

The Underlying Value of Experiential Events

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ABSTRACT

Experiential events – i.e. events with high experiential value – are capable of creating intense experiences (thorough high-level experience-involvement). These feed into lasting event memories. Thus, it is theoretically justified that experiential events support one's well-being both immediately and long-term.

A structural model was formulated with the aim to investigate the impact of experiential events on memorability and subjective well being. Relationship between the constructs of experience-involvement, memorability, and subjective well-being was empirically tested.

All three hypotheses were supported by the quantitative findings. The implications of findings have both a theoretical and managerial significance.

LITERATURE REVIEW

Experiences

- Experiences are intrinsically personal (Pine and Gilmore, 1998).
- Few scales measure experience formation. The Event Experience Scale (EES) contains four dimensions: physical engagement, cognitive engagement, affective engagement, and experiencing newness (Geus, Richards, and Toepoel, 2016), however, it is not based on on-site data collection, thus it was not found suitable to measure the real-time event experience.
- The Experience-involvement Scale of four dimensions (emotional, mental, flow-like and social experience-involvement) (Zatori, Smith, and Puczko (2018) measures on-site experience formation. Experience-involvement is defined as a level of engagement in the on-site experience (Zatori et al., 2018)
- A higher level of experience-involvement leads to personal interpretation, hence, the attendee's experience becomes more intense, authentic and memorable.

Memorability

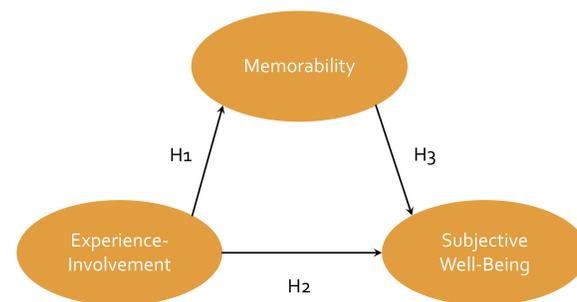
- Memorability is an important aspect of events.
- Larsen (2007) posits that after an experience has ended, all that remains is a memory.
- A study by Manthiou et al. (2014) confirmed the four realms of the experience economy have a significant impact on vividness of memory.

Subjective Well-being

- Events have been shown to effect subjective well-being of wine festival attendees (Kruger, Rootenberg, and Ellis, 2013), families attending local events (Jepson, Stadler, and Spencer, 2019), and runners participating in a sporting event (Theodorakis et al., 2019).
- Richards (2014) noted event participation has a positive correlation with elements of both quality-of-life and subjective well-being.

HYPOTHESES

- H1: Experience-involvement has a positive effect on memorability.
- H2: Experience-involvement has a positive effect on subjective well-being.
- H3: Memorability has a mediating effect between experience-involvement and subjective well-being.



METHODOLOGY

- The data collection took place at five experiential events of a community event character in Radford, Virginia, during fall 2018.
- The data was collected near the end of the events via surveys.
- 141 responses were collected from which 124 were suitable for data analysis.
- Using SmartPLS 3.0., SEM-PLS analysis was performed to test the hypotheses.

FINDINGS

- The hypotheses (H1, H2, H3) were supported by the findings and are therefore accepted: ($\beta_{H1}=0.699$, $\beta_{H2}=0.577$, $\beta_{H3}=0.797$)
- The results show an appropriate goodness-of-fit for the model, and demonstrate its operability.
- According to the estimated values, the exogenous variables account for the explained variance of authenticity at 49% and of memorability with 64%.
- The reliability and validity indicators were also analyzed and all found acceptable (AVE>0.5, Cronbach's $\alpha >0.75$, $\rho_A >0.75$)

DISCUSSION

- It was confirmed that experiential events support subjective well-being both through on-site experiences (experience-involvement) and memorable experiences.
- Based on the findings, it is suggested that the underlying value of experiential events is their contribution to subjective well-being.
- Event planners should consider this outcome in various phases of the event, for example during event design or post-event communication.

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