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# **Experiential Marketing at the Bottom of the Pyramid:** Theoretical extension and analysis

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#### **Abstract:**

Drawing from basic psychological need theory, this study aims to explore the effect of service experiences (e.g., education, escapism, esthetics, and entertainment) on students' passion for the university and to examine whether basic psychological needs satisfaction (e.g., autonomy, competence, and relatedness) contributes to the mediate the link between service experiences and students' passion for the university. To address this knowledge gap, we recruited n = 432 participants from Pakistan based on the convenience sampling method. The structural equation modeling technique was used as a method to test the hypothesized relationships using SmartPLS. Results show that when four dimensions of service experiences were assessed, escapism had the greatest effect on university passion followed by entertainment, esthetics, and education. Our findings further reveal that students' basic psychological needs satisfaction fully mediates the effect of service experience and students' passion for the university. Finally, we discuss the implication for theory and policy in great detail and highlighted future research agendas.

Keywords: service experience, esthetics, escapist, entertainment, education, basic psychological need, university passion, and structural equation modeling.

#### **JEL Classification:** M31

#### 1. Background

The rapid global advancement, cutting edge competition, and excessive brand clutter are the cornerstone for today's swift changes in the marketing landscape leading from product to service to experiential philosophies (Xixiang et al., 2016). Organizations are destined to rethink their marketing practices to survive and achieve sustainable growth in today's business environment (Gilal et al., 2016). Although emerging marketing philosophies are considered as key concepts today, yet there are different views, interpretations, and outcomes in terms of content and context. Consequently, it has grabbed the attention of researchers and practitioners to explore, justify and testify the

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emerging concept of experiential marketing in various contexts on national and global scales for better-desired outcomes that can uplift the organizational growth in a quicker, better, and reliable way (Gilal et al., 2016; Xixiang et al., 2016). Similarly, like other business sectors, the education sector is drastically shifting into experiential space for young and energetic students which are their customers. There is no offense to say that that education has turned into an industry where students are prioritized as prime customers. Itis transforming from traditional to modern infrastructure, tools, and techniques, methodologies, and philosophies that raise student attention, love, and passion in education.

Ahn, and Thomas, (2020) found that social, hedonic, and altruistic attributes are important elements in evaluating customers' loyalty and linked to customer passion. In such a case, experiential marketing has achieved a significant amount of attention by all researchers and practitioners of the world to redefine and replace existing marketing mechanisms with experiential components to ensure sustainable development and growth in education at large (McCole, 2004). Experiential marketing is considered as the foundation of customer engagement in the marketing world today (Ghorbanzadeh, Saeednia, Rahehagh, 2020; Orus, et al., 2019; Teerlinget. al., 2018; Roy et. al., 2017). Experiential science is vastly growing and providing countless opportunities for academicians and practitioners to discover its antecedents and consequences especially in developing economies. It offers three broaden the domain of interest for researchers i.e. brand experience, service experience, and the customer experience. A large number of researchers have explored its significance and scope in detail however the education has remained untapped. Incremental experiences in education can bring revolutionary results which unfortunately have not been explored yet to the best of the author's knowledge. Consequently, this study is aimed to provide a conceptual model that independently measures the flow of university service experience and the university passion among students considered as institutional customers keeping in view their basic psychological needs.

This study will enormously contribute to the literature of marketing and consumer psychology. It will enlarge theoretical knowledge necessary for academia and industry to look after the benefits through service experience and university passion at large. It gives the implication of the general concept of how students can be passionate about education. Besides, the focus should not only be on the service experience but also on basic psychological needs because it is the nexus between service experience and university passion. Focusing alone on service experience may have a partial effect on university passion. This research is the foundation for further studies that are necessary for experiential science in today's cutting edge competition.

### Research Gap

Increasing the global scope and significance of experiential marketing has become a center of attention for researchers. Numerous studies are attempted to discover the origin, however contradictory results are explored owing to socio-cultural and technical factors indicating the notion that experiences vary as per environment, context, and phenomena. For instance, experiences in an online environment, tourism and

hospitality, retail, product choice, restaurants, travel, and brand choice and are not similar. In such cases, the concept of experience especially in education needs a most relevant explanation that best defines the content and phenomena. Neither theoretical nor empirical evidence is identified yet inquiring about the service experience and university passion in specific reflecting a theoretical and contextual gap that exists in past literature. Therefore, this study is aimed to explore the service experience and university passion mediated by basic psychological needs.

### 2. Literature Review

### **Service Experience**

Experiences are the events and interactions that engage individuals in a personal way. Similarly, the service experience is the subjective personal response, feeling, or interpretation of consumers during service consumption. It has three main characteristics i.e. (i) it is phenomena, process, and a result, (ii) it is outcome-based activity (iii) it is subjective (Helkkula, 2012; Teixeira et. al., 2012; Tuominen and Toivenen 2009; Edvardsson et. al., 2005; Pine and Gilmore, 1999). Services are intangible but they are often released by physical products (Shostack, 1987). Therefore, service experiences are subjective and outcome-based (Kato et al., 2019).

Customer choice for service preferences is rapidly changing concerning socio-cultural and demographical variations. For instance, service experience flow generates customer psychological matrix that defines how a customer is feeling the moments that ultimately trigger his/her engagement and love for the service availed (Chen et al., 2019). Psychologically, customer point of judgment during the service consumption is the experience which reflects how best services are shaped and delivered (Zhang, Gursoy and Lin, 2020; Scaletti et al., 2020; Hsieh and Chang, 2016). On the other side, maximizing profitability and customer satisfaction through providing the best customer experiences is the challenging and ultimate objective of every organization (Maitlo, Jugwani, Gilal, 2017). Such high significance of service experience has discovered various opportunities for researchers to evaluate its antecedents and consequences on theoretical grounds. For instance, Table 1 indicates the most relevant and latest studies on subject grounded by traditional theories since the last decade. It focuses on how service experience is explored through context-specific dimensions in different settings grounded by traditional marketing theories in both quantitative and qualitative forms. Table 1 shows how multi-dimensionality of service experience is conceptualized as core constructs and measured through various marketing theories in the literature. Similarly, service experience in an educational context can be measured by aesthetics, escapist, education, and entertainment. These four realms are the cornerstone for further experiential development in the education context in developing economies.

Table 1: Past Researches on Service Experience

Table 1: Past Researches on Service Experience					
Author (s)	Dimension (s)	Research	Methodology	Findings	
&year		Theory			
Michael et al. (2020)	Guestroom, Employee Interaction, Internet, facility,	Conceptual Research	Quantitative	Significant emergence of the experience economy	
* · · · · ·	Hotel Service			-	
Lin, Gursoy, and Zhang, (2019)	Hedonic interaction, Expressive interaction, Functional Interaction	Appraisal theory (1991)	Quantitative	Theory Supported	
Jacques & Christo (2019)	Online Service Mobile Service	Cognitive Dissonance Theory, (1958) Status Quo Bias Theory (1988), Innovation Diffusion Theory (1962)	Quantitative	Only innovation Diffusion Theory is NOT Supported.	
Vanasanan Huang (2018)	Physical Environment, Therapist & Staff, Spa Products & Treatment, Other Customers	Conceptual Research	Quantitative	Supported	
Viedma et al., (2017)	Education, Entertainment, Esthetics, and Escapist,	Technology Acceptance Theory (1986)	Quantitative	Theory Supported	
Faizan, Amin &Cobanoglu (2016)	Physical environment, Interaction with staff, Interaction with customers	Conceptual Paper	Quantitative	Supported	
Chang, & Huang (2016)	Service Atmosphere, Service Process, Service	Multiple Attribute Utility	Quantitative	Theory Supported: Waiting Time, Crowdedness	

anaiysis				(pp. 30-39)
	Employee, Waiting Time, Crowdedness	Theory (1995)		are NGTVattributes than others
Wang, (2015)	Flow, Superior Functioning, Intense Joy, Stimulation, Engagement	Flow Theory (1980) & Technology Acceptance Theory (1986),	Quantitative	Theories Supported
Wong, (2013)	Service Environment, Employee Service, Service Convenience, Hedonic Service	Conceptual Paper	Quantitative	Only Employee Service rejected
Edvardsson, et. al, (2012)	Positive Deactivation, Positive Activation, Cognitive Evaluation	Cognitive Dissonance Theory, (1958)	Quantitative	Theory Supported
Xu, & Chan, (2010)	Recognition and escapism, Peace of mind and relaxation, Hedonics, Involvement	Theory of Reasoned Action (1967)	Quantitative	Theory Supported: Hedonic Involvement found as negative Contributors

**Esthetic experience**: It is the experiential state of mind which deals with the nature of beauty. It is the psychological process in which the subject mind is highly by an object without nay surrounding interference (Marković 2010). In other words, individuals put their attention on an object while other objects, events, and activities are left suppressed (Winston and Cupchik 1996). It is one of the most powerful influencers in business settings through which a customer's attention can be diverted through physical settings and environmental effects (Wirtz and Lovelock 2004). Esthetics is viewed as predominant characteristics of service experience in an educational context that leaves a positive cognizance on the minds of customers while inspiring to be engaged in what is offered and a particular setting (Gomez, Romero, and Lorenzo, 2010). It also indicates how things are prepared in education settings so esthetically that engage customers so passionately to actively participate and immersion.

**Entertainment Experience:** It is considered as the oldest, yet persuasive elements of service experience that swiftly occupy customer readiness to a particular event (Pine

and Gilmore 2011). Entertainment is a form of activity that holds the attention and interest of viewers and offers joyfulness and pleasure (Luo, Lam and fan, 2020). Kim, Goodsir, and Zhong (2019) define that it is the service consumption state in which consumers are evaluating performance (Chi, 2019). Although, the consumer is not part of the entertainment formation process where his/her mind is so passionately engaged during the appreciation of the event (Liu, Shin and Bums, 2019; Thanh and Kirova, 2018). In the education context, it can be viewed through how well individuals are amused, interested, and delighted during the study and learning course, fun and the joy they experience through sports activities, singing festivals, religious events, and other amusing activities in university or college.

Escapism experience: Escapism is a bit advanced stage than entertainment as it required immense participation in service experience (Penaloza, Ruiz, and Holmqvist, 2020; Chen and Kim, 2019; Han et al., 2019). It is some one's psychological tendency or diversion from boring and unpleasant activities in which an individual is seeking to be engaged in fantasy other than regular aspects of life. It refers to dwell in one's self away from the obstinate feeling of unhappiness and sadness. Escapism can be good or bad depending on escape reasons. Good escapism is when an individual escapes from narrow into the broader world helping someone to move up from the restraints of society and to nurture the adventure and freedom. On the other hand, bad escapism is when someone escapes from the broader world into narrower preventing individuals from hard work that is necessary for self-grooming, development, and growth. Therefore, it is very crucial in designing service experience as a customer only contributes to the experience that takes them to feel destined with a new identity (Alexiou, 2020). In the education context, escapism can be designed through role-playing, documentary filming, competency-based education, etc.

### **Education Experience:**

The fourth element of service experience is education. Education represents an experience that is absorbed but requires active consumer participation (Saito et al, 2020). It is an experience in which an individual is experiencing the knowledge in specific and general (Gilmore and Pine 1999). In this case, consumer undergoes in a series of events that are highly interactive and participative in terms of mind and body (Pine and Gilmore, 2011). For instance, students experience education through class notes, books, conversations with teachers, and other educational activities imparted within the premises of the education facility. In other words, education experience is directly relational to consumer psychological interest and enrich overall service experience in university.

## **University Passion:**

Passion is a feeling of intense enthusiasm for something or compelling desire for someone and therefore is associated with higher psychological adjustments (Donovick et al., 2007; Gilal et al., 2020). It is the state of being inclined towards a self-defining

that individual love finds very important and devotes time and energy (Vallerand et al., 2015). Large compelling studies have been explored the consequences of passion in numerous domains i.e. gambling, sports, music, recreational activities, tourism, social media and work internet use, etc. (Das et al., 2019; Albert and Tullis2013; Vallerand, 2010; Donovick et al., 2007; Vallerand & Rousseau, 2003). Likewise, university passion refers to the individuals feeling of enthusiasm towards the university services. Rationally, university consumers buy university services which ultimately left psychological effects in the shape of satisfaction, attachment, love, or passion.

#### **Theoretical Framework**

The integrative theoretical research model is proposed in this study grounded by the basic psychological needs theory (Ryan and Deci, 2010). The theory states that individual basic psychological needs of autonomy, competence, and relatedness must be continuously satisfied to maintain optimal performance and well-being (Gilal et al., 2019). These are the psychological needs that drive human behavior. Relying on this theoretical notion, we therefore, expect that the relationship between service experience and university passion will be mediated by basic psychological needs.

### Service experience, university passion, and basic psychological needs

Cutting edge competition among service organizations has given birth to new and highly sharp strategies that aim to fasten the consumption of economic value by consumers. Today, the world is rushing in a speedy developing economy in terms of brand choices, alternative values with common organizational objectives to maximize the profits. It's beneficial for customers as they have the availability of mass production lines and service clutters in markets so that they can better compare, select, and avail services as per their customized needs. In such circumstances, the role of service experience is distinct and divergent in providing consumer value. Though, the core objective of any service provider is to satisfy and delight customers that ultimately lead to brand loyalty, love, and passion (Kim et. al., 2018; Ward, Duerden and Freeman 2015; Schmitt, 1999). Pine and Gilmore (1999) found that customer love for the consumption of service generates consumer and company long term relationships so that services should be designed in a similar way (Voss and Zomerdijk, 2010).

The studies on brand passion are remarkably presented by some of the researchers. For example, the study of Gilal et al., (2020) explored how brand passion is formed based on extrinsic and intrinsic motivations. Similarly, it is found that consumer basic psychological needs are very crucial in developing consumer perception and behavioral intentions (Gilal et al., 2020). Similarly, another study by Gilal et al., (2020) conclude that the influence of celebrity expertise, celebrity attractiveness, and trustworthiness on relatedness needs satisfaction is crucial. Likewise psychological needs like autonomy, competence, and relatedness form brand attachments (Ahn, 2019; Gilal et al., 2020), willingness-to-pay a premium, and word-of-mouth (Gilal et al., 2018). Service experience components are interpersonal and context-specific for consumers. In other words, the service experience is the direct-indirect subjective stimulus that is personally

interpreted by consumers subject to the service provider, event, or brand performance (Kim & Choi 2013). It indicates that service experience is different consumer to consumer depending upon how well elements of service experience are designed and processed that could bring desired consumer feelings. Hsieh and Yuan, (2016) claimed that customer experience is one f the most powerful tool in marketing that has significant proportions to build consumer psychological consequence. It is also endorsed by Halbrook and Hirschman (1982) that service experience includes hedonic and entertainment characteristics leading customers to the recreational outcomes of fantasy and love. However, the impression of esthetic and education components also nurtures overall consumer service experience journey with significant effects on their memory and second level attachments i.e. consumer loyalty, love, and passion.

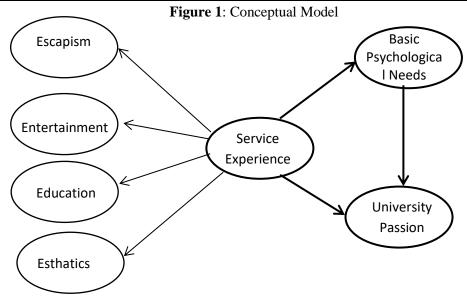
Conclusively, esthetics, escapism, entertainment, and education are the key components of service experience which produce emotional outcome on consumer psychology in terms of product engagement, love, and passion. Generally, consumer psychological outcomes are not limited to customer attachments, loyalty, word of mouth, brand choice, and preference but also can be observed to the next level of cognitions i.e. brand love, passion, etc. However, consumer psychological outcomes are always built on theoretical grounds. Likely, Gilal et al., (2019) has endorsed that literature is replete with the use of repeated traditional theories of marketing, For instance, Maslow's hierarchy of needs theory, the theory of reasoned action, the theory of planned behavior, multiple attribute theory. Gilal et al., (2019) further suggested that the theories that can essentially capture the customers' motivations are ignored in marketing literature. Hence, this study is grounded on basic psychological need theory which is the mini theory of self-determination theory to formulate the following hypotheses (see Figure 1)

H1: Service Experience positively increases university passion among students

H2: Service experience positively satisfies university student's basic psychological needs

H3: Basic psychological needs fulfillment positively increases university passion among students

H4: Basic psychological needs fulfillment mediates the link between service experience and university passion.



# 3. Research Methodology

# **Participants and Procedure**

This study opts for a deductive research approach grounded by ontological and epistemological research philosophies. The purpose is to explore the relationship between service experience and university passion based on a theoretical background in terms of basic psychological needs as in the mediating variable. Following the purpose, university students with a minimum of 20 years participated in the survey. The list of all students enrolled in universities of Pakistan was not available to the researcher nor was it possible to physically visit the university due to the COVID-19 education shutdown. Sequentially, a total number of n=487 responses were collected through Google Forms online survey and only n=432 were considered valid after the data screening and refining phase.

### **Sampling Procedure**

Consequently, non-probability e-convenience sampling was preferred to address the issues highlighted in the outset. The threshold for sample size in non-probability sampling is not well clarified in the literature, however, there are valid assumptions regarding sample size determination protocols. For instance, Bougie and Sekran (2016) and Zikmund and Babin (2015) suggest that the sample size should be as big as possible as it is the best way to reduce the chances of error. Similarly, Lee and Comfrey (1992) proposed that sample size can be evaluated as 100 for poor, 200 fair, 300 good, and 500 very well. Additionally, Hair, Ringle, and Sarstedt (2013) recommend that the

minimum sample size should be equal or greater than 200 for rigorous statistical analysis i.e. structural equation modeling. In this study, a sample size of 432 qualified the sample size protocols as per literature recommendations and was considered sufficient enough to carry out further statistical analysis.

Based on prior cross-sectional studies (Pathan et al., 2017; Gong et al., 2020; Zhang et al., 2019) we adapted all scale items from prior published studies. For instance, the University passion was measured with the 10-items scale adapted from Gilal et al., (2020). The students' autonomy, competence, and relatedness satisfaction were borrowed from Gilal et al., (2018; 2020), originally was in Chen et al., (2015). In a similar vein, the service experience was measured with a dimensional scale used by (Vesci et al., 2020; Park and Lee, 2012).

# 4. Analysis And Results

# **Demographics of respondents**

The demographic profile of respondents is very crucial in research because results will be only valid to that particular group of respondents from whom data is collected. Any change in the demographic profile of respondents will directly affect the results of the study. Keeping in view the importance and need of the respondent profile, the researcher inserted a portion of respondent data in the survey form. It included respondent gender, age, marital status education, and university type as shown in Table 2 represents the demographic factors, profile, frequency, and percentage. It can be concluded that 55% of male and 44.9% female consumers were going through the service experience in their respective universities. These respondents belonged to three age groups in which 48.4% of consumers were from the age bracket of 20-25, 38.2% were from the age group of 26-30, and the remaining 13.4% of customers were from the age bracket of 30 and above. Similarly, in terms of marital status, there were 77.3% married consumers and 22.7% were unmarried. Likewise, 39.3% of consumes were enrolled in graduation, 31.9% were enrolled in MS./M.Phil. Program and the remaining 18.9% of students were enrolled in Ph.D. Finally, out of a total of 432 respondents, 58.1% of consumers were form public and 4.9% were from private universities.

**Table 2:** Respondent Demographics

Measurement	Profile	Frequency	Percentage
			(%)
Gender	Male	238	55.1
	Female	194	44.9
Age	20-25	209	48.4
	26-30	165	38.2
	30 and above	58	13.4
	Unmarried	334	77.3

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Marital Status	Married	98	22.7
Education	Enrolled in Graduation	213	39.3
	Enrolled in MS./M.	138	31.9
	Phil		
	Enrolled in PhD	81	18.8
University Type	Public	251	58.1
	Private	181	41.9

# Reliability and validity and Factor Analysis

To validate scale and measure the internal consistency among used items, three widely accepted techniques including Cronbach alpha, composite reliability, and average variance extracted were carried out. The thresholds for Cronbach alpha suggested by Nunnally and Bernstein (1994) is 0.70, for composite reliability 0.60 is suggested by Bogozzi and Yi, (1988) and for average variance extracted minimum, 0.40 is suggested by Nasip, Amirul, Sondoh & Tanakinjal, (2017) respectively. In this study, results of reliability and validity are consistent with literature recommendations where the internal consistency of all items qualified the threshold of 0.70 i.e. service experience at 0.938, basic psychological needs at 0.929, and university passion at 0.877. Similarly, composite reliability for all variables including service experience, basic psychological needs, and university passion was qualified at the value 0.931, 0.939, and 0.903 respectively. Finally, the results of the average variance extracted were also within the suggest range i.e. service experience at 0.482, basic psychological needs at 0.565, and university passion was found at 0.501 respectively. Conclusively, all latent variables used in this research qualified the reliability and validity criterion as shown in Table 3.

Table 3: Factor Loadings, Reliability and Validity Statistics

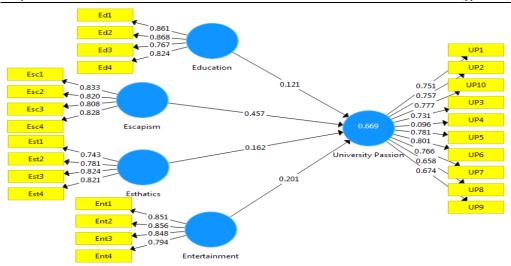
Items	Items		(a)	CRa	AVE <sup>b</sup>
Service	Experience (Education,		0.928	0.931	0.482
Enterta	ainment, Escapism, and Esthetics)				
Educat	ion				
Ed1	The experience in university has made me more knowledgeable	0.615			
Ed2	I learned a lot in university	0.625			
Ed3	University has stimulated my curiosity to learn new things	0.573			
Ed4					
Estheti	cs				
Est5	I felt a real sense of harmony in university	0.649			

				(pp. 36-59)
Just being in university was very pleasant	0.693			
The setting was very attractive in	0.706			
I felt a real sense of harmony in	0.736			
	0.770			
watch in university				
Watching others perform was captivating in this university	0.712			
I enjoyed watching what others were in university	0.755			
doing Activities of others were fun to watch in university	0.731			
inment				
I felt I played a different character in university	0.740			
I felt like I was living in a different time or place in a university	0.698			
I felt like I was living in a different	0.704			
Someone else I completely escaped	0.694			
		0.929	0.939	0.565
University makes me feel a sense of	0.723			
University makes me feel like what I	0.712			
University makes me feel like who I am	0.687			
University makes me feel like what interests me	0.646			
I feel that the university cares about me	0.769			
I feel connected with the university	0.806			
I feel that this university is important to me	0.791			
I experience a warm feeling with this university	0.812			
University makes me feel confident.	0.764			
University makes me feel capable of what I do.	0.750			
	The setting was very attractive in university  I felt a real sense of harmony in university  m  Activities of others were amusing to watch in university  Watching others perform was captivating in this university  I enjoyed watching what others were in university  doing Activities of others were fun to watch in university  inment  I felt I played a different character in university  I felt like I was living in a different time or place in a university  I felt like I was living in a different time or place in a university  Someone else I completely escaped from reality in university  sychological Needs  University makes me feel a sense of choice and freedom.  University makes me feel like what I want  University makes me feel like who I am  University makes me feel like what interests me  I feel that the university cares about me  I feel connected with the university  I feel that this university is important to me  I experience a warm feeling with this university makes me feel capable of	The setting was very attractive in university  I felt a real sense of harmony in university  Match in university  Watching others perform was captivating in this university  I enjoyed watching what others were in university  doing Activities of others were fun to watch in university  I enjoyed watching what others were in university  I felt I played a different character in university  I felt like I was living in a different time or place in a university  I felt like I was living in a different time or place in a university  Someone else I completely escaped from reality in university  Sychological Needs  University makes me feel a sense of choice and freedom.  University makes me feel like what I want  University makes me feel like what I want  University makes me feel like what I mant  University makes me feel like what I want  University makes me feel like what I mant  O.712	The setting was very attractive in university  I felt a real sense of harmony in university  Mactivities of others were amusing to watch in university  Watching others perform was captivating in this university  I enjoyed watching what others were in university  doing Activities of others were fun to watch in university  I felt I played a different character in university  I felt like I was living in a different time or place in a university  I felt like I was living in a different time or place in a university  Someone else I completely escaped from reality in university  Sychological Needs  University makes me feel a sense of choice and freedom.  University makes me feel like what I want  University makes me feel like what I university makes me feel like what I want  University makes me feel like what I want  University makes me feel like what I o.646  interests me  I feel that the university cares about me  I feel connected with the university  I feel that this university is important to me  I experience a warm feeling with this university makes me feel confident.  University makes me feel capable of  0.764	The setting was very attractive in university  I felt a real sense of harmony in university  Activities of others were amusing to watch in university  Watching others perform was captivating in this university  I enjoyed watching what others were in university  doing Activities of others were fun to watch in university  I felt I played a different character in university  I felt like I was living in a different time or place in a university  I felt like I was living in a different time or place in a university  Someone else I completely escaped from reality in university  Sychological Needs  University makes me feel a sense of choice and freedom.  University makes me feel like what I want  University makes me feel like what I university makes me feel like who I am  University makes me feel like what I needs that the university cares about me  I feel connected with the university  I feel connected with the university  I feel that this university is important to me  I experience a warm feeling with this university makes me feel capable of  University makes me feel confident.  University makes me feel confident.  University makes me feel capable of  0.764

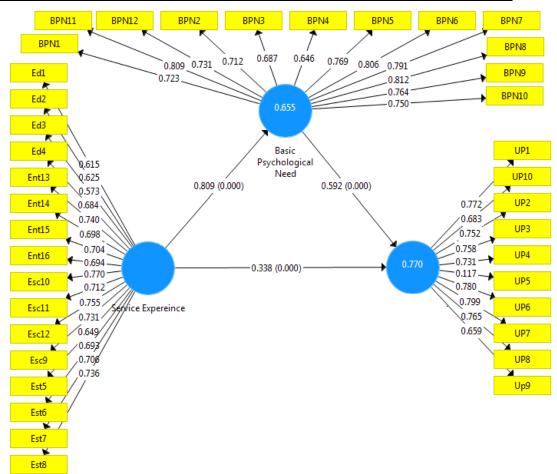
BPN11	University makes me feel competent.	0.809			
BPN12	University makes me feel successful.	0.731			
Univers	sity Passion				
UP1	I have almost an obsessive feeling for	0.772	0.877	0.903	0.501
	this university				
UP2	I have a tough time controlling my	0.752			
	need to take/choose the university				
UP3	The urge is so strong; I cannot	0.758	1		
	consider other universities.				
UP4	I am emotionally dependent on this	0.731	1		
	university.				
UP5	I cannot travel without this university	0721			
UP6	The new thing that I discover with the	0.651			
	university is that it allows me to				
	appreciate it even more.				
UP7	University is in harmony with the	0.780			
	other activities in my life.				
UP8	University reflects the qualities I like	0.799	1		
	about myself.				
UP9	University allows me to live	0.765	1		
	memorable experiences.				
UP10	University allows me to live a variety	0.659	1		
	of experiences.				
-		•			

# **Structural Equation Modeling**

Structural Equation Modeling (SEM) is the diverse set of computer algorithms, mathematical models, and statistical methods that fit the construct data matrix. Therefore, the hypothesized model was empirically tested by performing structural equation modeling using the latest version of SmartPLS statistical software. The path value and loadings of service experience components i.e. education, escapism, esthetics, and entertainment, and university passion are graphically displayed in Figure 2. It affirms the relationship between service experience components and university passion. It can be observed that escapism contributes a larger portion at path value 0.457 where entertainment is the second-highest construct at path value 0.201, esthetics path value 0.162 and education is the least contributor at path value 0.121 significantly. Collectively, all these four dimensions of service experience namely education, escapism, esthetics, and entertainment overall influence university passion at 0.669 significantly.



**Figure 2:** Structural Model Results –A



**Figure 3:** Structural Model Results – B

Additionally, the structural model analysis was twice run using basic psychological need mediating variable between service experience and university passion to access results as per the hypothetical model. Figure 3 represents the path coefficients of all latent variables conceptualized in the hypothetical model of this study. It graphically represents the relationship and influence of the independent variable service experience to the dependent variable university passion which is mediated by basic psychological needs.

Systematically, the results of the conceptual matrix were extracted in tabular form as well. Table 4 represents the path values of a conceptual matrix, standard deviation, T statistics, and P values. The results of the hypothetical model indicate that path value-form service experience to university passion is 0.338 having a sample mean 0.339with a standard deviation of 0.046 and T value 7.290 significant at p = 0.00. Similarly, the path value from service experience to basic psychological needs is 0.809 having a sample mean 0.811 with a standard deviation of 0.018 and T value 43.806 significant

at p = 0.000. Respectively, the path value from basic psychological needs to university passion is 0.592 having a sample mean 0.591 with a standard deviation of 0.045 and value 13.273 significant at p = 0.000 respectively.

**Table 4:** Path Coefficients

	Original	Sample	Standard	T Statistics	P
	Sample	Mean	Deviation	( O/STDEV )	Values
	<b>(O)</b>	( <b>M</b> )	(STDEV)		
Service Experience	0.338	0.339	0.046	7.290	0.000
$\rightarrow$					
University Passion					
Service Experience	0.809	0.811	0.018	43.806	0.000
→Basic					
Psychological Need					
Basic Psychological	0.592	0.591	0.045	13.273	0.000
Need → University					
Passion					

#### **Mediation Results**

To achieve the research aim, the mediation analysis was conducted whose results are given in Table 5. It indicates the specific indirect effect of among variables by providing the path values, the sample means, standard deviation T values, and P values. The results of the mediation analysis revealed that path value from service experience to university passion mediated by basic psychological needs is 0.479 having a sample mean 0.479 with a standard deviation at 0.036 and T values 13.279 significant at p = 0.000.

**Table 5:** Mediation Analysis

Specific Indirect Effect	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Service	0.479	0.479	0.036	13.279	0.000
Experience→Basic					
Psychological Need →					
University Passion					

#### **Hypothesis Testing**

Hypothesis testing was concocted by analyzing the path analysis and multivariate using blindfolding and bootstrapping techniques in the latest version of SmartPLS. The hypothesis testing results are shown in table no. 07. In this study, there were four hypotheses. HI was that there are positive relationship service experiences and

university passion which is supported at on customer  $\beta=0.817$ , t=38.545 significant at p=0.000. Similarly, the second hypothesis of this study was that there is a positive relationship between survive the experience and basic psychological need which is supported at  $\beta=0.809$ , t=43.806 found significant at p=0.000. The third hypothesis of this study was that there is a positive relationship between basic psychological needs and university passion which is supported at  $\beta=0.592$ , t=13.273 significant at p=0.000. The fourth hypothesis of this study was that the relationship between service experience and university passion is mediated by the basic psychological need which is also supported at  $\beta=0.019$ , t=0.713 found significant at p=0.476 as shown in Table 6.

**Table 6:** Hypotheses Testing

Hypothese	Path	Standardize	T	P-	Conclusio
S		d	Value	Valu	n
		Beta		e	
H1	Service	0.817	38.54	0.000	Supported
	Experience →		5		
	University				
	Passion				
H2	Service Experience	0.809	43.806	0.000	Supported
	→ Basic				
	Psychological				
	Need				
Н3	Basic	0.592	13.27	0.000	Supported
	Psychological		3		
	Need→Universit				
	y Passion				
H4	Service Experience	0.479	13.27	0.000	Supported
	→ Basic		9		
	Psychological				
	Need→ university				
	passion				

### **Model Fit Indices**

Purposively, model fit indices like Chi-square, Square Root Mean Square Residuals, and Normative Fit Indices were extracted for the hypothetical model as shown in Table 7. The threshold for these indices suggested by Hu and Bentler, (1999) is SRMR  $\geq$  0.08 and NFI  $\geq$  0.95. The results of this study indicate that model fit indices are within a suggested threshold at SRMS =0.080, Chi-Square =4056.283 and normative fit indices 0.957.

Table 7: Model Fit Indices

Indices	Threshold	Saturated Model
SRMR	≥ 0.08*	0.080
Chi-Square		4056.283
NFI	≥.95*	0.957

### 5. Discussion And Implications

The purpose of this study was to explore the relationship between service experience and university passion on the theoretical grounds. The hypothetical relationship between service experience and university passion is found valid and significant following the results. All hypotheses were found significant with positive relationships at H1 relationship with university passion found affirmative at  $\beta=0.817$  significant at p=0.000, a similar relationship between service experience and the basic psychological need was countered positive and significant at  $\beta=0.809$  significant at p=0.000. Likewise, the relationship between basic psychological needs and university passion is evident at  $\beta=0.592$  and significant at p=0.000. Finally, the service experience relationship with university passion mediated by basic psychological needs is also found positive at  $\beta=0.479$  and significant at p=0.000. Moreover, the results of experiential components were also found positively related to university passion and university students.

Conclusively, theoretical background in terms of basic psychological need theory is validated through this research with the notion that such theories can be applied to predict consumer psychological needs. Moreover, it is found that university passion among university students exists when service experience satisfies consumer basic psychological needs. Thus service experiences like esthetics, education, escapism, and entertainment play a most crucial role in nurturing and developing university passion among university students. It signifies that customer experience is linked directly and indirectly with university passion where basic psychological needs play a satisfactory role in generating overall passion among students. They will be more passionate if they are provided with well-designed and extraordinary experiences during their education period where they are enrolled and perusing their higher students. It also supports that the education industry requires experiential marketing integration through experiential components in such a way that brings university passion among students.

#### 6. Limitations And Future Research Direction

The context itself is one of the limitations of this research. Besides time, budget, and other resources, however, there are few other limitations of this study as well. For instance, in terms of sample size, only active and full-time regular students were included which is the limitation of the study. That student who has successfully graduated from their respective universities could have provided diverse perceptions in terms of service experience and university passion and therefore a separate study is required for generalizability of results of this study is only limited to currently enrolled

students. Based on these limitations, other researchers may focus on further exploration of the idea inductively. There are various other fields and contexts such as online/distance learning education where future researchers can imply the proposed conceptual framework simultaneously and get further insights. This study is conducted from current regular students of universities irrespective of university type therefore other researchers can conduct a comparative study to predict the service experience and university passion. Other researchers can also testify that whether the effect of service experience on university passion is different for male versus female students (Gilal et al., 2020), intrinsically motivated religious students versus extrinsically motivated religious students (Gilal et al., 2020).

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