer retention (Henning-Thurau & Klee, 1997; Albrecht, 1992; Anderson, Fornell & Lehmann, 1994; Anderson & Sullivan, 1993; Broetzmann, Kemp, Rossano & Marwaha, 1995; Fornell, 1992; Heskett, Lovemann & Sasser & Schlesinger, 1994). Similarly, performing arts research suggests for the survival of the cultural arts in the long term it is essential that audience retention and growth be increased and attention is given to audience development (Rentschler, Radbourne, Carr & Rickard, 2002). Further, it has been noted that the audience demographic is greying and younger audiences need to be attracted and retained (Reiss, 1996). In order to do this investigation into the drivers of retention and positive repurchase intention in the performing arts context must be identified.

Examination of general services marketing literature (Bahia, Paulin & Perrien, 2000; Iacobucci, Ostrom & Grayson, 1995) suggests that in some service encounter contexts, the structure of service quality and customer satisfaction and their relationship to customer repurchase behaviour may differ to traditional theory (Nichols Gilbert & Roslow, 1998; Bahia, Paulin and Perrien, 2000, Brady & Robertson, 2001). The influence of emotion on customer satisfaction and repurchase has received attention in recent research (Bagozzi et al, 1999) as one such variable that alters the view that repurchase is driven by customer satisfaction. This is argued to be of particular relevance in the emotionally charged, hedonic service setting that characterises the performing arts (Hopkinson & Pujari, 1999). The nature of the relationship among service quality (SQ) customer satisfaction (CS) and Repurchase Intention (RI) has not been systematically addressed in the performing arts context nor has the influence of emotion (E) and differing levels of involvement (I) been investigated. The new focus on emotion in consumption, the specific hedonic nature of the performing arts experience and the lack of focused research in this area of hedonic consumption provide a strong rationale for the present research.

The Performing Arts

The performing arts constitute a complex service product type from both the organizational perspective and the customer perspective (Hume and McColl-Kennedy, 1999). A performing arts service product must provide a primary show experience but is often required to simultaneously fulfill cultural and artistic responsibilities and contribute to education and overall community well being (Caldwell & Woodside, 2003) and the long-term survival of the organization. The majority of performing arts organizations are primarily government, donor and sponsorship funded with at present, a more limited contribution from ticket sales for individual performances or subscriptions to an arts series. Most of these organizations operate as not for profits and are required to be accountable for 'scarce' fund allocation. Further to this, the performing arts are a key contributor to tourism attraction (Moses, 2001) and play a valuable and essential role in generating local economy. One of the major strategic challenges for arts organizations is to balance the economic issues and constraints such as the allocation of scarce resources with the importance of meeting artistic and cultural goals. Often these two tasks can be in conflict. Ideally, by better understanding the drivers of customer retention and repurchase the organization can design products, programs and program delivery which best retain and enhance audience numbers and provide services which assist in developing audiences while efficiently expending funds. In understanding the role the show

experience plays in customers returning to the performing arts, organisations can begin to understand the tradeoff and risks associated with offering less mainstream but culturally and artistically sound productions. Examination of audience behaviour and consumption of the performing arts will potentially offer valuable insight into management and marketing issues facing performing arts organizations.

In comparison to other areas of research in services, research in the performing arts is comparatively limited, sporadic and lacks a sound theoretical focus. After an extensive review of the literature the extant research can be grouped into several categories and timeframes. The first period, the late 1970s and early 1980s, saw the advent of audience studies, which are still referenced into today's research. These studies conducted in the Northern Americas (Garbarino, & Johnson, 1999; Andreasen & Belk, 1980), and United Kingdom and European countries (Cowan, 2001; Reiss, 2000) provided findings that, albeit contributing to overall theory development, are necessarily parochial in nature and may not apply across cultural borders and economies. Further to this changes in socio-demographic structures such as changes in average disposable income, increased spending on entertainment and increased diversity of entertainment options (ABS, 2003) limit the application of the findings from this era to today's audiences in Australia. In addition the environment of decreased government welfare funding and increased competition for donors and grants and sponsor support characteristic of nonprofits (Sullivan Mort, Weerawardena and Carnegie, 2003) has also impacted budget allocation and expenditure on audience and funds for development programs. More recent research can be grouped into two types- the first being organizational development research: issues of fund raising (Reiss, 1996), sponsorship and cause related marketing (Rentschler & Wood, 2001), trustee governance relationships (Frey & Pommerehne, 1987) and audience development over artistic production (Rentschler, Radbourne, Carr and Rickard, 2002). More specifically, as discussed by Rentschler et al (2002), the release of the cultural policy statement "Creative Nation" in 1994, has focussed research attention on attendance development and audience participation and these have become the primary objective of arts organizations in Australia. A number of studies in the late 1990's (see Rentschler et al 2002) have shown that marketing efforts focused on such issues as subscriptions, venue management and attendance are not achieving the results required to increase audience numbers and support of the performing arts. Without such improvement the issue of funding and self-sufficiency are becoming far more challenging. Current research suggests it is essential that the strategic issues facing the performing arts be examined more rigorously (Cutts & Drozd, 1995; Rentschler et al, 2002). These studies over time have examined funding and sponsorship as an input, and audience/customer satisfaction as an outcome, but few have canvassed the fundamental problem of customer motivation for attendance of the arts.

Some useful advances have been provided by an approach examining management and activities from a cost benefit perspective to ascertain which activities work most appropriately to retain and develop attendance (Rentschler et al, 2002). This paper proposes an alternate approach focusing on better understanding of audience purchase and consumption behaviour and the drivers of repurchase to elucidate management and operational processes required to satisfy customers. Such research will highlight areas of excessive expenditure, excessive innovations and delivery processes, which are of little importance to business development. Through understanding audience objectives and attitudes this type of research will aid in the development of cost effective methods of delivery to gain maximum returns in audience numbers. Thus the overall research question guiding this research is "How do consumers evaluate a performing arts experience and arrive at positive re-purchase intention?"

Specifically, how do the show experience and the experience of the service and venue environment interact to provide service quality perceptions, customer satisfaction and finally intention to re-purchase?

Method

A pool of questions and prompts were developed from a review of the extant literature in services marketing (Bahia, Paulin & Perrien, 2000; Iacobucci et al, 1995), involvement (Lilijander & Tore, 2000), emotions (Bagozzi et al, 1999) and hedonic consumption (Hopkinson & Pujari, 1999) (see Table 1)

Table 1: Pool of Questions for Semi-structured Interviews

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| Pool of questions and prompts | Theoretical domain |
| What determines the frequency of your consumption/attendance of performing arts <i>eg time, expense, shows on offer, venues, price, access</i> and so-on | Encounter type and Relationship |
| Why do you attend shows? Popularity? Interest? Image? Fun? To fit in with friends? | Utility Desire/Drive |
| <u>Do you think you're passionate about the performing arts?</u> | Involvement |
| Why would you go to an arts performance rather than attending some other activity experience? | Product meaning |
| Do you think you are not passionate about the arts and this affects how much you go to shows | Involvement |
| The performing arts consist of many genres, which would be your preferred choice, or do you not select based on genre? | Utility Desire/Drive |
| <u>What are you looking for from a performing arts experience?</u> | Customer satisfaction |
| What does a Performing arts consumption/attendance mean to you? A cultural experience? an outing? Entertainment? A pleasure-seeking experience? Fun and a feeling of excitement? | Product meaning |
| <u>What are you looking in a show/performing art venue and experience?</u> | Service Quality Customer satisfaction |
| Do you see the performing arts as different to other forms of entertainment such as sport? | Product meaning |
| How do you measure the success of your experience with the "show/experience"? What makes the outing a successful experience with the arts or an acceptable experience with the arts, the overall experience, the performance | SQ CS |
| How do you measure failure of your experience with the "show/experience"? What makes the outing a unsuccessful experience with the arts or a not so successful experience with the arts, the overall experience, the performance | SQ CS |
| <u>Do you get emotional about how you treated by the venue?</u> | SQ CS |
| Does this effect whether you would go back? <i>For another show, or the same show?</i> | |
| Does the performance and experience affect you emotionally? <i>i.e. makes you happy, sad, angry disgusted etc?</i> | SE/ product meaning/ emotion |
| If it does, does this emotional response influence your desire to return/repurchase for another show, see the same show again, or try another type of performance <i>eg. Opera, Orchestra?</i> | RI |

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|---|--|
| Do you attend the experience to gain an emotional outcome? | SE, emotion |
| Are you a subscriber of any performing arts genre? If so which one? Do you often attend because of your subscription? | Demographic, customer type, relationship |
| How do you measure a value experience with the performing arts? | SQ, CS, SE |
| What would make you go back to the performing arts? | RI |
| What would make you unlikely to ever return to the performing arts? | RI |

Twenty six (26) semi-structured, open-ended depth interviews (Minichiello et al, 1999) were completed using a convenience sample of professional personnel, middle to high income earners, ranging in age from 21-60 years sourced from a large Brisbane, Queensland based firm. This sample was selected as it was seen to be representative of the target population of the general performing arts attendees as described by Australian Bureau of Statistics (ABS, 2003) and appropriate for this particular research (Patton, 1990; Miller, 1970). Transcribed field notes were examined for key words and data was divided into the main emergent themes related to each of the questions and recorded based on known literature constructs and theories. The main recurring phrases and comments were recorded and examined for frequency in response across all interviews to highlight importance and recurrence. An inter-rater code reliability test using two experts (1, Phd and 1 Phd candidate) has been performed on the first and second level data to ensure reliability of themes identified and discrepancies were discussed and rectified. Further to this a keyword and phrase search was conducted on electronic transcripts using WinWord. These were then examined for context and content to ensure correct interpretation.

Findings: Discussion and Implications

The interviews identified several themes of interest. These themes have been organised to correspond with constructs and relationships identified in the current literature as well as to identify new constructs and / or divergent relationships. Respondents challenged current paradigms of thinking on customer satisfaction research that service quality and customer satisfaction drive repurchase (Bahia, Paulin & Perrien, 2000), supporting the premise that certain service contexts, due to their type, may influence consumer evaluation of services. Performing arts was seen to be a pleasure seeking, emotion driven service and this influenced and complicated the consumers' evaluation of the overall experience. Emotions in the performing arts context were identified as involving two subtypes: First, emotion as an appraisal of general satisfaction with service delivery (consistent with prior research Bagozzi et al, 1999) and second emotion as a goal-directed pleasure-seeking outcome (consistent with prior research Bagozzi et al, 1999). These two types of emotion in combination resulted in repurchase intention. The customer satisfaction construct in fact seemed to exist only as an inferred or derived value resulting from being satisfied emotionally with the show and the service. However respondents did not spontaneously use the term satisfaction to describe their experience of the performing arts. Interestingly, subscription to a performing arts series did not appear to differentiate between respondents. There appeared to be no real difference in those that subscribed to the performing arts and than those that did not. Subscription is often thought to be indicative of higher involvement and also suggestive of loyalty (Garbarino & Johnson, 1999), however the candidates who were subscribers did not identify themselves as highly involved and mostly the driver for subscription was reduced priced ticketing and preferred seating. The stronger theme was the differences in utility measures between highly involved and lowly involved respondents. Many respondents identified themselves as supportive of and committed to the arts, indicative of high involvement, but at this time, due

to social reasons, saw their attendance as irregular and infrequent. These candidates suggested that when the “social reasons” such as children and babysitting, financial issues, and illness were rectified they would increase their attendance and maintain an arts relationship for a long period. Moreover, some subscribers identified themselves as lowly involved and uninterested in the arts, citing accompanying a partner or friend as the driver for subscription and attendance. These themes suggest that involvement, subscription and attendance may not be as strongly related as has been previously assumed and this warrants further attention. In addition, highly involved respondents stated they were more tolerant of deficits in the service process than the lowly involved, and that for them the main predictor of repurchase was the success of the show and the utility gained by the show with respect to price and time.

Conclusion

This paper has identified several interesting facets of audience behaviour facing performing arts management today as well as contributed to theory development in this area. For managers the relationship between attendance, subscription and involvement and the relationship of factors such as service, venue quality and show quality to an audience members desire to repurchase are potentially very useful. From a theoretical perspective emotion as an outcome of the show experience and of the service process and the nature of the emotional measure warrants further attention. Customer satisfaction in this setting may in fact be an emotional measure rather than one of expectancy disconfirmation. This study has identified many themes that suggest that the performing arts may challenge the current thinking of service encounter evaluation and repurchase intention suggesting that these issues need to be considered and more fully examined in future studies.

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