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**DESIGNING BETTER EXPERIENCES THROUGH STORYTELLING: TWO ESSAYS  
EXAMINING THE APPLICATION OF STORYTELLING IN SERVICE DESIGN AND  
ITS IMPACT ON CUSTOMER AND SERVICE OFFERING-RELATED OUTCOMES**

by

**Olamide T. Olajuwon-Ige**

DISSERTATION

Submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy at the  
University of Texas at Arlington.

August 2022

Arlington, Texas

**Supervising Committee**

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## **ABSTRACT**

The service literature has long recognized that storytelling can be applied in the design of service offerings and their associated customer journeys. The literature also suggests that applying storytelling in service design can enhance the customer experience. However, the customer and firm outcomes that result from applying storytelling in service and customer journey design have not been addressed by the literature. The underlying mechanisms through which storytelling enhances the customer experience and other customer outcomes when applied in service design have also not been addressed by the literature. In addition, there is a shortage of research that addresses the application of storytelling in service design from a customer journey perspective, and even less research that addresses service or customer journey design for experiential services. Using experiential services as a research context, the two essays in this dissertation address the above-identified knowledge gaps in the literature by conceptually and empirically exploring the customer and service offering-related outcomes associated with the application of storytelling in service and customer journey design and the mechanisms leading to these outcomes. Potential moderators of the effectiveness of storytelling as an approach to service and customer journey design are also conceptually and empirically examined. This dissertation also provides guidelines for managers of experiential services on how to apply storytelling in service and customer journey design to enhance the customer experience, customer affective responses, and customer behavioral intentions towards a firm's service offerings. Overall, the findings of this dissertation contribute to the literature by providing a richer understanding of the effects of applying storytelling in service and customer journey design, the mechanisms leading to these effects, and potential moderators of the observed effects. It also empowers service firms generally, and experiential service firms specifically, to leverage the power of storytelling to design and deliver better experiences for customers that translate into favorable firm outcomes.

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## **DEDICATION**

I would like to, first, dedicate this dissertation to Jehovah, my God and my King, the giver of life and all knowledge, wisdom, and understanding. I could not have completed my doctoral program or dissertation without His support and help. Secondly, I dedicate this dissertation to my parents – Mr. Godwin Oladele Ige and Mrs. Rebecca Oyeyemi Ige. Your financial sacrifice, prayers, and unwavering support throughout my academic career provided the platform for me to achieve my dreams academically. I also dedicate this dissertation to my amazing wife, Osaretin, for her love, prayers, support, understanding, and encouragement as I worked towards completing this dissertation. I would also like to appreciate my parents-in-law, Mr. Ayodele Okpefa and Mrs. Ehinwenma Okpefa, whose consistent support and prayers were invaluable during the intense last few months of the program. I would also like to appreciate my brother, Olakunle, my brother-in-law, Osas, and my sister-in-law, Osasu, for all their love, support, prayers, and encouragement throughout my doctoral journey. To all the many friends and family members who have been there for me in different ways throughout my academic journey, I say thank you. I appreciate you. This success is for all of us.

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# CHAPTER 1

## INTRODUCTION

This research examines how the application of stories and storytelling in the design of services and customer journeys enhances the customer experience and other customer outcomes such as the customers' behavioral intentions towards the service offering. One of the earliest works to explore this topic is the work of Pine and Gilmore (1998, 2011), who argued that experiences were the next frontier of economic value and that firms ought to begin to utilize services as a stage to deliver memorable experiences. To design and deliver these memorable experiences, Pine and Gilmore recommended that firms pay attention to the sequence of events that take place across the customer journey the same way that storytellers do in crafting movies, novels, or plays (Pine & Gilmore, 2011). They also suggested that firms should apply Freytag's Pyramid, a well-known narrative structure, proposed by the 19<sup>th</sup>-century playwright, Gustav Freytag, in designing memorable experiences for customers (Pine & Gilmore, 2011). In line with Pine and Gilmore's recommendations, Zomerdijk and Voss (2010) find that experiential service providers (e.g., Royal Caribbean Cruises) and service design firms (e.g., IDEO) often paid attention to the sequence of events in the customer journey, and often sought to maximize the dramatic effect of each touchpoint or interaction with the firm on the customer to enhance the overall customer experience with a service offering.

Zomerdijk and Voss (2011) found that experiential service firms and service designers often applied storytelling in the new service design process for experiential service offerings. They also identified two main ways that stories and storytelling are applied in the service design process. Firstly, stories and storytelling were utilized in the design process to facilitate the communication of insights and ideas between the various stakeholders (e.g., customers and



service designers) in the design process. Secondly, stories and storytelling approaches were utilized as the source material and framework around which experiential service offerings were designed. According to the service designers in Zomerdijk and Voss' research, utilizing stories in service design made the experiential service offering more engaging for customers (Zomerdijk & Voss, 2011). These two approaches to the application of stories and storytelling in service design are reflected in other work that has examined the topic.

Kankainen et al., (2012) for example, in line with the approach that uses stories and storytelling as a communication tool in the service design process, propose Storytelling Group, an approach to service design that uses stories provided by customers to generate insights that guide the work of service designers. Similarly, Atasoy and Martens (2020) propose Storyply, a design approach that combines design principles with storytelling principles to help designers create better user experiences. Kim and Lee (2018), in line with the second approach which entails the use of stories and storytelling as the source material and framework around which experiences are developed, explore how various storytelling models can be applied at various stages of the service design process from framing the design problem to the delivery of the service offering. For example, they explore how Freytag's Pyramid can be applied in designing or choreographing the sequence of touchpoints across the customer journey to facilitate the delivery of the service offering. This dissertation addresses the application of storytelling in service and customer journey design from this second perspective. Across the two essays in this dissertation, I conceptually and empirically explore how stories and storytelling approaches can provide the source material and framework which guide the design of service offerings and associated customer journeys.

The literature which has examined the topic of storytelling in service design, although limited, suggests that service providers generally, and experiential service providers specifically, can deliver better customer experiences through the application of storytelling. However, some knowledge gaps exist within this literature which this research attempts to address. Firstly, the effectiveness of story-based approaches to service design has not been explored from a quantitative perspective, nor has the effectiveness of a story-based approach to service design been compared to approaches that do not employ stories or storytelling. Thus, most of the existing evidence supporting the application of storytelling in service design is conceptual and anecdotal. Secondly, the mechanism(s) through which storytelling enhances the customer experience has not been examined in the literature. Thus, we have a limited understanding of how exactly the customer experience benefits from the application of storytelling in service design. Thirdly, potential moderators of the effectiveness of storytelling approaches to service design have not been identified or examined in the literature. Lastly, while the existing literature provides some guidance on how storytelling can be applied in service design, much of this guidance does not address the issue from a customer journey perspective which is a better approach to designing services that deliver superior customer experiences (Kuehnl et al, 2019; Maechler et al., 2016). For example, research from Mckinsey shows that firm performance on customer journeys is strongly correlated with customer outcomes such as positive word of mouth intentions and repeat purchases, and firm outcomes such as customer churn and customer satisfaction (Maechler et al., 2016).

Across the two essays in this dissertation, I attempt to address the above-identified knowledge gaps in the literature. The first essay conceptually examines the mechanisms through which storytelling enhances the customer experience when applied in customer journey design.

By drawing from the literature on stories, storytelling, and narrative information processing, and the literature on customer journey design and customer experience, I develop a series of propositions describing how storytelling enhances the customer experience when applied in customer journey design. Potential moderators of the effectiveness of storytelling approaches to customer journey design are also identified. This research also reports the results of a qualitative study that explores the application of storytelling in customer journey design and the resultant outcomes from the perspective of customers. Lastly, the essay draws on the literature and the results of the qualitative research study to provide a series of guidelines for how (experiential) service providers can apply storytelling in customer journey design.

The second essay empirically examines how storytelling impacts customers' cognitive and affective responses, behavioral intentions such as positive word-of-mouth and purchase intentions, and overall customer experience evaluations when applied in the design of an experiential service offering. The research also compares customer responses and intentions to a story-based experience to customer responses and intentions towards a non-story-based experience to examine if the application of storytelling in service design does enhance customer outcomes. In addition, the research also examines the role of narrative transportation as a mediator of the effects of the story-based experience on the above customer outcomes. Lastly, the role of immersion as a potential moderator of the effects of the story-based experience on customer narrative transportation and customer cognitive and affective responses is also examined. Through the above research, some of the existing knowledge gaps in the literature are addressed, and contributions are made to the theory and practice of applying storytelling in service design and to the literature relating to customer journeys and customer experience management.

## **ENDNOTE**

American Psychological Association (APA) seventh edition citation style has been used in this chapter.

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## CHAPTER 2

### STORYTELLING IN CUSTOMER JOURNEY DESIGN: A CONCEPTUAL FRAMEWORK AND QUALITATIVE EXAMINATION OF HOW ITS APPLICATION ENHANCES THE CUSTOMER EXPERIENCE

#### **Abstract**

Storytelling has long been proposed in the service literature as an approach to designing better service experiences. The literature has, however, left unexamined the mechanisms through which storytelling influences the customer experience when applied in service or customer journey design. Potential moderators of the effectiveness of storytelling as a service design approach have also not been examined. In addition, much of the limited research that examines storytelling as an approach to service design does not provide detailed guidance on how managers of services can apply storytelling in service design from a customer journey perspective. This research contributes to the service literature by drawing from the narrative literature, the information processing literature, and the service design and customer experience literature to address the above knowledge gaps. This research proposes that storytelling can facilitate effective customer journey design, experiential unpredictability, and customer experiential involvement, all of which enhance the customer experience. Customer familiarity with the story underlying the customer journey design and the presence or absence of visual aids are also identified as theoretically and managerially relevant moderators of the effectiveness of a storytelling approach to customer journey design. This research also provides a guide for managers of experiential services on how to apply storytelling in customer journey design. Finally, the results of a qualitative study that explores the application of storytelling in service and customer journey design and provides some evidence supporting this research's propositions are also presented.

**Key Words:** customer experience, service design, customer journey design, storytelling, experiential services

## **Background and Significance**

Customers buy experiences (Chase & Dasu, 2014; Pine & Gilmore, 2011). The recognition of this simple, albeit profound fact, has led to a significant shift both in the theory and practice of marketing as evidenced by a greater focus on the experiential aspects of consumption by both marketing scholars (Berry et al., 2002; Holbrook & Hirschman, 1982) and marketing practitioners (e.g., Meyer & Schwager, 2007; Pine & Gilmore, 1998). This greater focus on the experiential aspects of consumption, especially from the consumers perspective, has been conceptualized in terms of the phrase “customer experience”, which has rapidly become a major topic of interest for both scholars and practitioners. For example, a Google Scholar search of the keyword “customer experience” on July 19, 2022, shows that 17,200 articles, books, or papers were published on the topic of “customer experience” between 1980 and 2010, but that number exploded to 95,700 between 2011 and 2022. On the practitioner side, a pointer to the growing importance of managing the customer experience is the finding from research by Gartner that shows that the role of chief experience officer or chief customer officer is becoming increasingly popular in many organizations as more and more organizations see the need to have someone in or close to the C-suite who is responsible for managing the customers’ overall experience with the firm (Gartner, 2019). The value of this greater focus on the customer experience is supported by a plethora of research. A 2016 report by Forrester, for example, found that on average, firms that delivered a better customer experience than their competitors in a variety of industries had a compound average revenue growth rate of 17%, which was almost six times higher than the 3% growth rate for firms which delivered a relatively poorer customer experience (Forrester, 2016). Altogether, the existing body of research, from both marketing scholars and marketing practitioners, has firmly established the importance of managing and

enhancing the customer experience as a source of differentiation and competitive advantage for all kinds of firms (Homburg et al., 2017).

It is also true, however, that more than ever before, consumers are buying experiences, or what are known in the service literature as experiential services. Within the context of this research, experiential services are defined as services that the customer participates in primarily to enjoy feelings and sensations which are of value to the customer, and which are co-created through the customer's engagement and/or interaction with the stimuli provided by the experiential service provider (Zomerdijk & Voss, 2010; Holbrook & Hirschman, 1982). Examples of experiential services include theme parks, escape rooms, sporting events, zoos, museums, circuses, magic shows, music concerts, guided tours, themed restaurants, cruises, and a plethora of other services that consumers participate in to enjoy feelings and sensations such as fun, excitement, fear, a sense of adventure, or relaxation.

The experiential services industry, according to data by IBISWorld, recorded revenues of \$275.5bn in 2021, a 36% decrease from a high of \$347bn in 2019, and employed approximately four million people (Le, 2021). Data from research by McKinsey, on the other hand, shows that over the last few years, growth in consumer spending on “experience-related services such as restaurants, hotels, resorts, cruise lines, leisure facilities, etc.”, has accelerated, “growing nearly 4.0 times than [consumer] expenditures on goods” (Goldman et al., 2017, p. 2). According to the McKinsey report, this growth has been largely driven by – the quest for social media likes by consumers, the fear of missing out on exciting experiences, a desire to keep up with peers when it comes to consuming experiences, and the stronger links that the consumption of experiences has with long-term happiness (Goldman et al., 2017).



Although this growth trend in consumer spending on experiences or experiential services was curtailed by the COVID-19 pandemic, early signs suggest that increased consumer spending on experiences is likely to continue post the pandemic. Results from another McKinsey report suggest that more than half of pandemic-fatigued US consumers planned to increase their spending in the coming months, with half of these consumers planning to splurge on experiential services such as restaurants and travel (McKinsey, 2021).

The concept of the customer experience is especially important for experiential services as the “experience” associated with these services is at the heart of the service offering and is the main source of value for the customer (Zomerdijk & Voss, 2010). For experiential services, and in contrast to instrumental or utilitarian services such as banking, insurance, or healthcare, the customer experience is intricately interwoven with the service offering and is not merely an ancillary feature designed to augment or enhance the value of the service offering (Zomerdijk & Voss, 2010). Thus, these kinds of services invest significant amounts of resources and creativity into designing, delivering, and managing an excellent customer experience (Zomerdijk & Voss, 2010; Siebert et al., 2020).

In a bid to deliver an excellent customer experience, service providers have often employed the practice of service design, which according to IDEO the world-renowned global design firm, is “the craft of tying together human, digital, and physical interactions over time to create a truly differentiated experience for your customers” (IDEO, 2018). Service design is also defined as “the orchestration of clues, places, processes and interactions that together create holistic service experiences for customers, clients, employees, business partners or citizens” (Ostrom et al., 2010; Patrício & Fisk, 2013). Essentially, through the practice of service design, service providers can (re)design their service offerings to enhance the quality of the experience

offered to the customer and secure the benefits that result from providing a superior customer experience compared to competitors. A few different approaches to service design exist in the literature. Patrício et al., (2011), for example, propose multilevel service design as an approach to designing service systems, while Teixeira et al., (2016) propose the MINDS method as another approach to service design. Another approach, however, that has generated interest from practitioners and academics alike is the application of storytelling in service design. Research by service scholars (e.g., Zomerdijk & Voss, 2010; 2011) and customer experience practitioners (e.g., Pine & Gilmore, 2011) suggest that service firms generally, and experiential service firms especially, can benefit from applying storytelling in the design of their offerings.

While this stream of literature provides some guidance on how storytelling can be applied in service design, little is known about how the application of storytelling in service and customer journey design enhances the customer experience and other important customer outcomes, such as the perceived experiential value of service offerings. Little is also known about the potential moderators of the effectiveness of storytelling approaches to service design. In addition, much of the research relating to the application of storytelling in service design does not or only briefly describes how storytelling can be applied in service design from a customer journey design perspective. It is, however, important to address these gaps, because to improve or enhance the effectiveness of storytelling approaches to service design, the mechanism(s) through which storytelling influences the customer experience and other customer outcomes must be well understood. Secondly, a customer journey perspective is at the heart of service design that enhances the customer experience because the customers' interactions with the various touchpoints across the customer journey are what create the customer experience (Kuehnl et al., 2019). Indeed, findings from a study by McKinsey which encouraged firms to

adopt a customer journey perspective in customer experience management states that “performance on journeys is substantially more strongly correlated with customer satisfaction than performance on touchpoints and performance on journeys is significantly more strongly correlated with business outcomes such as revenue, churn, and repeat purchase” (Maechler et al., 2016, p. 6-7). The report goes on to state that “delivering a distinctive journey experience makes it more likely that customers repeat a purchase, spend more, recommend to their friends, and stay with your company” (Maechler et al., 2016, p. 6-7). Yet, currently available guidelines on applying storytelling in service design (e.g., Zomerdijk & Voss, 2010; Pine & Gilmore, 2011; Kim & Lee, 2018), do not address the issue from a customer journey perspective, and therefore do not empower practitioners to apply storytelling in the design and delivery of distinctive customer journeys. This research, therefore, attempts to address these knowledge gaps by deepening our understanding of how storytelling influences customer outcomes when applied in customer journey design. It also aims to guide managers of services generally, and managers of experiential services especially, on how to apply storytelling in the design of their service offerings and their associated customer journeys to enhance customer and firm outcomes.

### **Literature Review and Conceptual Background**

This conceptual examination of how storytelling enhances the customer experience when applied in customer journey design and how it can be applied in a customer journey design draws from two main research streams - the story and storytelling in service design literature (e.g., van Laer et al., 2014 and Zomerdijk & Voss, 2010) and the customer experience and customer journey design literature (e.g., Siebert et al., 2020 and Kuehnl et al., 2018). The following sections review some of the key literature in these streams and provide the conceptual background for the subsequent examination of this research’s main themes.

## Stories and Storytelling in Service and Customer Journey Design

According to van Laer et al., (2014) a story is “a storyteller’s account of an event or sequence of events leading to a transition from an initial state to a later state or outcome”. Similarly, Chang (2009) defines a story as a "sequence initiated by some events and actions result[ing] in outcome(s)" (Chang 2009, p. 23). According to van Laer and colleagues, the key elements of a story are the plot, the characters which play a role in the plot, the climax “which results from modulation of dramatic intensity along the plot”, and the outcome or “the end state of the plot” which is the result of the resolution of events within the story (van Laer et al., 2014). Storytelling, on the other hand, speaks to the act and process of communicating a story to an audience of story-receivers through various media (van Laer et al., 2014).

One of the earliest works to explore the possibility of applying storytelling in the design of services is the work of Pine and Gilmore (1999, 2011) who trace the success of Disney to “immersing guests in rides that not only entertain but also *involve them in an unfolding story*” (Pine & Gilmore 2011, p. 4 emphasis added). They, therefore, encourage firms to pay attention to the “sequence, progression, and duration of events just as it is in novels, plays, and movies” (Zomerdijk & Voss, 2011; Pine & Gilmore, 2011). They also address the role of stories in providing the design theme for memorable experiences and encourage firms to adopt storytelling frameworks such as Freytag’s Pyramid in the design of experiences that are valued by customers.

Building on the theme of paying attention to the sequence of events in a service experience as proposed by Pine and Gilmore (2011), Zomerdijk and Voss (2010) in their research found that experiential service firms often adopted a customer journey perspective in the design of the experiential service offering. That is, they paid attention to the sequence, arrangement, and nature of firm-owned touchpoints that the customer interacted with across the customer journey. Experiential service firms also sought to maximize the dramatic effect of the sequence of events

across the customer journey to enhance customer experience. In another research study, Zomerdijk and Voss (2011), find that service designers often applied storytelling in the new service development process for experiential services. According to the service design firms interviewed by Zomerdijk and Voss (2011), designing experiential services around stories made the service offering more compelling for customers. Other research which has examined how storytelling can be applied in service and/or customer journey design includes the work of Kim & Lee (2018) who conceptually explore how different storytelling models such as Greimas semiotic square, Campbell's Hero's Journey, Freytag's Pyramid, and Laurel's Flying Wedge can be applied to different stages of the service design process. Viña and Mattelmäki (2012), on the other hand, describe the application of storytelling as a design strategy in the design of the public metro transportation service of a city in Finland, while Kankainen et al., (2012) propose the Storytelling Group, a participatory, story-based approach to service design, that allows customers to co-design a new service or identify opportunities for improvements in an existing service in collaboration with the service provider or service designer.

Overall, most service designers agree with the oft-repeated quote by IDEO co-founder, Bill Moggridge, about the role that stories play in service design. According to (Moggridge, 2008),

“...when you put all these things together, with elements from architecture, physical design, electronic technology from software, how do you actually prototype an idea for a service, and it seems that really, it's about storytelling, it's about narrative.”

In summary, the literature suggests that services generally and experiential services specifically can benefit from applying storytelling in service design. Furthermore, some of the

papers in this literature such as Kim and Lee (2018) and Zomerdijk and Voss (2010, 2011) specifically allude to the use of storytelling techniques in customer journey design to enhance the overall customer experience. However, as earlier stated, the existing literature has left unaddressed the issue of the process or mechanism(s) through which storytelling enhances the customer experience when applied in customer journey design. Further, the literature provides little guidance on how managers of (experiential) service firms can apply storytelling in customer journey design. Table 1 provides a summary of the existing literature addressing the topic of storytelling in customer journey design and how this research aims to contribute to the literature by addressing the above-identified gaps.

**Table 1:** Key Literature Addressing Application of Storytelling in Service or Customer Journey Design

Paper	Discusses service or customer journey design	Discusses customer journey design for experiential services?	Discusses the use of storytelling or dramatic structures in customer journey design?	Provides a theory-based explanation for how storytelling facilitates effective customer journey design and/or enhances the customer experience?	Provides some guidance on how firms can apply storytelling in customer journey design?
Zomerdijk and Voss 2010 (Service research)	Yes	Yes	Yes	No	No
Zomerdijk and Voss 2011 (Service research)	Yes	Yes	Yes	No	No
Vina and Mattelmaki 2010 (Design)	Yes	No	Yes	No	No
Kankainen et al., 2012 (Design)	Yes	No	Yes	No	No
Pine and Gilmore, 2011 (Practitioner)	Yes	Yes	Yes	No	Yes
Lemon and Verhoef, 2016 (Marketing)	Yes	No	No	No	No
Kim and Lee 2018 (Design)	Yes	No	Yes	No	Yes
Folstad and Kvale, 2018 (Service research)	Yes	No	No	No	No
Kuehnl et al., 2019 (Marketing)	Yes	No	No	No	No
Siebert et al., 2020 (Marketing)	Yes	Yes	No	No	No
This research	Yes	Yes	Yes	Yes	Yes

*\*Discipline of paper's publication outlet is in parentheses.*

## **Customer Experience (CX) and the Customer Journey**

Based on a review of the existing CX literature, Lemon and Verhoef (2016) define customer experience as “a multidimensional construct focusing on a customer’s cognitive, emotional, behavioral, sensorial, and social responses to a firm’s offerings during the customer’s entire purchase journey” (Lemon & Verhoef, 2016, pg. 71). It is important to note that the customer responses which are captured by the customer experience construct are those responses to stimuli which are “non-deliberate and spontaneous” (Becker & Jaakkola, 2020). This almost subconscious nature of the customer experience, according to Becker and Jaakkola (2020), distinguishes the construct from more evaluative customer outcomes such as customer satisfaction, perceived value, or perceived service quality. The customer experience literature generally agrees that the customer experience is formed as customers interact with the different touchpoints of a firm across or along the customer journey (Kuehnl et al., 2019; Lemon & Verhoef, 2016, pg. 71).

As a result of how fundamental the customer journey is to the customer experience, at the heart of effectively managing the customer experience is the practice of designing and managing the customer journey to deliver what the customer perceives as a good experience across the entire customer journey (Følstad & Kvale, 2018; Kuehnl et al., 2019). While several conceptualizations of the customer journey exist in the literature and which Folstad and Kvale (2018) review in detail, this research adopts Patrício et al.’s, (2011) definition of the customer journey as “a series of touchpoints, involving all activities and events related to the delivery of the service from the customer’s perspective” (Patrício et al., 2011, p.182). Touchpoints on the other hand, according to De Keyser and colleagues, “reflect the array of individual contacts between the brand/firm and customers across the customer journey that serve a purpose such as information gathering, payment, unpacking, and usage” (de Keyser et al., 2020, p. 438). Touchpoints may vary in terms of control (firm controlled vs. non-firm controlled), nature (human, digital, or physical), and stage



(pre-purchase, purchase, or post-purchase) (de Keyser et al., 2020). This research focuses on those touchpoints which are firm-controlled, which are human, digital, or physical, and which exist across the entirety of the customer journey.

Folstad and Kvale's (2018) review of the literature shows that the concept of customer journeys has become a central idea in practice and research relating to service design and customer experience management. For example, Kuehnl et al (2019) show that effective customer journey design is an important value driver of the customer experience and significantly influences customer loyalty, which is the end goal of creating an excellent customer experience from the customer's perspective (Homburg et al., 2017).

Most customer journey research, however, has tended to focus on utilitarian or instrumental services such as telecoms, banking, and insurance, which are services customers purchase because they have a job to be done (Siebert et al., 2020). In contrast, besides from the work of Zomerdijk and Voss (2010, 2011), and more recently the work of Siebert et al., (2020) (see Table 1), experiential services have received relatively little attention in the conversation around service design and customer journey design despite their importance as a significant focus of consumers' discretionary spending and their well-established benefits for consumer well-being and happiness (Goldman et al., 2017; van Boven & Gilovich, 2003; Gilovich & Gallo, 2020). To, therefore, partially address the convergence of the customer experience literature around a single, albeit, incomplete perspective on customer journeys, Siebert et al., (2020) argue that instrumental services and experiential services require different types of customer journeys. They propose and provide empirical evidence to support the notion that a smooth customer journey is ideal for instrumental services, while a sticky journey model with an involvement spiral that facilitates rapid entry and never-ending variation is ideal for experiential services.

Ultimately, while the literature significantly advances our understanding of what the customer experience is, the role of the customer journey in creating the customer experience, and how the customer journey for experiential services differs from the customer journey for instrumental services, there are still knowledge gaps in the literature. Our understanding of how to apply storytelling in customer journey design for experiential services to enhance the customer experience is limited. There is also a limited understanding of how storytelling enhances the customer experience when applied in customer journey design. Thus, this research aims to address these gaps and thereby contribute to the literature on customer experience, customer journey design, and experiential services.

## **How Storytelling Enhances the Customer Experience when Applied in Customer Journey Design: Propositions**

### ***Storytelling and Effective Customer Journey Design***

In their paper on effective customer journey design (CJD), Kuehnl and colleagues, define an effective CJD as “the extent to which consumers perceive multiple brand-owned touchpoints as designed in a thematically cohesive, consistent, and context-sensitive way” (Kuehnl et al., 2019). They also provide evidence supporting the conceptualization of effective CJD as a second-order construct consisting of the first-order dimensions of thematic cohesion, consistency, and context sensitivity of touchpoints. Thematic cohesion relates to the “extent to which consumers perceive multiple touchpoints as sharing a common brand theme or experience motif”, consistency of touchpoints pertains to “the extent to which consumers perceive a uniform design of the brand across multiple touchpoints along their customer journeys in terms of design language, communication messages, interaction behavior, process, and navigation logic”, while context-sensitivity of touchpoints “refers the extent to which consumers perceive multiple brand-owned

touchpoints as responsive and adaptive to their specific goals, situational contexts, preferences, and activities” (Kuehnl et al. 2019, p. 555). In line with the customer experience literature which describes the customer journey as antecedent to the customer experience, an effective customer journey design should facilitate a satisfactory customer experience (Kuehnl et al.,2019; Homburg et al., 2017). This research proposes that storytelling can facilitate effective customer journey design by enhancing the thematic cohesion, consistency, and context sensitivity of touchpoints, and thereby enhance the customer experience.

With regards to thematic cohesion, Mossberg (2008), for example, describes how various touchpoints within a hotel in Finland – from the rooms to the bar, to the nightclub and interactions with service personnel – were redesigned to share a common theme based on the Kalevala, the national epic of Finland. Concerning the overall design language of the hotel, Mossberg describes how the interior design of the hotel and its marketing reflected the “strong contrasts – between life and death, light and dark, rural and urban life, old and new, pleasure and sorrow, pride and humility” as narrated within the Kalevala (Mossberg 2008, p. 204). Similarly, theme parks such as Pandora (The World of Avatar) at Disney World, are often inspired by stories that provide the theme and design language for the park’s touchpoints – from its advertising to its websites, to the various attractions that guests enjoy within the servicescape (Trischler & Zehrer, 2012).

Stories can serve as a rich source of themes around which touchpoints can be designed because they allow the storyteller to creatively integrate space, time, and matter to construct new realities containing various elements such as characters, ideas, places, language, and even entire worlds which although, extensive, are unique to the story (Pine and Gilmore, 2011). These unique elements provide a rich lode from which themes or experience motifs that can guide the design of

a brand's touchpoints can be borrowed as shown by the examples of the hotel and theme park cited above.

Furthermore, practitioners in service design (e.g., Moggridge, 2008) and researchers (e.g., Kankainen et al., 2012) have highlighted how storytelling serves as a “design driver that facilitates the style and overall design of a service... a linking thread to connect various details together from architecture and environment design to communication, marketing, and customer experience” (Kankainen et al., 2012, p. 222; Moggridge 2008). This suggests that narratives can also facilitate consistency across multiple touchpoints, and this research proposes that stories can facilitate consistency of touchpoints for the following reasons. Firstly, as earlier mentioned, stories are sequential with subsequent events dependent upon and linked to preceding events (Van Laer et al., 2014). Stories are also a rich source of extensive, albeit unique thematic elements which can be applied as a design theme across a service's multiple touchpoints. Because stories are unique, in the sense that a story about Spiderman and its accompanying thematic elements is very different from a story about Batman, and are sequential, the application of storytelling in customer journey design ensures that the various thematic elements applied in the design of each touchpoint are drawn from a single source, are applied consistently, and are connected in a meaningful manner across the entire customer journey.

Secondly, findings from the information processing literature suggest that consumers adopt a holistic information processing strategy when information is presented as a narrative. According to Adaval and Wyer, (1998), when information is presented as a narrative, consumers consider or evaluate all the elements of the information and their implications holistically and not individually or in a piecemeal manner, as they tend to do when information is presented in a non-narrative format, such as a list. With a piecemeal information processing strategy, consumers do

not consider the connections or implications between separate pieces of information initially but tend to process each implication separately before finally attempting to integrate each separate evaluation to generate an overall evaluation (Adaval & Wyer, 1998). The holistic processing strategy, according to Adaval and Wyer (1998) also makes it easier for consumers to construct and recall mental representations of information from memory, which should in turn aid the “easy recognition, evaluation, and retrieval of information at multiple brand-owned touchpoints” (Kuehnl et al., 2019, p. 555) which is the end goal of touchpoint consistency. Overall, a holistic information processing strategy should ensure that consumers more easily perceive the connections between the various touchpoints linked by a story or narrative.

This research also proposes that through the application of storytelling, a service provider can facilitate the context sensitivity of its touchpoints across the customer journey. Through a combination of technology and storytelling, a firm can match customers with stories that match their desired goals, age, mood, or other stated preferences across a segment of or the entirety of the customer journey (Kuehnl et al., 2019). By adopting a “goal-oriented view of the customer journey”, customers of an experiential service looking to be educated or entertained can, for example, be matched with a story-based journey or series of touchpoints that support the achievement of the desired consumption goal (Becker et al., 2020). Customers can also be matched with age-appropriate stories in terms of characters, content, and complexity across the customer journey through the use of artificial intelligence and intelligent algorithms (Forbes, 2021). By leveraging some of the technology and logic used in game design which facilitates the branching of stories in response to the actions of the gamer (Lindley & Eladhari, 2003; Nelson et al., 2006), firms can similarly create stories that are responsive to the situation and preferences of the

customer across multiple touchpoints or the entire customer journey and thereby, enhance the perceived context sensitivity of the customer journey. Consequently, this research proposes that;

**Proposition 1:** Applying storytelling in customer journey design for services will enhance the customer experience by facilitating the perceived (a) thematic cohesiveness, (b) consistency, and (c) context sensitivity of touchpoints across the customer journey.

It is also expected that consumers who are familiar with the story which is applied in customer journey design will more strongly perceive the thematic cohesion, consistency, and context sensitivity of the story-based touchpoints compared to consumers who are less familiar with the story. This is because according to van Laer et al., (2014) familiarity with a story or narrative is an important moderator of the effect of the story on story-receiver outcomes.

**Proposition 2:** The effect of storytelling on (a) thematic cohesiveness, (b) consistency, and (c) context sensitivity of touchpoints will be stronger (weaker) when the customer is familiar (unfamiliar) with the story underpinning the customer journey design of the service.

### ***Storytelling and Sticky Customer Journeys***

Prior research in the interactive marketing, entertainment, and consumer behavior literature has shown that consumers often value or prefer unpredictability in certain contexts. For example, Shehu et al., (2016) find that a roller-coaster effect, that is, a high variance in viewers' likeability evaluations across the duration of the video drives the viral success of online

advertisements. Within the world of entertainment, Siebert et al., (2020) point out that drama serials (e.g., Game of Thrones) and video games with “unpredictable plotlines” tend to be more enthralling for consumers than drama serials and games with more predictable story structures (e.g., Law and Order). In the consumer behavior literature, the work of Shen et al., (2015), shows that consumers value unpredictability in goal pursuit when they are focused on the process versus when they are focused on the outcome of the goal pursuit. According to Shen et al., (2015) and Shen et al., (2019) unpredictability can create feelings of excitement for the consumer and a strong desire for resolution.

Within the context of storytelling, Quesenberry and Coolsen (2019) build on the work of Shehu et al., (2016) and other researchers in the arena of viral online advertisements and find that online advertising videos that are based on Freytag’s Pyramid, that is, that have a fully developed five-act story, provide the richest roller-coaster experience for viewers and consequently have higher shares and views than online advertisements that do not have a five-act dramatic structure. Similarly, research that has examined visual representations of story plots, such as the work of Reagan et al., (2016) shows that the underlying emotional trajectory of stories tends to exhibit variation between positive and negative emotions over the course of the story. Reagan et al.’s (2016) findings also suggest, in line with the work of Shehu et al., (2016) and Quesenberry and Coolsen (2019), that the more successful stories tend to have narrative arcs featuring several swings between positive and negative emotions across the story. Or in other words, the more successful stories tended to be more unpredictable.

Building on this notion that unpredictability sometimes creates value for the consumer, Siebert and colleagues identify and propose a “sticky journey model” which they argue is the typical customer journey underpinning experiential services (Siebert et al., 2020). They argue that

this sticky journey model, which emphasizes the “excitement of unpredictability”, is distinct from what they call the “smooth journey model”, which places an emphasis on predictability and is mostly derived from research on instrumental services such as banking, pharmacies, and transportation. The smooth journey model, according to Siebert and colleagues, is currently the dominant perspective in customer journey design but is not the type of customer journey offered by experiential services such as Tinder, Pokemon, and CrossFit gyms, which offer a type of customer journey that emphasizes “inconsistency, effortfulness, and unpredictability to keep customers excited.” (Siebert et al., 2020, p. 45). Essentially, at the heart of the “stickiness” of the sticky journey model is the unpredictability, characterized as an “experiential roller coaster”, of the service experience. According to Siebert and colleagues,

“We use the conceptual metaphor of the experiential roller coaster to describe the moment-to-moment experience of the sticky journey because it encompasses the full spectrum of experiential dynamics: the “peaks” of pleasurable experiences, the “valleys” of painful experiences, the “climbs” toward peaks, the “dives” into valleys, and the ever-present suspense about what’s around the next turn” (Siebert et al., 2020, p. 53).

They also suggest that the unpredictability or experiential rollercoaster effect in the customer journey enhances the customer experience for experiential services and leads to increased experiential involvement with the service offering by customers over time. I propose that by applying storytelling in customer journey design, managers of experiential services can infuse their firms’ service offerings with the unpredictability or “rollercoaster effect” that facilitates the customer’s excitement and experiential involvement with the service offering and



thereby enhance the customer experience. Narratives can facilitate this “roller-coaster” effect and experiential involvement through two mechanisms. Firstly, as it is oft-repeated, every good story is filled with ups and down, and the best stories are often those filled with unpredictable plot twists that evoke different emotions from story-receivers. Indeed, as Quesenberry and Coolsen (2019) point out, Freytag’s Pyramid, which visually depicts the story’s ascent to a climax and its descent to the resolution, seems to illustrate a rollercoaster effect similar to that described by Siebert et al., (2020). Secondly, through the process of narrative transportation, which can also be described as experiential involvement with narratives, story-receivers become attentionally and emotionally involved with the story’s plot and characters such that they begin to experience the story’s events and character’s emotions as though they were experiencing them firsthand (van Laer et al., 2014). Overall, stories or narratives do not only depict the different emotions that arise as a result of the various events depicted in the story, but they also allow story-receivers to vicariously experience the thrill of these emotions by facilitating their experiential involvement with the story plot and story characters, thus the following proposition,

**Proposition 3:** Applying storytelling in customer journey design for experiential services will facilitate (a) the unpredictability (roller-coaster effect) of the experience and (b) the customer’s experiential involvement with the experience and thereby enhance the customer experience.

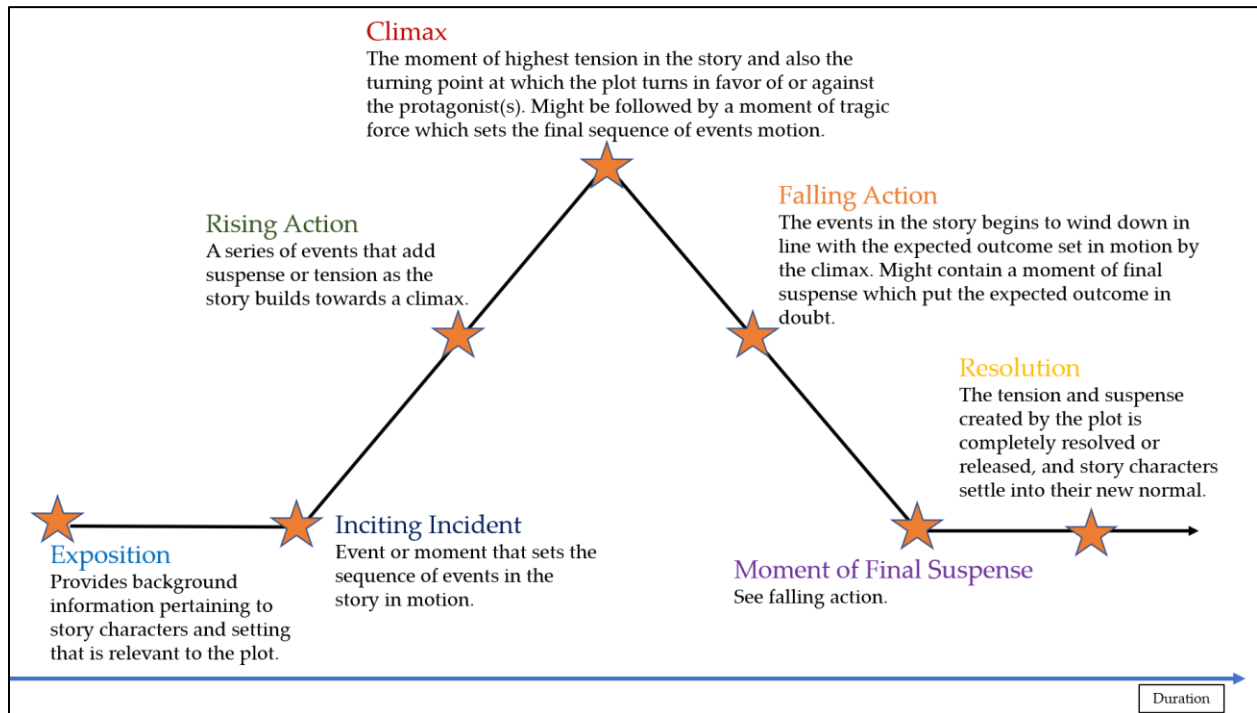
## *Narrative Structures and Customer Journey Design*

According to van Laer et al., (2013), the plot “frames the temporal sequence of events” in a story. The plot, according to Prince (2003), is the “arrangement of incidents; the situations and events as presented to the receiver; ...these incidents can *constitute a structure the main parts of which are characterizable in terms of Freytag’s Pyramid*” (Prince 2003, p. 73, emphasis added). As suggested by the foregoing definition, underpinning the plot is the concept of the dramatic or narrative structure which describes the emotional trajectory of the story (Cobley, 1994). It has long been theorized by proponents of the dramatic and narrative arts that there are a limited number of narrative structures, with all stories known to man, from novels to movies, usually adhering to these well-known narrative structures or story arcs (Reagan et al., 2016).

One of the most popular and well-used dramatic structures in the dramatic arts and academic research is Freytag’s Pyramid, a five-act dramatic structure that was introduced by the German playwright Gustav Freytag (Pine & Gilmore, 2011; Quesenberry & Coolson, 2014). For example, in their seminal book on the “Experience Economy”, Pine and Gilmore describe Freytag’s Pyramid as “explaining the structure of compelling performances” (Pine and Gilmore 2011, p. 161), while Quesenberry and Coolson (2014), and Quesenberry and Coolson (2019) examine how using the five-act dramatic structure enhances poll ratings for Superbowl commercials and online advertising videos. Kim and Lee (2018), as earlier stated, suggest that Freytag’s Pyramid can be applied in designing the customer journey for a service.

The five acts of Freytag’s dramatic structure (see figure 1) are the - (i) introduction (also known as the exposition), (ii) rise (or rising action), (iii) climax, (iv) fall (or falling action), and (v) the denouement (Freytag 1900; Quesenberry & Coolson, 2014).

**Figure 1:** Freytag’s Pyramid showing the Five Acts within a Drama and the Three Key Moments  
(Source: Freytag 1900; Quesenberry and Coolsen, 2014).



Furthermore, Freytag identified three key “dramatic moments” interspersed across the five acts that drive the sequence of events captured by the plot. These three key moments are (i) the exciting moment which occurs between the exposition and the rise and serves as the prompt that sets in motion the sequence of events captured in the story (ii) the tragic moment which connects the events in the falling action, and (iii) the moment of the last suspense, which provides some suspense to the story-receiver as to if and how the ending which is foreshadowed in the story will occur (Freytag, 1900). It should be noted here that Freytag used negative words like “catastrophe” and “tragic” when describing the elements of the dramatic structure he had identified because he was largely examining tragedies, however, the five-act structure identified by Freytag has been applied in crafting comedies as well (Quesenberry & Coolsen, 2014).

Altogether, the five acts and three key moments described by Freytag provide a clear description of the key elements of narrative structure and provide a framework for constructing powerful stories be it fiction or Hollywood movies (Quesenberry & Coolson, 2014). Furthermore, the literature that has examined the use of Freytag's Pyramid in different fields such as television advertising (e.g., Quesenberry & Coolson, 2014), viral videos (e.g., Quesenberry & Coolson, 2019), experience design (e.g., Atasoy & Martens, 2011), and even research manuscript writing (e.g., Peracchio & Escalas, 2008) suggests that leveraging Freytag's dramatic structure in crafting stories leads to better story-receiver outcomes compared to communications that are devoid of a dramatic or narrative structure. For example, Quesenberry and Coolson (2014) compared Superbowl ads that were based on Freytag's narrative structure with those that were not based on the five-act narrative structure espoused by Freytag and found that the ads that were based on the five-act narrative structure were evaluated more favorably than ads that had no discernable narrative structure. Quesenberry and Coolson (2019) also found that online video ads that were based on Freytag's pyramid were shared more by consumers compared to ads that had no discernable narrative structure. Generally, the literature suggests that consumers tend to evaluate information that is structured as a narrative more favorably. For example, Adaval and Wyer (1998) find that consumers evaluated a vacation about which information was presented as a narrative more favorably than a vacation about which information was presented as a list. Adaval and Wyer (1998) also found that respondents tended to recall more information about the narrative-based vacation option compared to information about the list-based vacation option. Mattila, (2000) reported similar results for customers with low familiarity with a service category who viewed ads for a restaurant.

According to Schank and Abelson (1995) and Adaval and Wyer (1998), most of the information about our life experiences are structured and stored in memory as narratives, thus, people generally have greater skill and ease in processing information that is structured as a narrative compared to information where the thematic and temporal relatedness of the pieces of information are not apparent, such as a list of information, for example. According to Adaval and Wyer (1998), information that is structured as a narrative is evaluated more favorably and is easier to recall (that is, memorable) because consumers are more easily able to construct and recall mental representations of the sequence of events described in the narrative compared to information that is presented as a list. Based on the foregoing, I propose:

**Proposition 4:** Applying narrative structure in customer journey design for an experiential service will cause the service to (a) be evaluated more favorably and (b) be more memorable compared to an experiential service that does not utilize narrative structure in customer journey design.

Adaval and Wyer (1998) in their research also found that this advantage of narratives over lists is particularly enhanced when the narrative information is accompanied by visual aids such as pictures which make it easier for consumers to imagine the sequence of events depicted in the narrative. Thus;

**Proposition 5:** The effect in propositions 4a and 4b above, will be stronger (weaker) when the touchpoints across the customer journey include (do not include) visual aids such as pictures or videos that relate to the story or narrative upon which the overall service experience is based.

## **Qualitative Study**

This study was carried out to gather additional insights relating to the application of storytelling in customer journey design and its impact on the different aspects of the customer experience with service offerings.

## **Methodology**

In-depth interviews were performed with participants who had visited an experiential service in the previous six to nine months. An experiential service is defined as services that the customer participates in primarily to enjoy feelings and sensations which are of value to the customer and which are co-created through the customer's engagement and/or interaction with the stimuli provided by the experiential service provider (Zomerdijk & Voss, 2010; Holbrook & Hirschman, 1982). Examples of experiential services include theme parks, escape rooms, sporting events, zoos, museums, circuses, magic shows, music concerts, guided tours, themed restaurants, cruises, and a plethora of other services that consumers participate in, passively or actively, to enjoy feelings and sensations such as fun, excitement, fear, a sense of adventure, or relaxation.

A convenience sample of thirteen (13) individuals was recruited over the space of three months and interviewed. Five (5) participants were male, while eight (8) were female. The ages of participants ranged from 18 to 68 years old. Table 2 provides demographic information about the qualitative research participants. Semi-structured interviews were conducted with each participant using a combination of open and closed-ended questions. All participants were presented with and responded to the same set of questions to lessen differences between participant responses and to facilitate consistency during data analysis. Participants were also prescreened to ensure that they had visited an experiential service in the last six to nine months before the interview. All interviews began with a set of questions designed to collect demographic information from participants after which they were asked, "Have you visited an experiential service for pleasure or fun purposes in

the last six to nine months?”. Once the participant responded in the affirmative, a series of open-ended questions were asked to explore participants' perceptions of the experiential service they had visited, their perceptions of the use of storytelling in the design of the experiential service offering, and how they perceived that the use of storytelling impacted their experience. The discussion guide for the in-depth interviews is provided in Appendix A at the end of this chapter.

**Table 2:** Descriptive statistics for interview participants

Name	Gender	Marital Status	Age	Ethnicity	Education	Type of Experiential Service Discussed in Interview	Storytelling applied in customer journey design of experiential service (Yes/No)
Respondent 1	Male	Married	32	Caucasian	Graduate degree	Theme park	Yes
Respondent 2	Female	Married	30	Caucasian	Undergraduate degree	Theme park	Yes
Respondent 3	Male	Married	42	Caucasian	Graduate degree	Theme park	Yes
Respondent 4	Female	Married	39	Caucasian	Graduate degree	Circus	No
Respondent 5	Female	Single	27	Asian	Graduate degree	Theme park	Yes
Respondent 6	Female	Single	18	Caucasian	High school	Theme park	Yes
Respondent 7	Female	Married	35	Caucasian	Graduate degree	Theme park	Yes
Respondent 8	Male	Married	68	Caucasian	Graduate degree	Circus	No
Respondent 9	Female	Single	23	Asian	Undergraduate degree	Escape room	Yes
Respondent 10	Female	Married	26	African American	Undergraduate degree	Theme park	Yes
Respondent 11	Male	Single	19	Hispanic	Undergraduate	Theme park	No
Respondent 12	Male	Single	21	Asian	Undergraduate	Theme park	No
Respondent 13	Male	Married	23	Caucasian	Graduate degree	Theme park	Yes

After the interviews, participant responses were analyzed to identify and code major themes by following the four-phase process described in Anaza et al., (2020). In the first phase,

the transcript of each interview was read to identify relevant themes. In the second phase, recurring themes were identified and compiled. In addition, similarities and differences between participants' responses, especially differences arising from the application of storytelling in customer journey design versus the non-application of storytelling were also identified. In the third phase, emergent themes were compiled and associated with corresponding remarks from participants. At this stage, distinctions between design-related themes and themes related to the outcomes of applying storytelling in customer journey design were also identified. In the fourth and final phase, all themes and outcomes identified through the analyses of the interviews were aggregated to arrive at the final set of research themes and outcomes. The identified themes are discussed in the following section.

## **Results**

### ***1. The use of storytelling across the customer journey***

Most experiential services that apply storytelling in experiential service design tended to apply storytelling only at the core stage of the customer journey and not throughout the entire customer journey. Thus, most participants tended to recognize and enjoy the benefits of the presence of a story only at the core stage of the customer journey. For example, Respondent 6 stated that;

The first time I realized [there] was a story was during the ride. It's always during the ride.

– Respondent 6

No, I most of the things that I see from Disney [at the pre-purchase stage] are family-oriented, experience-oriented, smile oriented. I don't necessarily typically see ride-oriented [information]. – Respondent 13



While, Respondent 7, another participant who had visited Disney, in response to the question, “So, you never encountered this story [in a Disney-related way] at any point before you got to the actual location where you went on that ride?” replied “No”.

**Interviewer:** So, you never encountered this story at any point before you got to the actual location where you went on the ride?

**Respondent 7:** Well, I mean, besides in a movie.

**Interviewer:** Yeah, but like, not in a Disney-related way?

**Respondent 7:** No.

Generally, the interviews with study participants who had visited story-based experiential providers, especially theme parks, suggested that the first time that they encountered stories across their customer journey was during the core experience stage of the customer journey. However, this tendency to only use storytelling at the core stage of the experience might be a characteristic that is unique to theme parks. For example, Respondent 9 who had visited an escape room, reported that she had encountered the story that the escape room was based upon at a pre-core-experience touchpoint, that is, the website of the escape room.

## ***2. The role of familiarity with the story***

Participants’ responses suggested that experiential service providers, especially theme parks tended to use stories that customers are somewhat familiar with in the story-based design of experiential service offerings. With theme parks, for example, the stories that rides are based on are often drawn from popular movies (e.g., Transformers), books (e.g., Dr. Seuss and Harry Potter novels), TV shows (e.g., The Simpsons), or other intellectual property such as comics or cartoons that customers are familiar with. For example, study participants who had visited theme parks had the following to say as relates to familiarity with the stories that rides were based upon:

Most of them [rides] [you recognized the story] at the beginning because a lot of them are childhood things, so you already knew the story, so you kind of went in prepared.  
– Respondent 2

...the rest of my party are Harry Potter fans. I would say I'm not nearly as big a fan. But yes, they could relate with the story, [and] make comparisons from the ride to the books. – Respondent 3

I think my favorite [ride] was The Simpsons [because] simulations usually have the right amount of movement for me so I don't get motion sickness and *also the storyline behind it. It was funny and I understood it because I do watch [The] Simpsons.* – Respondent 6

... a lot of those [motion simulator rides] are based on familiar stories like Transformers and that kind of stuff. So you go into those and you kind of know what to expect. – Respondent 1

In some cases, however, there is a slight twist or variation to the story to introduce some unpredictability into the story-based experience, as customers' being too familiar with the story could be detrimental to the overall experience. For example, Respondent 1 had the following to say:

The simulator rides like Motion Simulator rides, a lot of those are based on familiar stories like Transformers and that kind of stuff. So you go into those and you kind of know what to expect. You kind of see what's gonna happen there. *But for most of them, as far as I can tell, they try to do at least something original. Something that's not just a rehash of a movie or something, so they try to keep you a little bit guessing to where it's new to you.* – Respondent 1

Further, and consistent with Proposition 2, the results of the interview suggested that customers' familiarity with the story on which an experience was based enhanced their enjoyment and engagement with the story-based experience by facilitating their perception of the thematic

cohesiveness and consistency across touchpoints. For example, participants had the following to say with regards to familiarity:

You know, I think it makes it just easier to follow and it's kind of, I think human beings just in general, we like what we're familiar with. So like, it's like you get more excited about seeing things that you're familiar with than if you just didn't know anything about it. – Respondent 7

But those in my party that were very familiar [with Harry Potter] and had read the books and everything they, you know, very much enjoyed it. – Respondent 3

Additional insights from participants suggested that unfamiliarity with the story, on the other hand, hindered customers' from fully engaging with story-based experiences and recognizing the story-based connections between touchpoints. For, example, Respondent 3, a study participant who was not too familiar with one of the story-based experiences he encountered at a theme park had the following to say:

I think it may be a little difficult if you are not familiar with [the story] or did not have any background. It may be a little more difficult to follow the whole immersive experience. I don't know that you would necessarily get to the end of all of the [story-based experience] and say “Oh, I did not enjoy it” but I think it would be a little more difficult to follow everything if you at least didn't have a little bit of background [about the story]. – Respondent 3

Thus, to facilitate customers' full engagement with and enjoyment of story-based experiences, experiential service providers sought to ensure that customers had some measure of familiarity with the story underlying the experience before customers engaged with the story-based experience. Experiential service providers often used videos and other servicescape elements, such as mannequins or the design of the building where the experience was located to

provide some background information about the story the experience was based upon. With regards to the foregoing, participants had the following to say:

...they put a lot of work into even the part where you're waiting in line. [The mindset is almost like] “I'm gonna set things up and let you know that, hey, we're going to be going on this [ride] and it's kind of different from most rides. And pay attention, I'm trying to set the story of what you're going to go through”. *[At Universal they used] for lack of a better word, Jurassic type theming, throughout the waiting areas, and then they've got videos to kind of explain some sort of a little back story of what you're going through and everything like that.* And so, you can get to the front like, OK, well, what I'm gonna experience is a continuation of that.” – Respondent 1

Yes, but Universal does a really good job. Like I said, again, the lines are very long. So the journey to the ride tells you or gives you hints or implies what's going to happen. – Respondent 6

### ***3. The role of the servicescape***

Experiential service providers who employed storytelling in the design of their service offerings often placed a lot of emphasis on the design of the servicescape and other elements that customers interacted with to ensure that every element supported or facilitated customer immersion in the story. Immersion, in this case, is defined as a “psychological state characterized by perceiving oneself to be enveloped by, included in, and interacting with an environment that provides a continuous stream of stimuli and experiences” (Witmer & Singer, 1998, p.227). With regards to the amount of resources and creativity that story-based experiential service providers invested in the servicescape to facilitate customer immersion, interview respondents had the following to say:

The [rides that had stories] were very heavy on scenery. So it was, it was kind of immersive. You were able to kind of play into the whole nothing exists outside of this particular ride at that point in time. So, it made it easier to focus on what was going on. It made it very immersive. So, like in the Harry Potter ride, you're sitting in things that are like tweed baskets, right? They kind of go with this whole hippogriff thing. When you're

in the Jurassic Park River adventure, you're on like this wood barge. They kind of make sense with this jungle theme of where you're going. So they do a lot of work to theme, to make sure everything fits the story they are trying to tell.” - Respondent 1

“The different things they do to reinforce the story are, for example, they move the ride to what the actors are doing, so if you're flying up your roller coaster is going in an upward motion, or if you're falling down, they move. You are moving at the same time as what the projector is moving at. Also, they add a lot of water, so if they're like having to go jump in the water, water splashes you so it feels like you're jumping with them. When they're moving through the air really fast like they're flying, they do use fans to blow your hair back so you feel like you're flying with them. It's a total body experience.” - Respondent 6

There were sound effects and there was like smoke effects in the room too. So it's pretty cool. It makes [the experience] more real and [you are] like thinking, “okay, I'm in the middle of nowhere, I'm just in this hotel room. Nobody is around. And I have to find a way to get out.” Yeah. That's tiny, minor stuff that I think adds more to my feelings and the excitement of the experience.” - Respondent 9

Customer responses also suggested that this feeling of immersion facilitated customers' transportation into the world of the story.

The design of a lot of the like carts or the coaster, most of them were indoors, so I wouldn't say coaster, but the cart that you sat in like ET you rode like a bicycle because they ride a bike in the end...like through the ET ride, all of the architecture throughout the thing that you went through was all designed like around the city. At one point it showed you like all of the ET characters. And so it just felt like you were in the movie, brought to life... I mean, they did a fantastic job. You definitely felt like you were in that story...like involved...like experiencing it firsthand. – Respondent 2

I think it was like 4D. [It] was very interactive. You felt like you were there. – Respondent 6

#### ***4. The importance of the complexity and quality of the story***

Another interesting insight that emerged from the interviews was that experiential service providers who offer story-based experiences needed to pay attention to the complexity and quality of the story under-pinning the experience, especially when the experience is designed to attract a broad demographic. This insight relates to the role of context sensitivity of touchpoints and demands that experiential service providers make every effort to match customers with stories that align with the situation or preferences. Participant responses suggested that when, for example, the complexity or richness of a story underpinning an experience was not properly matched with the demographic profile of customers', the story-based experience could quickly become boring or dissatisfying. For example, Respondent 1 had the following to say about a story-based ride that was primarily designed for children but often had adult riders:

I think some of the Doctor Seuss rides would be better examples of that because they are rides specifically based on books. ***Once you've gone through it once, you're like, there's no reason for me to be here again.*** Except for the fact that I have a little kid who loves this ride, and I have to sit here and go through this ride again. ***But I think once you've already experienced it once, it's just so repetitive and there's nothing that it's almost like a detraction, like it takes away from the experience in that regard.*** The main problem with the Doctor Seuss ones in particular, as opposed to say, the Jurassic Park ones, is that they are based on stories that everyone has already read since they were three or four years old. And so you go into it knowing exactly what that story is already going to be. And it's not heavily immersive, because it's for kids. There are certain areas that light up and you look at everything there and then that's it. ***Whereas if you go on, say, the Jurassic Park rides or something that are [based on] new stories that you're not familiar with, if you go through it once, there's so much more there, and it's so new to you that you can't get the full experience. So, you've gotta go through multiple times just to get the full experience.*** – Respondent 1

The above response also highlights the earlier mentioned detrimental effect that customer over-familiarity with the story underlying an experience or customer journey could have.

### ***5. How non-story-based experiential services created valuable feelings and sensations***

Experiential service providers who did not apply storytelling in the design of the customer journey or service experience sought to create feelings of fun or excitement through various means such as facilitating play and social interactions between customers and creating a sense of danger. For example, with regards to facilitating play and social interaction, one of the study respondents had the following to say:

So I told you the barge [ride] that my son loved [and] that I like too. That one didn't really have much of a story at all, right? But it relied so much on your experiences, you're going to get wet, right? The whole thing is you're in there playing with the people in the tube around you to try and get everybody else wet. So, if you look at it as you go on that ride, there's almost nothing... but it's still a super fun and engaging ride because it's all about getting wet all the time and interplaying with the people that are that are in the experience with you as opposed to engaging with the environment itself. Yeah. So that one did a really good job making up for the fact that there was no story.” - Respondent 1

While in terms of creating a sense of danger, respondents said:

So they felt that the big showstopper, if you were, was the motorcycles in the cages, and I agree that it is the most dangerous of the events, and so I can see why that would be it. And it's also the loudest by far. – Respondent 4

And then they went immediately from that to these individuals who were walking on the outside of this cage thing that itself was going around. And then you thought, well, there's a risk, there's a danger involved. Then as soon as they stop that, they're riding these motorcycles inside this cage and crossing each other. So the story there, I would say is, you know, risk and danger, but controlled, you know, obviously no one was harmed. No one was hurt, but they certainly got your heart rate up and your concern for these individuals.” – Respondent 8

Yeah, I mean, they were fun. They were exciting because you're going too fast. It's kind of hard to have a story behind that. So, they were more of your thrill rides. So, they were obviously fun in their own aspect. – Respondent 2

## *6. The effects of applying storytelling in customer journey design*

Interviews with the study participants also provided insight into the outcomes resulting from the application of storytelling in customer journey design. Firstly, and consistent with proposition 3, participants' responses suggested that applying stories in customer journey design adds novelty or unpredictability to what would otherwise be a predictable experience. For example, with regards to the predictability of story-based rides respondents had the following to say:

And so when you have these new stories that are accompanying these rides, then you get that novelty factor. So you get to experience this thing for the first time instead of already having some kind of an inclination of what to expect. – Respondent 1

I think it actually would decrease the [predictability]. If it is a story you don't necessarily know where the rides gonna go because you're paying attention to all of these other things [and] not just the ride. Whereas if you're just riding a ride by itself, take away all of the theming, take away all the music, take away everything except for just the ride, you're paying attention to what's coming up next. You wanna kind know “Hey, what's this?” So for a first-time rider of story-based ride, I would say that the predictability of what's gonna happen next on the story is [low]. At least for the ride, you're less likely to know what's gonna happen next because you're not necessarily paying attention to that. – Respondent 13

Secondly, and consistent with the proposed role of storytelling in enhancing customers' experiential involvement with the service offering in proposition 3, participants repeatedly stated that stories made the experiential service more engaging and more immersive. Participants' responses also lent credence to the reasoning that customers could experience narrative transportation as a response to the application of storytelling in customer journey design. With regards to the foregoing, study participants had the following to say:



I felt like it was more immersive and so you felt more connected and it was more exciting to me. I feel like the ones that I ended up enjoying the best were all the ones that seemed to actually tell a story...If I was to go back, I would still definitely do the ones that seemed to have a story, those would probably be my preference over the other ones. – Respondent 2

If it wasn't for that story, there would be no ride. It would be boring. So like the story really makes that ride. – Respondent 10

It impacts your overall experience because you feel like you're in the story with them. You're going along with them while they fix the problem, it just engages. It makes you wanna keep your eyes open. Because there are a bunch of projections, there's a bunch of details in the ride. It's not like Busch gardens. Busch Gardens is a place for just mainly rides. This place, Universal Studios keeps you engaged and they have many hidden details. And they make you want to keep your eyes open, [to] see the entire thing. – Respondent 6

I think that the rides that have stories to them are more interesting. And just like we're talking about, like, suspending your reality and things like that, I think you're more likely to suspend your reality if there's a story to follow [...] I think [the experience is] a little more special when there's a story. – Respondent 7

I think the story plays a very important part in having a good experience... it [makes the experience] more relatable and it makes the experience more real. – Respondent 12

Thirdly, and consistent with proposition 1, participants' responses supported the notion that stories facilitated the thematic cohesion and consistency of the various touchpoints or moments across the customer journey or experience.

When you went to universal, you could go to the Harry Potter world, right? So everything was themed when you went there. The restaurants are themed that way. There were interactive attractions where you could buy [a] Harry Potter wand or something like that. There were different places that you could interact with different things. And so because of that, because it was themed that way, it was very easy to relate. [You could easily say] OK, let's go to the Harry Potter world or let's go to the Nickelodeon world. You know

where everything is themed the same way, right? The food, the attractions, the rides, so it made it very easy as a consumer to [think] OK, yeah, this is very interactive. This is very enjoyable as a consumer.” – Respondent 3

Yes, I bought the donut. Have you ever watched The Simpsons? They have this really big donut. I bought the huge donut.” – Respondent 6

...there was a train in the Doctor Seuss area that you could basically [use to] tour the entire Doctor Seuss land and it had, like, incredible views. But it went over the shop. There was a restaurant underneath with a shop that you like passed through. You could, like, watch everybody. And then it was like when you exit, it was at the bottom. ***I mean, they you could tell they were all connected even without the ride, because they had similar pink colors [and] the same architecture.*** – Respondent 2

On the other hand, when a story was absent from the experience, the connections between the touchpoints or moments of the experience were not apparent and transitions from one touchpoint or moment to another were perceived as abrupt.

But no, this didn't have a story or a theme and not even really a timeline where you could see what was coming, right? So, everything transitioned and it was OK, ***but there were a few moments, perhaps, where it was, you know, you're having horses and then suddenly you're having girls with hula hoops and you're like, there are not necessarily related in any way but they are all fun...*** I feel like any of the events could have been in any particular order and it wouldn't have mattered. So each one of them as a whole collectively contributes to the idea of what circus is. But there isn't necessarily an order.” – Respondent 4

So they would have, for example, what I said about the animals, one act sort of led to the next one, but then there would be, not awkward, but there would be abrupt changes to something different. So, for example, there would be animal acts and then there would be, you know, human trapeze walking on the outside of this device that was going around and things like that..” – Respondent 8

## **Discussion**

The results of the qualitative interviews provide interesting insights into customers' perceptions of the application of storytelling in customer journey design and how the application

of storytelling impacts the customer experience. Overall, analyses of the data show that the application of storytelling in customer journey design does enhance the customer experience. The data also largely supports the propositions outlined in this research and lends credence to the theorizing of this research as to the mechanisms through which the application of storytelling enhances the customer experience. For example, the role of storytelling in facilitating thematic cohesion and consistency of touchpoints are largely supported by the data. The data also supports the notion that storytelling facilitates the unpredictability of the experience and customers' experiential involvement with the experiential service offering. The results also support the proposed role that customer familiarity with the story and the presence of visual aids play in enhancing the effectiveness of storytelling as an approach to customer journey design. Altogether, the results of the qualitative research study support the core proposition of this research – through the application of storytelling in customer journey design, (experiential) service providers can design and deliver distinctive and memorable experiences for customers.

## **Theoretical Contributions**

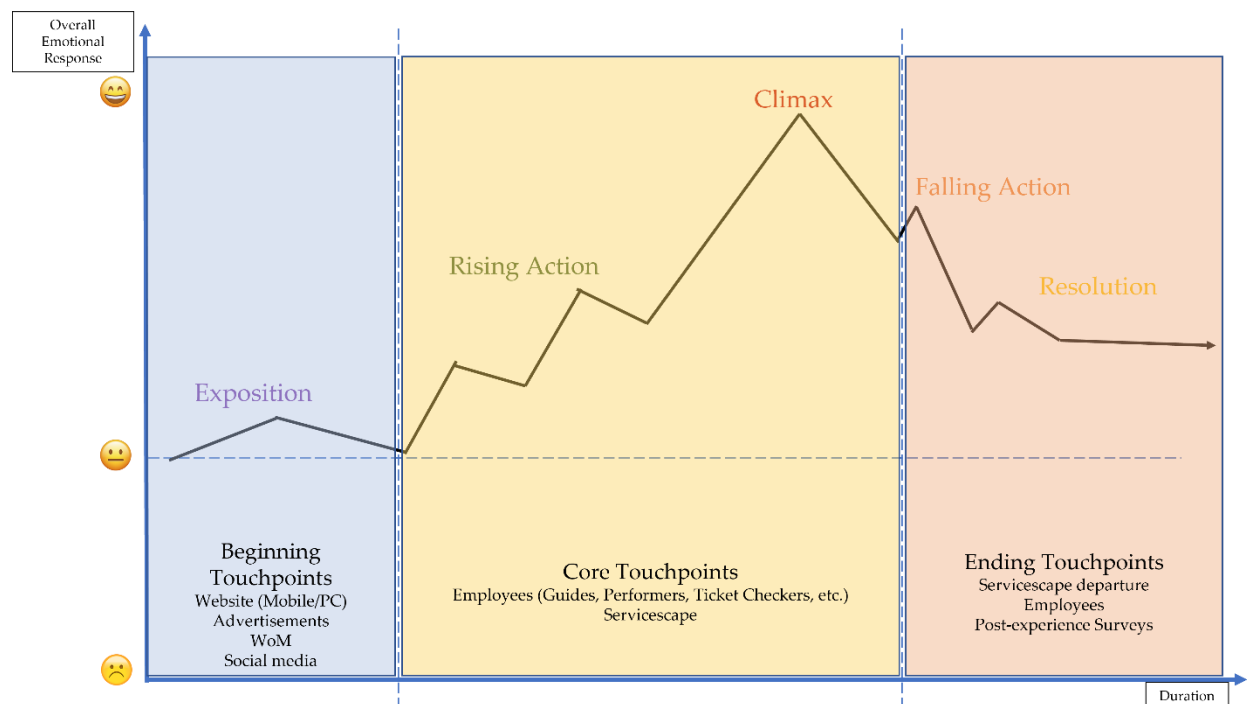
Firstly, this research contributes to the literature relating to the application of storytelling in service and customer journey design by providing a narrative-theory-driven explanation of the mechanisms through which storytelling enhances the customer experience. By drawing from the storytelling and narrative information processing literature, this research highlights the role of storytelling in facilitating thematic cohesion and consistency of touchpoints, the unpredictability of the customer journey that leads to excitement, and increased customer experiential involvement with the service offering.

Secondly, this research also identifies the role of customer familiarity with the story underpinning the customer journey design and the presence/absence of visual aids as theoretically and managerially relevant moderators of the effectiveness of storytelling when applied in customer journey design. Thirdly, this research contributes to the limited research on service and customer journey design for experiential services by providing a narrative-theory-based guide on how storytelling can be applied in the design of the customer journey for these kinds of services with the end goal of designing and delivering better experiences for customers. While the literature in this area (e.g., Siebert et al., 2020) provides the service design principles for designing sticky customer journeys, it does not provide much guidance on how experiential firms can implement these principles. This research complements the work of Siebert et al., (2020) by proposing storytelling as an approach to implementing the design principles required to create sticky customer journeys.

## Managerial Implications and Guidelines for Applying Storytelling in Customer Journey Design for Experiential Services

In this section, this research provides guidelines for how managers of experiential services can apply storytelling in customer journey design from the pre-core or beginning stage to the post-core or ending stage of the service experience (Voorhees et al., 2017). Because Freytag's pyramid captures to a large extent the key elements of stories as identified by van Laer et al., (2014), this research's recommendations on how experiential service providers can apply storytelling are framed within the context of the five acts of Freytag's pyramid (see figure 2).

**Figure 2: Applying Freytag's Pyramid to the Different Stages of the Customer Journey**  
(Source: Authors conceptualization based on Freytag, 1900 and Voorhees et al., 2017)



*i. Preparing to Utilize Storytelling in Customer Journey Design: Identify Key Moments and Touchpoints Across the Service Experience from the Customer Perspective*

Before applying storytelling in the design of an experiential service, the service provider must identify the key moments and touchpoints, that is, those moments and touchpoints that have the greatest influence on the overall customer experience, across the service experience from the customer perspective. This can be done through a variety of qualitative research methods which allow the service provider to identify these crucial moments and touchpoints across the customer's journey around which the story-based service experience can be developed.

For example, Trischler and Zehrer, (2012) describe a multi-step qualitative approach encompassing a variety of qualitative research methods such as personas, observations, and guided interviews that can be used to identify and visualize critical incidents that occur across a customer's journey within a specific service experience and uncover insights that can guide the (re-)design of the overall service experience. Similarly, and as earlier mentioned, Kankainen et al., (2012) describe storytelling group, a participatory service design method that employs focus group discussions to bring service providers, service designers, and customers together to tell a story that describes a customer's journey and relationship with a specific service to unearth insights that can be used in service design or service innovation. From a practitioner perspective, IDEO, the world-renowned design firm considers moments that are operational, unique, or drivers of high value as moments across the customer journey that often have the greatest impact on the overall customer experience. Operational moments are moments that address the functional needs of the customer, such as buying a ticket via a services website for example.

Unique moments are those that differentiate a service provider from its competitors, while moments that are drivers of high value are those moments where customers benefit the most from a service and perceive its value most strongly. After identifying these key moments and accompanying touchpoints across the customer journey, the next step is for the experiential service provider to create a story that links these moments and touchpoints together to enhance the customer experience.

*ii. Create or Choose a Story that Connects the Key Moments and Touchpoints across the Customer Journey*

To create a story that guides the design of the customer journey and overall service experience, a firm could choose to utilize a story that is rooted in the culture of its target market, as in the example cited in Mossberg (2008), where the Kalevala, the national epic of Finland is used to guide the design of the entire service experience of a Finnish hotel. A firm could also choose to borrow stories from popular culture, buy the rights to popular stories, or create a new story. The stories may be fictional or non-fictional, but the sequence of events described in the story must be perceived by the story-receivers as plausible, as this verisimilitude, according to van Laer et al., (2014) is the key ingredient that influences story realism, and story realism is necessary for narrative transportation or the customer's experiential involvement with the narrative to occur. Ideally, the story should be one that the target segment(s) of the experiential service provider will be familiar with. If not, the service provider should make every effort to facilitate customer familiarity with the story before the core experience through videos, pictures, and the design of the servicescape.

The story should be designed to encompass every key moment and touchpoint of the service experience identified in the first step above. These key moments and

touchpoints should be used to tell the story and should contain visual aids that enable the customer to imagine or see the events described in the unfolding story as this will enhance the customer's comprehension of and experiential involvement with the story.

In the following sections, we describe how the story can be told across the customer journey using the five-act narrative structure of Freytag's pyramid as a guiding framework.

*iii. Exposition: Drawing Customers into the Story During the Pre-Core Stage of the Customer Journey*

The role of the exposition is to introduce the characters, the setting within which the story takes place, and any aspects of the character's backstory that are pertinent to the story (Freytag, 1900; McKee, 1997). Furthermore, Freytag argues that the purpose of the exposition is to prepare "the spectators for the chief part of [the action]" and therefore recommends that the exposition be short and "should be kept free from anything distracting" (Freytag, 1900, p. 117-120). The exposition thus plays a role akin to the role of the "narrative hook" a literary technique which is usually used at the beginning of a work of fiction, to capture the attention and curiosity of the reader" (Mansi & Ghoraibi, 2018). In short, the purpose of the exposition is to quickly capture the attention of the story receiver and stimulate a keen desire to enjoy (consume) the rest of the story.

Thus, once the story guiding the design of the overall service experience has been decided, the principle of the exposition should be used at key moments and touchpoints at the pre-core stage of the service experience such as the firm's website or advertisements for example (Voorhees et al., 2017), to stimulate consumer curiosity about the story-based experience, and to increase their desire to consume the rest of the story. Universal Orlando



Resort uses this approach in the advertisements to launch their new Jurassic World-themed roller-coaster, dubbed the Velocicoaster (see video here <https://youtu.be/VZmLgJr42W0>).

Providers of experiential services such as tours, museums, zoos, theme parks, and cruises can also leverage advances in virtual technologies such as 360-degree or virtual reality videos to give potential customers a virtual taste of the story-based experience offered by the firm. For example, Red Door Escape Room, an escape room chain with locations in California, Oklahoma, and Texas, offers customers a free virtual reality demo of its story-based virtual reality escape room (<https://vr.reddooreescape.com/fort-worth>).

***iv. Create Excitement through the Exciting Force and Rising Action***

The exposition is followed by the exciting force (or inciting incident) which is the moment that instigates the sequence of events reported in the story, starting with the rising action, a single prolonged act or sequence of moments that progressively increases the tension and suspense within the story by involving the protagonist(s) in increasingly more complicated and complex events or obstacles that keep them from achieving their desired goal (Freytag, 1900; McKee, 1997).

The inciting incident can be designed around a key moment right after the exposition, such as the moment when the customer purchases a ticket or the moment when the customer arrives within the servicescape. Thus, the inciting moment should mark the start of the core stage of the service experience and the goal should be to highlight to the customer that an action has been taken or an event has occurred that sets in motion the exciting sequence of events that follow.

The purpose of the rising action is to create a sequence of moments that gradually increase the tension and suspense as the story builds towards the climax. To facilitate the

creation of the rising action, experiential service providers should arrange the sequence of events within the story-based experience such that it builds from a smaller moment, event, or attraction to a larger one, and so on till the core experience reaches the largest and most exciting moment, event, or attraction, which should be the climax of the service experience. Where possible, experiential service providers can also gradually increase the tempo of activities as the sequence of events builds towards the climax to create the rising action effect. For example, a tour based on the American Civil War as described in Chronis, (2008) could move progressively from visiting the sites of smaller, relatively non-significant skirmishes in the war to battles that had greater significance to the overall outcome of the war, with the climax being a visit to the site of the Battle of Gettysburg.

v. ***The Climax***

Following the rising action is the climax, the most exciting and significant moment in the entire story, where the plot set in motion by the exciting moment turns irreversibly in a given direction for better or for worse (McKee 1997, Quesenberry & Coolsen 2014). Within the context of a story-based service experience, the climax of the story should be at the heart of the core stage of the service experience and designed around the moment that is a driver of high value – the moment when the customer most clearly perceives the value of the service experience and “feels good about paying for it” (IDEO, 2018). This moment and accompanying touchpoint could be the most exciting attraction at an amusement park, museum, zoo, or tour, or the grandest attraction within the context of the specific story the service experience wishes to stage for its customers.

If no such moment exists within the current experience as offered by the service experience, then it is important that this moment, which stands out from the rest of the

service experience and serves as a culmination of all the preceding events be created and integrated with the story-based service experience. This is important as research that has examined consumers' evaluations of a sequence of events recommends that service experiences contain one or more peak moments as these are moments that are drivers of high value which tend to have an outsized influence on consumer evaluations of the service experience (Verhoef et al., 2004). It is also recommended that the peak or climax moment of the service experience be placed as close as possible to the end of the experience as research shows that consumers tend to demonstrate a recency effect where the most recent experience in a temporal sequence of events is weighted more in consumer evaluations of the entire sequence of events (Shehu et al., 2016; Kahneman et al., 1993). These rules have been codified in service design as the “peak-end rule” which generally recommends that a service experience ends with a peak moment as this final moment and the peak experience tend to be weighted more by consumers when evaluating the overall service experience (Cook et al., 2002; Kahneman et al., 1993).

*vi. Falling Action and the Resolution*

The falling action and resolution are the moments after the climax when the story begins to slowly wind down towards a new normal for the characters impacted by the events of the climax (Quesenberry & Coolson 2014). Freytag (1900) suggests that to hold the interest of the story-receiver, suspense should be created by stimulating the interest of story-receivers in what is new, thus “new forces, perhaps new roles, must be introduced”. Freytag also recommends sometimes including a moment of final suspense, just before the resolution that puts the outcome of the story in doubt to create suspense before the resolution (Freytag, 1900).

From a service and customer journey design perspective, the falling action and resolution, following McKee (1997), should be designed to gently bring story-receivers down from the excitement of the climax and provide some closure as the experience comes to an end. Hence, a moment that ties the entire experience together and provides closure for customers must be included in the customer journey. For a tour, zoo, amusement, or theme park, this could take the form of acknowledging the experience that customers have just enjoyed, addressing any concerns or questions, and offering customers a warm, memorable departure from the servicescape.

## **Conclusion**

This research has conceptually examined how storytelling enhances the customer experience for services generally and experiential services specifically by facilitating the design of better customer journeys. The results of the qualitative research also support the theorizing of this research as to how storytelling enhances the customer experience when applied in customer journey design. From a theoretical perspective, this research contributes to the literature by identifying the mechanisms through which storytelling enhances the customer experience. From a managerial perspective, this paper provides a detailed, narrative-theory-based guide for managers of experiential services on how to apply storytelling in customer journey design. This empowers managers of experiential services to move beyond using themes in designing their service offerings or using stories at select moments of the customer journey to using storytelling to design entire customer journeys and service offerings that set the stage for customers to have a better experience.

## **ENDNOTE**

American Psychological Association (APA) seventh edition citation style has been used in this chapter.

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## Appendix A

### Qualitative Interview Discussion Guide

#### Study Purpose

The purpose of this qualitative study is to examine customer responses to various (storytelling) approaches to service design, assess the effectiveness of these approaches (in communicating a story to customers), and the impact of each approach on key customer outcomes such as the customer experience and the perceived value or perceived quality of the experiential service.

#### Description of Experiential Services

Experiential service organizations deliver services in which the customer experience is at the core of the service offering. These services provide the necessary physical context within which customers can enjoy exciting, fun, and memorable moments. Examples of such services include theme parks, amusement parks, tours, zoos, cruises, museums, themed restaurants (e.g., Hard Rock Café, Rainforest Café), and experiential retail stores.

#### Research Questions

##### **1. General info**

- Name?
- Age?
- Marital status?
- Have you visited any experiential service for pleasure/fun purposes in the last six to nine months?
  - If yes, which experiential service?
- What was the time duration of your visit?
  - Days/hours?
- Did you go alone or with someone else/other people?
  - If yes, how many other people did you go with?
- Have you visited this experiential service before? If yes, how many times?

##### **2. Perception of the experiential service:**

- Why did you choose to visit this experiential service in particular?

##### **3. The guest's experience:**

- How was your overall experience with the service? Please describe it.  
Did your experience at the service make you feel that you entered a special world (escaping from daily life)?
  - If yes, how?
- What do you think played a key role in helping to create that feeling of entering a special world?

##### **4. The experiential service's use of storytelling and themes**

- Did you recognize a special theme, concept, or story in the experiential service?
  - If yes, what is it about? Please describe it.
- Which stories have been told to you through your visit to the experiential service?

- (For example, through the website, decorations, atmosphere, talk with the personnel or other guests?)
- At what moment did you recognize the stories, theme, or concept? Before you visited the experiential service? During your visit? Or after your visit?
- What aspects of the experience helped you recognize the stories?
  - Prior experience?
  - Some aspects of the experiential service environment such as pictures, videos, or interactions with the service personnel?
- Was there anything in the environment – sights, sounds, smells, etc., - that help you recognize the story?
- Were you familiar with the story?
  - How do you think your familiarity with the story influenced your experience?
- How did the experience's theme or stories influence your overall experience?
  - Any specific positives?
  - Any negatives?
  - Did it help you see the theme that connected various touchpoints (define in consumer terms)?
  - Did it help make you feel that the design of the brand across various touchpoints was consistent?
  - Did the story make the overall experience more fun or memorable?
- Did any aspects of the experiential service reinforce the theme, the stories, or the feelings that the experiential service is trying to tell?
  - If yes, which aspects?
  - How did this/these elements reinforce the theme or story?
  - If no, why?
- Have you told anyone about your experience e.g., through Instagram or Facebook or word of mouth?
- 
- Will you retell your experience to others? (For example, write about it on Facebook, share pictures via Instagram etc.)
- Have you received/bought a product that will make you remember your visit to the experiential? (a souvenir, leaflet, something eatable, etc.)

## 5. Closing questions/remarks:

- Is there something the experiential service could improve to communicate/tell its theme/concept/stories better to the guests? If yes, what?
- Any final remarks?

**Reference:** Koll, S. L. (2015). Using Themes and Storytelling in Framing Guests' Experience in the Danish Hospitality Industry. *Copenhagen: Copenhagen Business School*.

## CHAPTER 3

### STORYTELLING IN THE DESIGN OF EXPERIENTIAL SERVICES: EXAMINING ITS EFFECTS ON CUSTOMER AND OFFERING-RELATED OUTCOMES AND THE ROLES OF NARRATIVE TRANSPORTATION AND IMMERSION

#### **Abstract**

Much of the evidence supporting the application of storytelling in service design is largely anecdotal, and no research examines the effects of a storytelling approach to service design on the customer experience and other customer outcomes from an empirical perspective. The comparative effects of story-based versus non-story-based experiential service offerings on customer responses and outcomes have also not been examined in the literature. In addition, the mechanisms through which storytelling influences customer outcomes are not addressed in the literature. To address these knowledge gaps, this research examines the effects of a story-based approach to the design of an experiential service offering on the customer experience, the customer's cognitive and affective responses, and the customer's behavioral intentions towards the experiential service offering. These responses and outcomes for a story-based experiential service are also compared to those for a non-story-based experiential service offering. The results show that the mere application of storytelling in service design does not translate into favorable customer outcomes. Rather, the customer's ability to understand the narrative underlying the experience is key to obtaining any benefits from applying storytelling in service design. The results also show that narrative transportation mediates the effects of the story-based experience on customer outcomes and responses and that immersion does moderate the effects of the story-based experience as anticipated.

**Key Words:** service design, storytelling, narrative transportation, customer experience, experiential services

## **Introduction**

A magician friend of mine recently told me about a debate that exists within the magician community. Some magicians believe that at the heart of every good trick and performance should be an engaging story. Some other magicians, on the other hand, believe that the cleverness of the trick should be enough to inspire amazement in customers and do not see the value of integrating a story into their tricks or performances. This dichotomy in terms of whether an experiential service provider applies storytelling in the design of its service offering persists in other types of experiential services such as theme parks, cruises, guided tours, etc. Some service providers emphasize a story-based approach to the design of their experiential service offerings while others take a non-story-based approach, yet others employ an approach somewhere in between, by designing experiences that have an underlying theme, but not necessarily a fully developed story.

Recently, the Ringling Circus, one of the oldest and most famous circuses in the world, which shut down in 2017 announced a return, with a new show format that is expected to debut in September 2023 (Nir Maslin, 2022). The new Ringling circus, according to a press release, will feature no animals, a mainstay of circuses for hundreds of years, but will instead focus on narrative-based performances by human acts. The managers of the circus hope that this animal-free, story-based iteration of the circus will be more attractive to circus goers than the previous non-story-based version of the circus which focused heavily on animals as the main attraction (Nir Maslin, 2022). Other circuses such as the Loomis Bros. Circus (Loomis Bros. Circus) and the Carden Circus (Carden Circus) continue to offer non-story-based shows that rely on animals and other human acts to entertain the audience. Similarly, in the world of theme parks, one of the many rides at Universal Studios Orlando, Harry Potter and the Escape from Gringotts, is a roller-coaster ride based on a story from the famous J.K. Rowling novels that feature a young wizard named Harry Potter, as the protagonist (Universal Studios Florida, 2022). Batman the Ride, in contrast, is a

themed rollercoaster ride offered by Six Flags Over Texas (Six Flags Over Texas, 2022), which while themed for the famous DC Comics superhero, Batman, has no story underlying the ride experience.

Overall, while the service design literature has long recognized that storytelling could be employed in the design of experiential services (Zomerdijk & Voss, 2011), it remains unclear whether a story-based approach provides superior customer and firm outcomes compared to non-story-based or theme-based approaches. To my best knowledge, no study has explicitly examined the effect of story-based experiential services on customer affective and cognitive responses and other firm-relevant customer outcomes, or compared customer responses and outcomes for story-based experiences with responses and outcomes for non-story-based experiences.

Thus, this research builds on the literature relating to narratives and service design to examine whether story-based approaches to the design of experiential services enhance customer outcomes compared to non-story-based approaches. This research also examines and seeks to identify the mechanisms through which storytelling-based approaches to experiential service design influence customer outcomes. Specifically, this paper examines the role of narrative transportation as a mediator of the effects of the story-based experience on customer outcomes such as customer experience evaluations and post-consumption customer behaviors and intentions such as word of mouth (WoM) intentions and purchase intentions. This research studies narrative transportation within the context of story-based experiential services which entail the use of a variety of mediums such as moving rides, people, props, purpose-built servicescapes, and virtual reality technologies, amongst others, which are distinct from those studied in traditional narrative transportation research which has often focused on written text, and more recently, videos and social media posts and reviews (see Van Laer et al., 2014 and Van Laer et al., 2019 for a review).

Building on the prior literature, experiential services are defined as services that the customer participates in primarily to enjoy feelings and sensations which are of value to the customer and are co-created through the customer's engagement and/or interaction with the stimuli provided by the experiential service provider (Zomerdijk & Voss, 2010; Holbrook & Hirschman, 1982). For experiential services, the feelings and sensations co-created through the customer's participation in the service experience are the primary source of value for the customer (Zomerdijk & Voss, 2010; Siebert et al., 2020; Holbrook & Hirschman, 1982). Examples of experiential services include theme parks, escape rooms, sporting events, zoos, museums, circuses, magic shows, music concerts, guided tours, themed restaurants, cruises, and a plethora of other services that consumers participate in, passively or actively, to enjoy feelings and sensations such as fun, excitement, fear, or a sense of adventure or relaxation.

Further, this research also draws from the literature on immersion and virtual environments to explore how the customer's physical and virtual immersion in an experiential service environment influences customer outcomes. Many experiential services now provide virtualized versions of their core offerings in response to the COVID-19 pandemic and to reduce the environmental impact of travel or excessive visits to popular tourist spots. Therefore, in response to this shift, it is important to examine how different levels of immersion in the service experience impact customer responses and outcomes, to better understand how providers of virtual experiential services can enhance the service experience for customers. Although prior research (e.g., Fornerino et al., 2008) has examined how immersion influences consumers' responses to experiential stimuli, to the best of my knowledge, no research has examined how a customer's physical or virtual immersion in an experiential service might impact the customer's narrative



transportation, cognitive and affective responses, and other downstream outcomes influenced by the experiential service.

Altogether, this research, which focuses on two key experiential service design elements – the presence or absence of a narrative in the experience and the level of customer immersion in the experience, is in line with Arnould's (2007) reasoning that for marketers to co-create better experiences with consumers they need to understand,

“... the operation of transportation or immersion, the ways in which narrative frames and devices facilitate value-adding performances by firm-provided resources, and how marketer-provided resources cue consumer narrative practices that turn performances into experiences” (Arnould 2007, p. 191).

## Literature Review

### *Storytelling in Service Design*

One of the earliest works to highlight the application of storytelling and other dramatic elements, such as a dramatic structure, in the design of experiential services is the work of (Pine & Gilmore, 1998, 2011). They suggest that to offer compelling experiences to customers while using services as a stage, service providers should pay attention to the “sequence, progression, and duration of events just as it is in novels, plays, and movies” (Pine & Gilmore, 2011; Zomerdijk & Voss, 2010). They specifically recommend that service providers apply Freytag’s Pyramid, arguably the most popular narrative plot structure in designing and sequencing the events of the experience. Zomerdijk and Voss (2010) build on this idea to propose that providers of experiential services could adopt the principle of dramatic structures as applied in storytelling in the design of service experiences to create a desired emotional effect on customers. To this end, using a case study approach, they find that some experiential service providers such as Guinness guided tours and Royal Caribbean cruises pay attention to the sequencing of events in the experience offered to the customer to enhance the overall dramatic effect of the experience on the customer.

In a follow-up paper addressing the topic of new service development (NSD) for experiential services, (Zomerdijk & Voss, 2011) find that storytelling was one of many approaches used by service design agencies in the NSD process for experiential services. According to Zomerdijk and Voss (2011), service design firms contend that the application of storytelling in the design of experiential services facilitates the creation of a more compelling experiential service offering, and ultimately ensures a good customer experience. Zomerdijk and Voss (2011) find that storytelling is used in two different ways in the service design process. Firstly, it is used as a tool for gathering and communicating the intangible insights and ideas associated with the design of

an experiential service from and among stakeholders. Secondly, stories can serve as the source material, inspiration, or model on which the experiential service offering is based, as in, for example, a story-based ride at a theme park such as Walt Disney World. These two approaches to the use of storytelling as highlighted by Zomerdijk and Voss (2011) reflect the two main perspectives from which the application of storytelling has been explored in the service design literature.

For example, in line with the first approach to the use of storytelling in service design, (Kankainen et al., 2012) propose Storytelling Group, an approach to service design that combines elements of focus group discussion and collaborative scenario building. Within the context of this approach, stories provide information and insights that help service designers better understand the customer journey and ultimately generate new and better service ideas or prototypes. With regards to the second approach to the use of storytelling in service design, Kim and Lee, (2019) conceptually explore how various storytelling models such as Greimas Semiotic Square and Freytag's Pyramid can be applied to the different stages of the service design process – from framing the service problem to the design of the service delivery process or the customer journey. This second approach to the application of storytelling in service design, which focuses on the use of stories and storytelling elements as the source material and framework around which an experiential service is designed, is the focus of this research.

Altogether, the literature provides a rich conceptual exploration of how storytelling can be applied in service design. However, much of this research, aside from being conceptual (vs. empirical), has largely left unexamined how the application of storytelling in service design might impact the customer experience and other customer outcomes, the mechanism(s) through which storytelling might influence these outcomes, and potential moderators of the effects of storytelling.

This research stream has also not explored how customer responses and outcomes for story-based experiences might compare with responses and outcomes for non-story-based experiences.

Therefore, by addressing these gaps in the literature this research aims to contribute to theory and practice relating to the application of storytelling in service design. Table 1 summarizes the relevant literature and the proposed contributions of this research.

**Table 1:** Key Literature Examining the Use of Storytelling in Service Design

<b>Paper</b>	<b>Method</b>	<b>Contribution</b>
Zomerdijk and Voss 2010	Qualitative	Provides evidence through analysis of 17 case studies supporting the designing of “customer journeys” and “touchpoints”, for sensory design, and the designing of a dramatic structure of events by experience-centric service providers and design agencies.
Viña and Mattelmäki, 2012	Conceptual/Qualitative	Reviews the literature describing how storytelling can be applied in service experience design and then describes a case study in which storytelling approaches were used to create service concepts.
Kankainen et al., 2012	Conceptual/Qualitative	Introduces a co-design method called Storytelling Group that combines collaborative scenario building and focus group discussions to facilitate service experience design.
Pine and Gilmore, 2011	Conceptual	Highlights the role of the experience in creating value for customers and uses theatre as a model to describe how service providers can stage compelling experiences for customers.
Kim and Lee 2019	Conceptual	Proposes “storytelling” as a way to organize human experience and explores how to apply storytelling to the design of the structural service experience by exploring the representative models of storytelling in the context of the service design process.
This research	Empirical/Quantitative	<p>Identifies the effects of story-based experiences on key customer outcomes and provides quantitative evidence that the application of storytelling in service design leads to better customer outcomes compared to non-story-based approaches.</p> <p>Identifies narrative transportation as the mechanism by which storytelling influences the customer experience and other customer outcomes and increases our understanding of the moderating role of immersion within the experiential service experience.</p> <p>Provides experiential service providers with an understanding of the role of narrative structure as a key ingredient in the effectiveness of story-based approaches to experiential service design and guidelines on how to design effective story-based experiences.</p>

### *The (Extended) Transportation Imagery Model and Narrative Transportation*

The transportation imagery model (Green & Brock, 2002; 2000), which guides this research's exploration of the application of storytelling in service design, is a theory from the psychology discipline that describes how stories or narratives, through the process of transportation, lead to narrative persuasion, that is, changes in the attitudes and beliefs of people due to the consumption of a story. The theory was originally proposed by Green and Brock (2000) as a way to understand how narrative-based forms of information impacted consumers' beliefs. Green and Brock's investigation into narrative-based forms of information or poetics was inspired by the observation that most persuasion research had tended to focus on information that was structured as rhetoric, that is, information designed to facilitate belief change or persuasion through logical arguments and had largely ignored narrative-based information (Green & Brock, 2000).

Thus, in their research Green and Brock (2000) make a distinction between the transportation imagery model and rhetoric-based models of persuasion such as the elaboration likelihood model (Petty & Cacioppo, 1986). They also show that narratives primarily lead to changes in consumer's beliefs through the process of narrative transportation which is defined as "a combination of attention, imagery, and feelings, [through] which an individual becomes immersed in a narrative world" (Green, 2021, p. 87).

The transportation imagery model has been extensively used in the communications literature to understand how various elements of communication such as the form (e.g., fiction versus non-fiction), medium, or the presence or absence of characters influences the persuasiveness of the message (Van Laer et al., 2014). To address some of the limitations of the transportation imagery model, Van Laer et al., (2014) proposed the extended transportation imagery model (ETIM) which articulates the antecedents of narrative transportation, its potential

moderators, and its consequences beyond belief change or persuasion. The ETIM is described in greater detail in a subsequent section.

To the extent, however, that experiential services are designed using storytelling principles, findings from transportation imagery model-related research into narratives suggest that narrative transportation could occur and be a key driver of the effects of the story-based service experience on customer outcomes. For example, Escalas (2004) showed that consumers who were prompted to engage in mental simulations of using a product presented in an ad experienced narrative transportation which in turn mediated the positive effects of the mental simulation on attitudes towards the ad and brand evaluations. Similarly, Phillips and McQuarrie (2010) provide evidence to support their assertion that narrative transportation is one of five possible consumer responses to fashion ads depending on the specific elements of the advertisement. Cao et al., (2021), on the other hand, show that customers who watched a short video of a tourist destination that was structured as a narrative experienced narrative transportation which in turn led to a stronger sense of presence that positively enhanced viewers' attitudes about the tourist destination.

Altogether, the above and several other studies in the narrative transportation literature show that one of the consumers' responses to narratives is narrative transportation – the feeling of being carried away into the world of the story (Green & Brock, 2000, 2002; Van Laer et al., 2014). However, much of this research focuses on stories presented via print or video as the medium for communicating the story. The stories or narratives in traditional narrative transportation research also typically intend to persuade the customer to adopt a particular perspective, attitude, or behavior. Experiential services, on the other hand, use a variety of mediums in story delivery and do not typically aim to persuade the customer to adopt a specific belief or attitude or engage in a specific behavior. In contrast, experiential services, as earlier described, often have the goal of

facilitating the co-creation of feelings and sensations that are of value to the customer. Based on these distinctions, this research examines narrative transportation within the context of story-based experiential services, the key drivers of transportation within this context, and its effects on the customer experience and customers' behavioral intentions towards a firm's experiential service offering.

### ***Immersion***

Immersion is a construct often mentioned in the literature about narratives due to its similarities with narrative transportation (van Laer et al., 2014; Phillips & McQuarrie 2010). It is also often discussed in the research relating to consumer experiences and in research about the concept of presence in the virtual reality literature (Hansen & Mossberg, 2013; Witmer & Singer, 1998). Thus, different conceptualizations of immersion exist across various disciplines (see Nilsson et al., 2016; Hansen & Mossberg, 2013 for a detailed review). For example, Hansen and Mossberg (2013) point out that the term immersion is often used interchangeably with engagement and involvement within the video game literature. Within the virtual environment literature, on the other hand, the term immersion is often used interchangeably with presence "the subjective experience of being in one place or environment, even when one is physically situated in another" (Witmer & Singer, 1998). Within the virtual environment literature, immersion is also sometimes conceptualized as a dimension of presence (Witmer & Singer, 1998; Nilsson et al., 2016). In addition, Nilsson et al., (2016) also identify the use of the term immersion as a response to narratives within the video games literature. Ultimately, based on their review, Nilsson et al., (2016) identify four conceptualizations of immersion that exist across disciplines - immersion as a property of a system, immersion as a perceptual response, immersion as a subjective response to



narrative contents, and immersion as a subjective response to challenges within the virtual environment.

This research adopts the view that immersion is a perceptual response to some stimuli and adopts Witmer and Singer's definition of immersion as a "psychological state characterized by perceiving oneself to be enveloped by, included in, and interacting with an environment that provides a continuous stream of stimuli and experiences" (Witmer & Singer 1998, p. 227). Similarly, Pine and Gilmore (2011) describe immersion as "becoming physically (or virtually) a part of the experience itself" (Pine & Gilmore 2011, p.46).

According to the literature, immersion is a necessary ingredient for customers' participation in an experiential service (Hansen & Mossberg, 2013; Carù & Cova, 2006). That is, immersion in the experiential service is fundamental to customers engaging with the elements of the experiential service to co-create their experience. Thus, in their work describing how experiential service providers might facilitate customer immersion in the service experience, Caru and Cova (2006) highlight nesting, investigation, and stamping as three sequential steps the customer passes through to become immersed in an experience. Nesting entails the customer perceiving the experiential stimuli and identifying "points of anchorage" that the customer can latch on to within the experience. Investigation entails the customer either merely observing the experience or engaging in the discovery of something new within the experience which may be positive or negative. Stamping encompasses the customers' "development of impressions" of the experiential service and the "attribution of meaning" to the experience in a way that is unique to each specific customer. They also argue that each step in the process of customer immersion can be supported or hindered by service elements, such as other customers or a (un)comfortable

servicescape, and also by the customers' knowledge and competencies as relates to the specific experiential service context.

Other studies which have examined the role of immersion in shaping or influencing consumer experiences include the work of Fornerino et al., (2008) who find, within the context of experiential services such as movies and a live musical, that immersion positively influences the intensity of customers' felt emotions during the experience. They also show that, in some situations, immersion is positively related to the intensity of a customer's social interactions with other customers participating in an experiential service. Lunardo and Ponsignon (2019), on the other hand, identify autonomy as a key antecedent of immersion in experiential services. They also find that greater customer immersion in an experiential service leads to greater customer satisfaction with the experience. They identify temporal dissociation, one of the consequences of immersion, as the variable mediating the effect of immersion on customer satisfaction. The prior research in this area, however, has not examined the relationship between immersion and narrative transportation. Thus, this research aims to contribute to theory and practice by examining the role of immersion as a moderator of the effects of the experiential service on narrative transportation, customer affective responses, and customer cognitive responses.

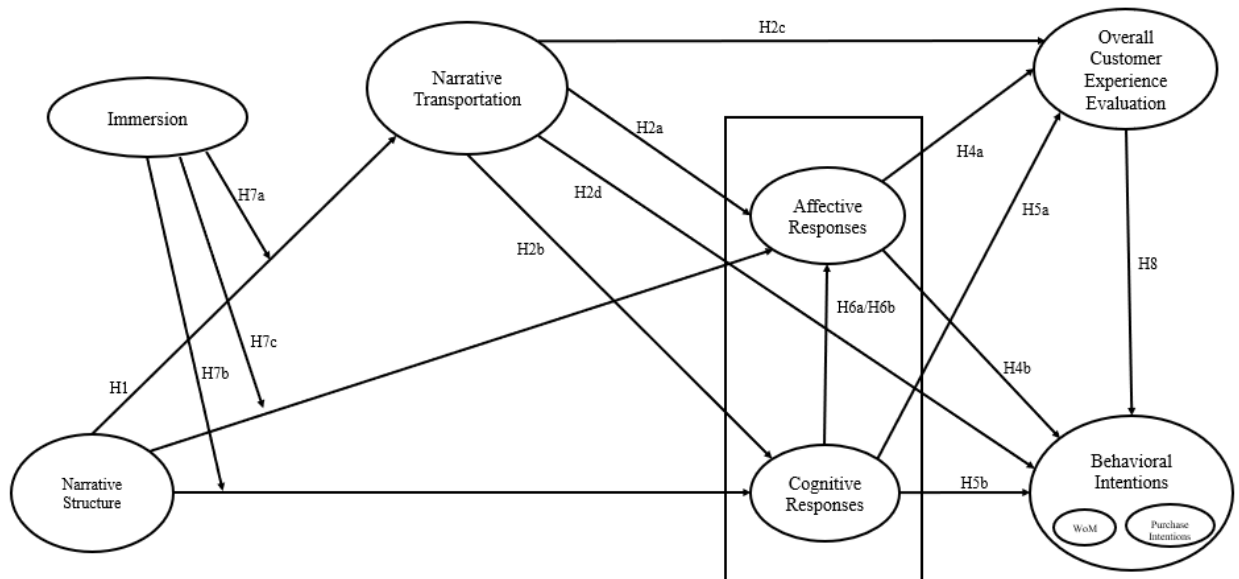
## **Conceptual Framework**

Building on the initial transportation model proposed by Green and Brock (2000), Van Laer et al., (2014) propose an extended transportation imagery model (ETIM) which describes the antecedents of narrative transportation and its consequences for story-receivers. According to the ETIM, which provides the theoretical framework underpinning this study, identifiable characters, an imaginable plot, and verisimilitude (“the likelihood that story events may actually happen”) are the antecedents of narrative transportation. The ETIM provides evidence showing that as these elements increase, narrative transportation also increases (Van Laer et al., 2014). The work of van Laer and colleagues also shows that the intensity and effects of narrative transportation may be moderated by attributes of the story-receiver such as familiarity with the story, transportability, attention to the story, and demographic characteristics such as gender and education (Van Laer et al., 2014). Lastly, the ETIM predicts that narrative transportation has a range of effects on story-receivers affective and cognitive responses, beliefs, attitudes, and intentions. More specifically, the ETIM predicts and provides evidence showing that as narrative transportation increases, story-consistent affective responses, thoughts, beliefs, attitudes, and intentions also increase (Van Laer et al., 2014).

This research builds on Van Laer and colleagues’ ETIM to develop and test the research model and the accompanying hypotheses. Within the research model and in contrast to the ETIM, the story-based experiential service is conceptualized in terms of narrative structure (which I subsequently explain) and modeled as an antecedent of narrative transportation. In line with the transportation model of Green and Brock (2000), narrative transportation is conceptualized as a mediator of the effects of narrative structure on customer cognitive and affective responses, which are in turn modeled as mediators of the effect of narrative transportation on the customer outcomes of interest – customer experience (CX) evaluations and customer behavioral intentions (WoM and

purchase intentions). The customer's level of immersion in the story-based experiential service, which has not been examined in prior research relating to narrative transportation, is conceptualized as a moderator of the effects of narrative structure on narrative transportation and on customer cognitive and affective responses. Figure 1 presents the above-described conceptual model.

**Figure 1: Conceptual Model Showing Hypothesized Relationships Between Constructs in the Study**



## **Research Hypotheses**

### ***Narrative Transportation***

Green and Brock (2000, 2002) guides this research's theorizing with regards to whether or not narrative transportation could occur as a customer's response to a story-based experiential service. While story-based experiential services are distinct from the contexts studied in traditional narrative transportation research, the work of Green and Brock (2002) suggests that narrative transportation is likely to occur as part of the customer's response to a story-based experience. According to Green and Brock (2002), "transportation is not limited to the reading of written material. Narrative worlds are broadly defined with respect to modality; the term "reader" may be construed to include listeners, viewers, or any recipient of narrative information" (Green and Brock 2002, p. 702). To the extent therefore that experiential services are designed using storytelling principles – that is, the story at the heart of the experience contains an imaginable plot, identifiable characters, and verisimilitude (van Laer et al., 2014) – it makes sense that narrative transportation could occur and be a key driver of the effect(s) of storytelling on customer outcomes. The concept of narrative structure, which was adopted from the work of Escalas et al., (2004), captures how well a given piece of information or sequence of events presents a well-developed story that "links goals, actions, and outcomes over time to establish causality" (Escalas et al., 2004; pg. 108).

According to Escalas et al., (2004), the concept of narrative structure captures the two basic elements of narratives – chronology and causality, which generally distinguish narratives from non-narratives. The events in information structured as a narrative are usually organized in such a manner that the chronological and causal relationships between the events are explicit, while this is not the case with non-narrative information (Adaval & Wyer, 1998). For example, in narratives, there is usually a clear beginning, middle, and end. Further, narratives are sequenced such that the relationship between the goals of story characters, their actions, and the resultant outcomes are

apparent (Escalas et al., 2004). With non-narrative information, on the other hand, the chronological order of events and the causal relatedness between the sequence of events are not apparent or well-developed. The concept of narrative structure as proposed by Escalas et al., (2004) also addresses, from the perspective of the information receiver, how much a given piece of information contains characters and character development, conveys the thoughts and feelings of those characters and focuses on specific events rather than generalizations.

Therefore, and as stated earlier, the presence of a well-developed story as conceptualized in terms of narrative structure should lead to narrative transportation, thus:

H1: Perceived narrative structure positively influences narrative transportation.

### *Narrative Transportation as a Mediator of the Effects of Narrative Structure*

With regards to the mechanism through which narrative transportation impacts customer responses, evidence from extant narrative transportation research supports the idea that narrative transportation is the primary means through which stories impact story-receiver-related outcomes. Green and Brock (2000), for example, provide evidence showing that narrative transportation mediates the effects of a narrative on the beliefs of story-receivers. Similarly, Escalas (2004), provides evidence showing that narrative transportation mediates the effects of mental simulations on ad attitudes and brand evaluations of study participants. It also mediates the effects of the mental simulation on study participants' affective and cognitive responses.

Within the context of this research, I hypothesize that narrative transportation will mediate the effects of narrative structure on customer responses and outcomes of interest in this study for the following reasons. Firstly, as stated earlier, the presence of a well-developed story as

conceptualized in terms of narrative structure should lead to narrative transportation. Subsequently, narrative transportation through narrative persuasion – which is the effect of narrative transportation which leads to story-receivers developing affective and cognitive responses, beliefs, attitudes, and intentions that are consistent with a narrative (van Laer et al, 2014) – will then influence customer cognitive and affective responses and customer outcomes. In this case, however, I propose that in addition to developing story-consistent attitudes, beliefs, and intentions, the cognitive and affective responses of customers who participate in an experiential service with a well-developed narrative structure, will be used as information in computing and developing their evaluations of the experience and future behavioral intentions. Therefore;

H2: Narrative transportation will mediate the effect of narrative structure on customers (a) affective responses, (b) cognitive responses, (c) CX evaluations, and (d) behavioral intentions.

### ***Customer Responses to Story-Based vs. Non-Story-Based Service Experiences***

Prior research in services marketing (e.g., Price, Arnould, & Deibler, 1995; Bigné et al., 2008), has examined the affective and cognitive responses of customers to service experiences. The evidence from the existing research suggests that customers often have cognitive and affective responses to service experiences which in turn influence their satisfaction with and behavioral intentions towards the service provider.

Findings from research pertaining to narratives suggest that customers who participate in a story-based experience, all else being equal, will have more positive cognitive and affective responses compared to customers who participate in a non-story-based experience. (Mattila, 2000),

for example, finds that customers tended to show an increased liking for ads for an experiential service – a theme restaurant – that were presented in a narrative format compared to ads that were presented as a list. Similarly, drawing from dramatic theory, Quesenberry and Coolson (2014) find those Superbowl ads that had a five-act story structure had significantly higher ad favorability ratings compared to Superbowl ads without a five-act structure.

Evidence from the information processing literature, suggests that this advantage of information structured as a narrative compared to information without an underlying narrative structure can be attributed to the following two reasons. Firstly, according to Schank and Abelson, (1995), most of the events in our daily lives tend to be structured in memory as narratives, that is, in a manner that details the thematic and temporal connections between sequences of events. Since narratives tend to be sequenced in a manner that highlights the thematic and chronological connections between the events depicted in a story, we find it easier to mentally process this type of information and thus respond more favorably, both cognitively and affectively, to information structured as a narrative, especially when it is accompanied by visuals (Adaval & Wyer, 1998). Thus, the sequence of events in a story-based experiential service, especially one accompanied by visuals, will be more easily processed than the sequence of events in a non-story-based experiential service and thus lead to more favorable cognitive and affective responses. Secondly, according to Adaval and Wyer (1998), narrative-form information tends to lead people to adopt a holistic information processing strategy as opposed to a piecemeal information processing strategy.

With a holistic information processing strategy, people consider the entire sequence of events and the context of a narrative in making evaluations or judgments such that, if the entire sequence of events is positive (or negative), the few aspects of the sequence which are not congruent with the overall sequence of events will be assigned less weight in evaluations. With a



piecemeal information processing strategy, on the other hand, consumers consider all the features of a list separately and compute evaluations by summing up or averaging their evaluations of each feature. With this type of information processing strategy, features that are incongruent with the rest of the information are assigned equally or even greater weight in consumer evaluations (Adaval & Wyer, 1998).

Thus, within the context of a story-based experiential service, participants are more likely to adopt a holistic information processing strategy such that their cognitive and affective responses and overall evaluations will be based on the overall sequence of events. If the overall sequence of events within the experience is positive, consumers will assign less weight to those aspects of the service which were undesirable or unfavorable. On the other hand, the information contained in the sequence of events in a non-story-based experiential service will be processed using a piecemeal information processing strategy, where each aspect or feature of the overall experience will be considered in a piecemeal manner, with undesirable aspects of the experience receiving equal or possible greater weight than other aspects of the service in consumer evaluations. Thus, all else equal, consumers' cognitive and affective responses and evaluations of a story-based experiential service will be superior compared to consumers' cognitive and affective responses and evaluations of a non-story-based service experience. Customer behavioral intentions are also expected to align with their evaluations. Thus;

H3: Customer (a) affective responses, (b) cognitive responses, (c) customer experience evaluations, and (d) behavioral intentions to a story-based experience will be significantly more positive compared to those for a non-story-based experience.

To hypothesize about the relationships between the cognitive and affective responses of experiential service customers and their CX evaluations and behavioral intentions, I draw from the attitude literature. Within this literature, cognition, affect, and conation are generally considered to be the key dimensions of attitude. However, I adopt the two-component model of attitude proposed by (Bagozzi & Burnkrant, 1979). In this model of attitude, cognitive and affective responses to an attitude object are conceptualized as independent but related predictors of behavior or behavioral intentions. In line with this model and within the context of this research, customer cognitive and affective responses to the story- or non-story-based experience are expected to independently influence or predict customer CX evaluations and behavioral intentions towards the experiential service post the experience. Thus, I hypothesize that:

H4: Customer affective responses will positively influence (a) overall CX evaluations and (b) behavioral intentions.

H5: Customer cognitive responses will positively influence (a) CX evaluations and (b) behavioral intentions.

Research on attitudes has also conceptually (e.g., Pluzinski & Qualls, 1986) and empirically (e.g., Compeau et al., 1998) examined the variety of relationships that could exist between cognition, affect, and behavior. Specifically, Pluzinski and Qualls (1986) propose that one type of relationship that could exist between cognition, affect, and behavior, is a complementary one where cognition works to strengthen the effect of affect on behavior or vice versa. This view, which is consistent with the two-component model of attitudes, guides the

hypothesizing of this research about the relationship between customer cognitive and affective responses, and their effect on CX evaluations and behavioral intentions. In exploring this complementary relationship between cognition and affect, Compeau et al., 1998, find that within the context of a hedonic product such as ice cream, affective responses mediate the effect of cognitive responses on perceived quality. Similarly, I expect that customer affective response to the story-based experiential service will mediate the effect of cognitive responses on the customer outcomes. Based on the foregoing, I hypothesize that;

H6: Customer affective responses will mediate the effect of customer cognitive responses on (a) CX evaluations and (b) behavioral intentions.

Within the context of this research, I conceptualize customer CX evaluations of the experience as an overall, summative measure of attitude arising from customers' cognitive and affective responses, which will, in line with the foregoing attitude literature, influence customer behavioral intentions, thus;

H7: Customer CX evaluations will positively influence customer behavioral intentions.

### ***The Role of Immersion***

Immersion is expected to moderate the effects of the story-based experiential service, which is conceptualized in terms of narrative structure, on narrative transportation and customer responses because prior research suggests that the customer's level of immersion in an experience influences how intensely he or she perceives the stimuli provided by the experience. This in turn

influences the strength or intensity of the customers' responses to the experience (Witmer and Singer, 1998; Fornerino et al., 2008). Fornerino et al., (2008) find, for example, that the level of immersion experienced by movie-goers is positively related to the intensity of the emotions that they experience. Building on this stream of research, I expect that within the context of an experiential service, customers who participate in an experience in-person will perceive a higher level of immersion than customers who participate in or watch an experience via traditional two-dimensional video. Based on the foregoing, customers who perceive a higher level of immersion in the service experience will have more positive cognitive, affective, evaluatory, and behavioral responses to the experience, than customers who perceive a lower level of immersion in the service experience. Thus;

H8: Perceived immersion moderates the effect of the narrative structure on customers' - (a) narrative transportation, (b) cognitive responses, and (c) affective responses such that the effect of narrative structure on narrative transportation, customer cognitive responses, and customer affective responses will be stronger as perceived immersion increases.

## **Methodology**

### ***Study Design, Stimuli, and Data Collection***

The data required to test the model above was collected from participants through an experiment with a 2 (Story-based design: Present vs. Absent) x 2 (Service Delivery Modality: In-person vs. Online video) design.

The experiment involved the participants enjoying an experiential service, more specifically, a live performance by a magician. Respondents were randomly assigned to one of two variations of the performance which was manipulated such that one performance had a story-based design by including various storytelling elements which are described shortly. The design of the non-story-based performance on the other hand did not include any storytelling elements. A magic show or performance can be considered an experiential service since this is a service in which customers participate primarily to enjoy feelings and sensations such as fun, awe, and surprise which are of value to the customer, and which are co-created by the customer's engagement and interaction with the stimuli provided by the magician (Zomerdijk & Voss 2010; Siebert et al., 2020). The stimuli for the main research study, that is, the two performances by the magician, were each approximately 20 minutes long, and each performance comprised the same sequence of tricks for both the story- and non-story-based experience. For the story-based experience, however, the tricks were linked together by a narrative with a plot structure that was based on Freytag's Pyramid. The story-based performance was also designed such that it had identifiable character(s), an imaginable plot, a climax, and an end state or outcome(s), which are key elements of a story (van Laer et al., 2020). The tricks in the non-story-based experience on the other hand were not linked by a narrative nor designed to include any narrative elements. Rather, the dialogue connecting the performance consisted of filler conversation which the magician improvised as he performed the

pre-planned sequence of tricks. A visualization of the storyline for the story-based performance is provided in appendix A at the end of this chapter.

The data for the in-person condition was collected from participants through a Qualtrics survey after they had enjoyed the entirety of a live performance of either the non-story- or story-based version of the magic show. Due to challenges with recruiting enough in-person participants and motivating participants to show up for the study in person, the data for participants in the online video modality were collected separately at a later date. Thus, participants in the online service delivery modality watched a video recording of the performance a few days after the live performance. Participants for the online modality were recruited through Prolific, a widely used research participant recruitment platform. Recruited participants were randomly assigned to watch a video recording of either the story-based or non-story-based performance. After watching the assigned video recording of the performance, data on the key variables of interest in the study were collected from each participant using the same Qualtrics survey that respondents in the in-person condition responded to.

### ***Participants***

The initial data sample contained 237 participants. However, a total of 26 participants were excluded from the final data sample because they failed attention checks or had suspicious responses, e.g., a straight line response pattern where there should be variations in the response pattern. Thus, the final sample contained 211 participants, 105 of who were in the non-story and online modality conditions, while 106 were in the story-based and in-person conditions. 55.9% of the participants were women. 52.6% of respondents were 18 to 24 years, 24.2% were between the ages of 25 to 31 years, and 23.2% were above the age of 31. Most of the participants in the in-person condition were recruited through the Research Experience Program participant pool of the

UT Arlington College of Business and through emails to professors who taught marketing courses in the College of Business. To stimulate students' interest in attending the research study, participants were told that there will be a lottery where a total of 30 students could win \$10 Amazon and Starbucks gift cards. The participants in the online modality condition were, as earlier mentioned, recruited via Prolific and were each paid \$6.50 to participate in the research study. In total, 105 respondents were recruited through Prolific, while 106 participants were recruited through the College of Business of the University of Texas at Arlington.

Before the data collection in the main study, a pre-test was conducted to assess the executability of the research design, the effectiveness of the proposed stimuli and experimental manipulations, and the psychometric properties of the measures used in the main study.

### ***Measures***

The measures utilized in data collection were adapted from existing measures in the literature. The measures, sources, scale items, how they were measured, and their Cronbach alphas are detailed in table 2. The six-item narrative structure scale from Escalas (2004) was used to measure the amount of narrative structure that study participants perceived in each version of the story performance. This scale has been used or adapted in several studies to assess the narrative content of information such as TV ads (Escalas et al., 2004), 360-degree video advertising (Feng et al., 2019), and tourism destination videos (Cao et al., 2021). The scale contains items such as “To what extent does the performance consist of actors engaged in actions to achieve goals?”, “To what extent does this performance let you know what the characters are thinking and feeling?”, “To what extent does this performance have a well-delineated beginning (initial event), middle (crisis or turning point), and ending (conclusion)?”. Each item was measured on a 7-point Likert scale with “1:Not at all” and “7:Very much” as the end points. A one-way ANOVA comparing the

means of perceived narrative structure between the story-based and non-story-based performance showed that the story-based performance condition had significantly ( $F = 20.70$ ;  $p < 0.001$ ) higher narrative structure ( $M = 5.16$ ,  $S.D. = 1.00$ ) than the performance in the non-story-based performance ( $M = 4.53$ ,  $S.D. = 1.02$ ). This confirms that participants perceived greater narrative structure in the story-based experiential service as intended.

Participants in the in-person service delivery modality enjoyed the experiential service in person, while those in the video condition watched a video recording of the performance. Participants' perceived immersion was measured using an adapted version of the immersion scale created by Fornerino et al., (2008). The scale contains items such as "During the performance, I was at times unaware of my surroundings.", "The performance created a new world that suddenly disappeared at the end of the show.", "The performance made me forget the realities of the world outside.". Each item was measured on a 7-point Likert scale with "1: Completely disagree" and "7: Completely agree" as the end points. A one-way ANOVA comparing the measures of immersion across the online immersion group and the in-person immersion group showed that the in-person group experienced significantly ( $F = 25.00$ ,  $p < 0.001$ ) greater immersion ( $M = 4.14$ ) compared to the online group ( $M = 3.06$ ). This confirms that individuals were more immersed in the in-person modality as intended.

Customer narrative transportation was measured using the six-item scale proposed by Appel et al., (2015). Scale items were measured using a seven-point response scale with "1 (not at all)" and "7 (very much)" as the end points. Narrative transportation was not measured for participants in the non-story-based experience group as by definition narrative transportation cannot occur in the absence of a story. The items used to measure the construct also reflect this



fact in that the wording of all items refers to a story or characters which would be non-existent for participants in the non-story-based experiential service condition.

Customer cognitive responses to the experiential service were measured using four items adapted from Bustamante and Rubio (2017). Each item was measured on a 7-point Likert scale with “1: Disagree completely” and “7: Agree completely” as the end points. Customer affective responses were measured using nine items adapted from Bustamante and Rubio (2017) and Mattila (2000). Each item was measured using a 7-point Likert scale with “1: Not at all” and “7: Very much” as the end points. Five items – this performance makes me feel happy/in a good mood/pleasant/interested/optimistic were combined to create the positive affective responses dimension of customer affective responses. Three items – this performance makes me feel fearful/angry/disgusted were combined to create the negative affective responses dimension of affective responses. The item – “this performance makes me feel surprised” was not included in either the positive or negative affective responses component because analysis of the data showed that study participants could have interpreted the item, that is, the concept of surprise, positively or negatively. Therefore, this item was excluded from further analysis. Further analyses of the data also showed that the negative affective responses dimension had poor reliability (Cronbach’s alpha = 0.598) and very little variance ( $M = 1.21$ ,  $S.D = 0.51$ ), thus this dimension of customer affective responses was excluded from further analyses, and all further analyses of customer affective responses were based on the positive affective responses dimension.

Customer positive word-of-mouth intentions were measured using three items adapted from Zeithaml et al., (1996). Each item was measured using a 7-point Likert scale with “1: Not at all likely” and “7: Extremely likely” as the end points. Customer purchase intentions were measured using three items adapted from Kwon and Lennon (2009) through a 7-point bipolar scale

with “Unlikely/Likely”, “Improbable/Probable”, and “Impossible/Possible” as the end points. Overall customer experience evaluations was measured using a twelve-item scale adapted from Bagdare and Jain (2013). Each item consisted of a 7-point bipolar scale with contrasting words as the end points. Examples of the scale items include “Bad/Good”, “Unsatisfying/Satisfying”, “Stressful/Relaxing”, and “Awful/Wonderful”. The full set of scale items is listed in table 2. All the latent variables utilized in testing the study model are first-order reflective constructs except for customer experience evaluations, which was a second-order reflective construct. For customer experience evaluations, items from the four first-order dimensions – mood, joy, leisure, and distinct – were averaged and these averages were used as reflective indicators in the analyses of the research model.

**Table 2:** Constructs in the study, scale items, sources, internal consistency reliability statistics, item loadings, and average variance extracted (AVE).

Construct	Scale Items	Loadings
1. Narrative structure Composite Reliability: 0.8542 Cronbach’s Alpha: 0.7744 AVE: 0.5950 Source: Escalas et al., (2004)	NarStruc1 - To what extent does the performance consist of actors engaged in actions to achieve goals?*	0.8210
	NarStruc2 - To what extent does this performance let you know what the characters are thinking and feeling?	0.8003
	NarStruc3 - To what extent does this performance provide you with insight about the personal evolution or change in the life of a character?	0.7318
	NarStruc4 - To what extent does this performance explain why things happen, that is, what causes things to happen?	0.7280
	NarStruc5 - To what extent does this performance have a well-delineated beginning (initial event), middle (crisis or turning point), and ending (conclusion)?	
	NarStruc6 - To what extent does this performance focus on specific, particular events rather than on generalizations or abstractions?*	
	<i>Scale items were measured using seven-point Likert scales with “Not at all” and “Very much” as end points.</i>	
2. Narrative transportation Composite Reliability: 0.8560 Cronbach’s Alpha: 0.7836 AVE: 0.5982	NarTran1 - I could picture myself in the scene of the events described in the story.*	0.8197
	NarTran2 - I was mentally involved in the story.*	0.7682
	NarTran3 - I wanted to learn how the story ended.	0.7413
	NarTran4 - The story affected me emotionally.	
	NarTran5 - While listening to the story I had a vivid image of the little boy.	

<p>Source: Appel et al., (2015)</p>	<p>NarTran6 - While listening to the story I had a vivid image of Kenzie, the little boy's sister.</p> <p><i>Scale items were measured using a seven-point Likert scale with "Not at all" and "Very much" as end points.</i></p>	<p>0.7623</p>
<p>3. Immersion</p> <p>Composite Reliability: 0.9479</p> <p>Cronbach's Alpha: 0.9329</p> <p>AVE: 0.7534</p> <p>Source: Fornerino et al., (2008)</p>	<ol style="list-style-type: none"> <li>1. The performance created a new world that suddenly disappeared at the end of the show.</li> <li>2. At times, I was unaware of my surroundings.</li> <li>3. During the performance, my body was in the room, but my mind was in the world created by the performance.</li> <li>4. The performance made me forget the realities of the world outside.</li> <li>5. During the performance, what happened before or what would happen afterward did not matter anymore.</li> <li>6. The performance made me forget about my immediate surroundings.</li> </ol> <p>Immers – Single item (Standardized average of all six immersion items) was used in estimating the PLS model.</p> <p><i>Scale items were measured using a seven-point Likert scale anchored by "Completely disagree" and "Completely agree"</i></p>	
<p>4. Customer cognitive responses</p> <p>Composite Reliability: 0.9357</p> <p>Cronbach's Alpha: .9075</p> <p>AVE: 0.7847</p> <p>Source: Bustamante and Rubio (2017)</p>	<p>This performance;</p> <p>CogResp1 - Teaches me interesting things.</p> <p>CogResp2 - Awakens my creativity.</p> <p>CogResp3 - Brings interesting ideas to mind.</p> <p>CogResp4 - Makes me think and reflect.</p> <p><i>The items were measured using a seven-point Likert scale with "Disagree completely" and "Agree completely" as the end points</i></p>	<p>0.8046</p> <p>0.9195</p> <p>0.9197</p> <p>0.8946</p>
<p>5. Customer affective responses</p> <p>Composite Reliability: 0.9630</p> <p>Cronbach's Alpha: 0.9518</p> <p>AVE: 0.8388</p> <p>Sources: Bustamante and Rubio (2017) and Mattila (2000)</p>	<p>This performance makes me feel;</p> <p><b>Positive Affective Responses</b></p> <p>PosAffResp1 - Happy</p> <p>PosAffResp2 - Optimistic</p> <p>PosAffResp3 - Pleasant</p> <p>PosAffResp4 - In a good mood</p> <p>PosAffResp5 - Interested</p> <p><b>Negative Affective Responses</b></p> <ol style="list-style-type: none"> <li>1. Fearful*</li> <li>2. Angry*</li> <li>3. Disgusted*</li> </ol> <p><b>Others</b></p> <ol style="list-style-type: none"> <li>1. Surprised*</li> </ol> <p><i>Items were measured using a seven-point Likert scale anchored by "Not at all" and "Very much".</i></p>	<p>0.9291</p> <p>0.8902</p> <p>0.9155</p> <p>0.9434</p> <p>0.9001</p>

<p>6. Customer word-of-mouth intentions</p> <p>Composite Reliability: 0.9775</p> <p>Cronbach's Alpha: 0.9654</p> <p>AVE: 0.9354</p> <p>Source: Zeithaml et al., (1996)</p>	<p>Thinking about the performance you just watched, how likely are you to;</p> <p>WoM1 - I will say positive things about this performance to other people.</p> <p>WoM2 - I will recommend this performance to other people.</p> <p>WoM3 - I will encourage friends and relatives to watch this performance.</p> <p><i>Measured using a seven-point Likert scale with the endpoints given as "Not at all likely" and "Extremely likely".</i></p>	<p>0.9540</p> <p>0.9797</p> <p>0.9675</p>
<p>7. Customer's purchase intention</p> <p>Composite Reliability: 0.9408</p> <p>Cronbach's Alpha: 0.9051</p> <p>AVE: 0.8414</p> <p>Source: Kwon and Lennon (2009)</p>	<p>Thinking about the performance, what is the probability that you will buy tickets to a similar performance in the future?</p> <p>PurchInt1 - Unlikely/Likely</p> <p>PurchInt2 - Improbable/Probable</p> <p>PurchInt3 - Impossible/Possible</p> <p><i>Measured using a seven-point bipolar scale with the endpoints above.</i></p>	<p>0.9417</p> <p>0.9463</p> <p>0.8615</p>
<p>8. Overall customer experience evaluations</p> <p>Composite Reliability: 0.9398</p> <p>Cronbach's Alpha: 0.9149</p> <p>AVE: 0.7961</p> <p>Source: Bagdare and Jain (2013)</p>	<p>Using the following pairs of words, how will you describe your overall experience with the performance?</p> <p>CX_Mood</p> <ol style="list-style-type: none"> <li>1. Bad – Good</li> <li>2. Sad – Happy</li> <li>3. Boring – Exciting</li> </ol> <p>Cronbach's Alpha: 0.8590</p> <p>CX_Joy</p> <ol style="list-style-type: none"> <li>4. Unsatisfying – Satisfying</li> <li>5. Unpleasurable – Pleasurable</li> <li>6. Not Engaging – Engaging</li> </ol> <p>Cronbach's Alpha: 0.9280</p> <p>CX_Leisure</p> <ol style="list-style-type: none"> <li>7. Stressful – Relaxing</li> <li>8. Exhausting – Refreshing</li> <li>9. Disappointing – Delightful</li> </ol> <p>Cronbach's Alpha: 0.8390</p> <p>CX_Distinct</p> <ol style="list-style-type: none"> <li>10. Awful – Wonderful</li> <li>11. Common – Unique</li> <li>12. Forgettable – Memorable</li> </ol> <p>Cronbach's Alpha: 0.8720</p>	<p>0.8921</p> <p>0.8977</p> <p>0.8635</p> <p>0.9150</p>

	<i>Measured using a seven-point bipolar scale with the end points as given above.</i>	
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*\*These items were removed during the analysis of the measurement model and/or are not included in the structural model.*

### ***Data Analysis***

Partial least squares structural equations modeling (PLS-SEM) was used to test the conceptual model in figure 1 and the hypothesized relationships between the constructs in the model. PLS-SEM was utilized in this study because compared to covariance-based structural equations modeling (CB-SEM), it is superior at handling complex models that include conditional process relationships, such as the hypothesized moderated mediation relationship between narrative transportation and immersion proposed in the conceptual model for this study (Sarstedt et al., 2020; Hair et al., 2014). Such complex models are difficult to implement in CB-SEM due to issues relating to identification and the high demands such models place on sample size requirements. PLS-SEM, on the other hand, can provide higher statistical power to analyze such conditional process relationships with relatively lower sample sizes compared to traditional CB-SEM (Sarstedt et al., 2020; Hair et al., 2014). This is especially important as I could only access a relatively small sample size for this study due to participants' fears about congregating in crowds as a result of the COVID-19 pandemic and the general difficulty associated with getting a significant number of people to show up at a specific location at a specific time to participate in the study. According to Hair et al.,2022, the rule of thumb for sample sizes is 10 times the highest number of arrows influencing a construct. In this case, the maximum number of arrows pointing to a construct is eight (8), thus the sample size of 106 for the story-based condition satisfies the sample size requirements for this study.

PLS-SEM is also well suited for this study because according to Hair et al (2022), it is best suited, compared to CB-SEM to research such as the one at hand that aims to “explore theoretical extensions of established theories” (Hair et al., 2022), pg. 32). In this case, the goal is to explore a theoretical extension of narrative transportation theory to the context of story-based experiential services. Ultimately, the foregoing supports the use of PLS-SEM as the preferred approach for analyzing the study model. All analyses were performed using SmartPLS 3 (Ringle et al., 2015).

## **Results**

### ***Assessment of the measurement model***

Since the conceptual model proposed in this research largely focuses on the effect of story-based experiences on customer outcomes and narrative transportation could not be measured for the non-story-based experience group, only the data from participants in the story-based experience condition are used in the analysis of the research model. Thus, all the subsequently reported analysis pertains to the story-based experience group. Age, gender, and transportability were included in the model as control variables.

In line with guidelines laid out by Hair et al., (2022), the first step in evaluating a PLS-SEM model is an assessment of the measurement model to confirm that the reflective measures used in the analysis are reliable (at the indicator and construct level) and valid. To address these issues, the factor loadings, the average variance extracted (AVE), composite reliability, Cronbach’s alpha, and discriminant validity of the reflective measurement model are assessed.

When assessing indicator reliability, their standardized loadings should be 0.708 or greater, although indicators with loadings between 0.40 and 0.708 could sometimes be retained if their removal affects content validity (Hair et al., 2022). In line with the foregoing, two items with poor

loadings were deleted out of the set of six items for narrative transportation, while two items with poor loadings were also deleted out of the set of six items for narrative structure. Ultimately, besides from the above-mentioned items with loadings less than 0.708, all the other retained items for each construct had loadings greater than 0.708.

As an indicator of reliability at the construct level, all the reflective measures had Cronbach alphas greater than 0.70 in line with the recommended guidelines. Concerning validity, all constructs in the model across both levels of immersion had average variance extracted values (AVE) greater than 0.50, which is in line with the recommended guidelines. Table 3 details the final set of scale items that were included in the structural model, the item loadings, construct reliability, average variance extracted, and other pertinent information for assessing the measurement model are detailed in the table.

Table 3 shows the heterotrait-monotrait (HTMT) ratios of correlations which are used to assess the discriminant validity of the items and constructs included in the model. The HTMT ratios across all constructs, except the ratio between WoM and customer positive affective responses, are less than the prescribed cut-off of 0.85 or 0.90 for conceptually similar constructs. The HTMT ratio between WoM and Positive Affect is 0.8723, However, since this value is close to the recommended cut-off and lower than the cut-off for conceptually similar constructs, I conclude that there is sufficient evidence of convergent and discriminant validity of the measures and constructs included in the study model.

**Table 3:** Heterotrait-monotrait (HTMT) method correlations for PLS analyses

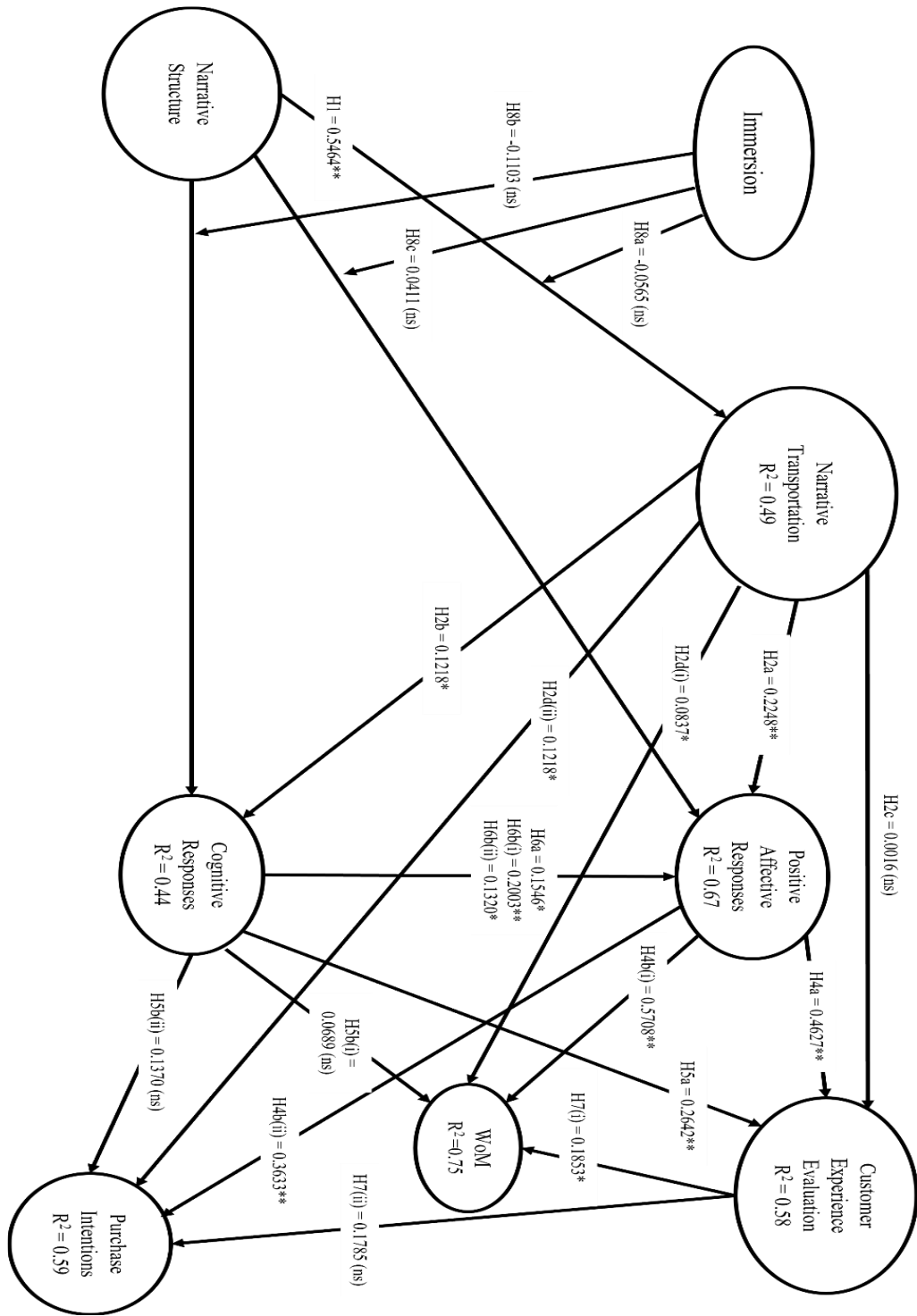
		1	2	3	4	5	6	7	8	9	10	11
1	Age											
2	CX	0.046										
3	CogResp	0.145	0.691									
4	Gender	0.080	0.056	0.141								
5	Immers	0.197	0.455	0.531	0.158							
6	NarStruc	0.143	0.616	0.604	0.127	0.411						
7	NarTran	0.194	0.615	0.645	0.226	0.552	0.778					
8	PosAff	0.084	0.758	0.719	0.101	0.519	0.640	0.808				
9	PurchInt	0.120	0.687	0.654	0.071	0.472	0.523	0.725	0.785			
10	Transportability	0.024	0.158	0.259	0.176	0.185	0.301	0.346	0.161	0.203		
11	WoM	0.113	0.738	0.679	0.051	0.512	0.567	0.752	0.872	0.813	0.178	

### *Assessing the Structural Model*

Since the conceptual model for this study largely focuses on the effect of story-based experiences on customer outcomes, only the data for the storytelling group is used in the analyses of the conceptual model. Thus, all the subsequent analyses pertain to the story-based performance group. According to Hair et al., (2022), the first step in analyzing the structural model is to assess the model for collinearity by inspecting the variance inflation factors (VIF) for the relationships between the predictor variables in the model. The result of this assessment indicates that the VIF values of all exogenous constructs in the model are less than the recommended threshold value of 5. Hence, I conclude that collinearity among the predictor constructs is not a critical issue in the structural model. The second step in the assessment of the structural model involves assessing the significance of and relevance of the hypothesized relationships in the structural model.



**Figure 2:** PLS Path Model and Results



\*\* $p < 0.01$ ; \*  $p < 0.05$ ; ns =  $p > 0.05$

As predicted in H1, narrative structure positively influenced narrative transportation ( $\beta = 0.4720, p < 0.01$ ). The model was able to explain approximately 49% ( $R^2 = 0.491$ ) of the variance in narrative transportation. Altogether, H1 was supported. The results of hypotheses testing for H2 and H3 are reported in a separate analysis below.

As hypothesized in H4a, customer positive affective responses had a significant and positive influence on CX evaluations ( $\beta = 0.4627, p < 0.01$ ). As hypothesized in H4b, customer positive affective responses had a positive and significant influence on customer WOM intentions ( $\beta = 0.5708, p < 0.01$ ) and customer purchase intentions ( $\beta = 0.3633, p < 0.01$ ). Altogether, H4a and H4b were fully supported.

H5a and H5b predicted the effect of customer cognitive responses on customer CX evaluations and behavioral intentions as relates to WoM and purchase intentions. As predicted in H5a, customer cognitive responses had a significant and positive effect on customer CX evaluations ( $\beta = 0.2642, p < 0.05$ ). However, customer cognitive responses did not have a significant and positive effect on customer WoM ( $\beta = 0.0689, p > 0.05$ ) and customer purchase intentions ( $\beta = 0.1370, p > 0.05$ ). Thus, H5a was fully supported, while H5b was not supported.

H7 which pertains to the relationship between CX evaluations and behavioral intentions was partially supported as CX evaluations had a significant and positive effect on customer WoM ( $\beta = 0.1853, p < 0.05$ ) but had no significant effect on purchase intentions ( $\beta = 0.1785, p > 0.05$ ). Table 4 summarizes the results of the hypotheses testing described above.

**Table 4: Summary of research findings**

Research hypothesis		Study research findings	
H1	Narrative structure positively influences narrative transportation.	Fully supported	
H2	Narrative transportation will mediate the effect of narrative structure on customers (a) affective and (b) cognitive responses (c) CX evaluations (d) behavioral intentions.	H2a	Fully supported
		H2b	Fully supported
		H2c	Not supported
		H2d	Fully supported
H3	H3: Customer (a) affective responses, (b) cognitive responses, (c) customer experience evaluations, and (d) behavioral intentions to a story-based experience will be significantly more positive compared to those for a non-story-based experience.	H3a	Not supported
		H3b	Not supported
		H3c	Not supported
		H3d	Not supported
H4	Customer affective responses will positively influence (a) overall CX evaluations and (b) behavioral intentions.	H4a	Fully supported
		H4b	Fully supported
H5	Customer cognitive responses will positively influence (a) CX evaluations and (b) behavioral intentions.	H5a	Fully supported
		H5b	Not supported
H6	Customer affective responses will mediate the effect of customer cognitive responses on (a) CX evaluations and (b) behavioral intentions.	H6a	Fully supported
		H6b	Fully supported
H7	Customer CX evaluations will positively influence customer behavioral intentions.	Partially supported	
H8	Immersion moderates the effect of the narrative structure on customers' - (a) narrative transportation, (b) cognitive responses, and (c) affective responses such that narrative transportation and customer cognitive and affective responses will be more positive for customers who experience a high level of immersion compared to customers who experience a low level of immersion.	H8a	Not supported
		H8b	Not supported
		H8c	Not supported

### ***Mediation Analysis***

To test H2, mediation analysis was performed using PLS-SEM to assess the role of narrative transportation in mediating the effects of narrative structure on customer affective and cognitive responses, CX evaluations, and behavioral intentions. The results of a 10,000 bootstrap sampling procedure using the percentile bootstrap approach and a two-tailed test at a 0.05 significance level, revealed that the indirect effect of narrative structure on customer affective responses ( $\beta = 0.2248, p < 0.05$ ), cognitive responses ( $\beta = 0.1226, p < 0.05$ ), WoM ( $\beta = 0.0837, p < 0.05$ ), and purchase intentions ( $\beta = 0.1218, p < 0.05$ ) through narrative transportation was significant. However, the indirect effect of narrative structure on CX evaluations ( $\beta = 0.0016, p > 0.05$ ) through narrative transportation was found to be insignificant.

The direct effect of narrative structure on customer affective responses ( $\beta = 0.1098, p > 0.05$ ), cognitive responses ( $\beta = 0.2082, p > 0.05$ ), CX evaluations ( $\beta = 0.1430, p > 0.05$ ), and WoM ( $\beta = -0.0669, p > 0.05$ ), and purchase intentions ( $\beta = -0.0744, p > 0.05$ ) was also found to be insignificant. Altogether, these results indicate that the relationships between narrative structure and customer affective responses, cognitive responses, and behavioral intentions are fully mediated by narrative transportation, which fully supports H2a, H2b, and H2d. Narrative transportation, on the other hand, did not mediate the effect of narrative structure on CX evaluations, thus H2c was not supported.

Similarly, to test H6, mediation analysis was performed using PLS-SEM to assess the role of customer affective responses in mediating the effects of cognitive responses on CX evaluations and behavioral intentions. The results of a 10,000 bootstrap sampling procedure using the percentile bootstrap approach and a two-tailed test at a 0.05 significance level, revealed that the indirect effect of customer cognitive responses on CX evaluations ( $\beta = 0.1606, p < 0.005$ ),

WoM ( $\beta = 0.1981, p < 0.05$ ), and purchase intentions ( $\beta = 0.1261, p < 0.05$ ) through customer positive affective responses was significant.

The direct effect of customer cognitive responses on WoM ( $\beta = 0.0689, p > 0.05$ ) and purchase intentions ( $\beta = 0.1370, p > 0.05$ ), on the other hand, was found to be insignificant. The direct impact of customer cognitive responses on CX evaluations ( $\beta = 0.2642, p > 0.001$ ), however, remained significant. This pattern of results shows that the relationship between customer cognitive responses and customer behavioral intentions, that is WoM and purchase intentions, is fully mediated by customer positive affective responses. The relationship between customer cognitive responses and CX evaluations, in contrast, is partially mediated by customer positive affective responses. Overall, these results fully support H6a and H6b.

### ***Moderation Analysis***

To test the moderating effects of immersion on narrative structure as proposed in H8a, H8b, and H8c the path from the interaction terms to the dependent variable was examined for significance. For H8a, H8b, and H8c, the interaction term between narrative structure and immersion was estimated using the two-stage approach in PLS as recommended by Hair et al. (2022). The dependent variable in each case was narrative transportation (H8a), customer cognitive responses (H8b), and customer affective responses (H8c). The significance of the effect of the interaction term on the dependent variables was also examined using a 10,000 bootstrap sampling procedure using the percentile bootstrap approach and a two-tailed significance test. To facilitate ease of interpretation of the moderating effect of immersion, the average values for immersion for each participant were computed using all six items measuring immersion and then standardized as recommended by Hair et al., (2022). These standardized values were then used in estimating the interaction terms for H8a, H8b, and H8c.

For H8a, the results of the analysis showed that immersion did not moderate the effect of narrative structure on narrative transportation ( $\beta = -0.0565, p > 0.05$ ). Thus, H8a was not supported. For H8b, analysis of the effect of the narrative structure x immersion interaction term on cognitive customer cognitive responses showed that the interaction term had no significant effect on customer cognitive responses ( $\beta = -0.1103, p > 0.05$ ). Thus, H8b was not supported. Similarly, the results of the analysis showed that immersion did not moderate the effect of narrative structure on customer positive affective responses ( $\beta = 0.0411, p > 0.05$ ). Thus, H8c was not supported.

Further examination of the interaction terms at the high (in-person) and low (online video) levels of immersion showed that for the high immersion group, immersion significantly moderated the effect of narrative structure on narrative transportation ( $\beta = -0.2747, p < 0.05$ ). The result suggests that as immersion increases by one standard deviation unit the relationship between narrative structure and narrative transportation decreases by 0.2747 for participants in the high immersion group. For the low immersion group, however, immersion did not significantly moderate the effect of narrative structure on narrative transportation. Across both levels of immersion, none of the other hypothesized moderating effects of immersion were significant.

### ***Assessing Mean Differences Between the Story-Based Experience vs. Non-Story-Based Experience Groups***

To test H3, a MANCOVA was conducted with story-based experience and non-story-based experience as the fixed factors. Customer positive affective responses, cognitive responses, CX evaluation, purchase intentions, and WoM intentions were the dependent variables. Age, transportability, and gender were included as covariates in the analysis.

Contrary to H3a, the results of the MANCOVA indicated that the positive affective responses of customers in the story-based experience condition was not significantly ( $p > 0.05$ ) more positive ( $M = 5.20$ ) than the positive affective responses for customers in the non-story-based experience condition ( $M = 5.05$ ). The pattern of results was similar for customer cognitive responses (H3b: Story-based experience,  $M = 5.07$ ; Non-story-based experience,  $M = 5.00$ ;  $p > 0.05$ ), customer CX evaluations (H3c: Story-based experience,  $M = 5.29$ ; Non-story-based experience,  $M = 5.27$ ;  $p > 0.05$ ), customer purchase intentions (H3d: Story-based experience,  $M = 4.39$ ; Non-story-based experience,  $M = 4.28$ ;  $p > 0.05$ ), and customer WoM intentions (H3d: Story-based experience,  $M = 4.85$ ; Non-story-based experience,  $M = 4.82$ ;  $p > 0.05$ ). Thus, H3 was not supported. The results of the MANCOVA for H3a, b, c, and d are summarized in table 5.

**Table 5: Results of MANCOVA analysis (Wilks’s Lambda of Between-Subjects Effects) comparing story-based versus non-story-based experience groups**

H	Dependent Variables	F	df	df error	p	Adjusted means		$\eta^2$
						Story-based experience	Non-story-based experience	
H3a	Customer positive affective responses	0.574	1	206	.450	5.20	5.05	.003
H3b	Customer cognitive responses	0.117	1	206	.732	5.07	5.00	.001
H3c	CX evaluation	0.004	1	206	.952	5.29	5.27	.000
H3d(i)	Word of Mouth intentions	0.005	1	206	.946	4.85	4.83	.000
H3d(ii)	Purchase intentions	0.178	1	206	.673	4.39	4.28	.001

As a follow-up analysis, a MANCOVA based on participants' perceptions of narrative structure was also conducted. To facilitate between-group comparisons, participants were divided into high narrative structure and low narrative structure groups. Within this analysis, perceived narrative structure (high vs. low) served as a proxy for the story-based versus non-story-based experience, because as earlier mentioned, the presence or absence of a story within the service offering was conceptualized in terms of narrative structure. To divide participants into high narrative structure vs. low narrative structure groups, the mean of all the items measuring narrative structure was first computed for all participants and then standardized. Thereafter, all participants with a score of zero and below on the standardized measure of narrative transportation were assigned to the low narrative structure group while all participants with scores above zero were assigned to the high narrative structure group. Thus, the MANCOVA was conducted with high narrative structure and low narrative structure as the fixed factors. As before, customer positive affective responses, cognitive responses, CX evaluation, purchase intentions, and WoM intentions were the dependent variables. Age, transportability, and gender were included as covariates in the analysis.

The results of this alternate MANCOVA indicated that customers who perceived the experience to have a high narrative structure had significantly ( $p < 0.01$ ) more positive affective responses ( $M = 5.68$ ) than customers who perceived the experience or performance to have less narrative structure ( $M = 4.60$ ). The pattern of results was similar for customer cognitive responses (High narrative structure,  $M = 5.49$ ; Low narrative structure,  $M = 4.61$ ;  $p < 0.01$ ), customer CX evaluations (High narrative structure,  $M = 5.62$ ; Low narrative structure,  $M = 4.83$ ;  $p < 0.01$ ), customer purchase intentions (High narrative structure,  $M = 4.77$ ; Low narrative structure,  $M = 3.93$ ;  $p < 0.01$ ), and customer WoM intentions (High narrative structure,  $M = 5.35$ ; Low narrative



structure,  $M = 4.37$ ;  $p < 0.01$ ). Altogether, this pattern of results provides additional evidence that customer-perceived narrative structure is the actual driver of the effects of the story-based experience and not the mere presence of a story per se. The results of the alternate MANCOVA analysis are presented in Table 6 below.

**Table 6:** Results of alternate MANCOVA analysis (Wilks's Lambda of between-Subjects effects) comparing high versus low perceived narrative structure groups

Dependent Variables	F	df	df error	p	Adjusted means		$\eta^2$
					High narrative structure	Low narrative structure	
Customer positive affective responses	35.33	1	206	.001	5.68	4.60	.146
Customer cognitive responses	23.11	1	206	.001	5.50	4.61	.101
CX evaluation	18.78	1	206	.001	5.62	4.83	.084
Word of Mouth intentions	16.05	1	206	.001	5.35	4.37	0.72
Purchase intentions	11.46	1	206	.001	4.77	3.93	.053

## Discussion

### *Theoretical Implications*

This research draws from the literature on experiential service design, immersion, narratives, and transportation theory (Green & Brock, 2002) to examine how the application of narratives in the design of experiential services influences customer outcomes in story-based experiential services. The role of customer immersion in the experiential service is also examined

as a potential moderator of the effects of the story-based service experience on customer responses and customer narrative transportation,

This research contributes to the service design literature that has largely examined the application of storytelling in (experiential) service design conceptually by providing quantitative evidence of the ability of narratives to enhance customer outcomes when applied in service design. The results of this research show that the application of stories in experiential service design does enhance the customer experience, customer positive affective and cognitive responses, and customer behavioral intentions (WoM and purchase intentions). However, this research highlights the critical role of the customers' perception of the narrative structure underlying the experience. The results of this research indicate that is not the presence of a narrative per se that drives the enhanced customer outcomes observed with story-based experiential services. Rather, it is how well the customer can perceive and follow the narrative structure that connects all the key moments or events of the experiential service across the entire story-based service experience that leads to the observed benefits of applying storytelling in the design of experiential services.

Secondly, this research contributes to the narrative transportation literature by extending narrative transportation theory to the context of story-based experiential services. While the effects of narratives and the mechanism through which they influence customer outcomes have been studied in a variety of contexts such as advertising, healthcare communication, and even experiential retail, the literature, has before now, left unexamined the effects of applying storytelling in experiential service design. This research contributes to the literature by providing evidence that narrative transportation is the primary mediator of the effects of a story-based experiential service on customer outcomes. This research also highlights the key role of customer

positive affective responses as an important albeit secondary mediator of the effects of both the service experience and customer cognitive responses.

This research was, however, unable to provide any evidence that the level of customer immersion in the service experience moderates the effect of narrative structure on narrative transportation or customer affective and cognitive responses. Nevertheless, the examination of the data at the two levels of immersion suggested that in high immersion situations, immersion could moderate the effect of narrative structure on narrative transportation. Although the moderating effect was in the opposite direction to the research hypotheses, this finding is still important as it suggests that immersion and other contextual factors present in the service experience could weaken or strengthen how much narrative transportation participants in in-person story-based experiences might enjoy. This is especially crucial considering the aforementioned role of narrative transportation as a mediator of the effects of the story-based experience on downstream customer outcomes. One reason why immersion might weaken the effect of narrative structure on narrative transportation in an in-person situation is that people participating in an experiential service in person might face a greater number of potential distractions compared to customers participating through less immersive modalities. Potential distractions in an in-person setting include how comfortable the servicescape is, the actions of other customers in the servicescape, and the actions of employees playing a supporting role in facilitating the experience. On the other hand, customers who participate in an experience virtually will have fewer distractions to contend with and thus will have more attentional resources to devote to participating in or watching the story-based experience which should, in turn, lead to a greater feeling of transportation. This line of reasoning is supported by Van Laer et al., (2019) who found that consumers who received a

story alone tended to experience greater narrative transportation than consumers who viewed a story in the presence of other people.

### ***Managerial Implications***

This research provides quantitative evidence to support the existing anecdotal evidence in favor of applying storytelling in experiential service design. Thus, this research should encourage more managers of experiential services to apply storytelling in the design of their service offerings.

However, the findings of this research suggest that the mere application of a story in service design will not automatically translate into favorable customer outcomes as earlier mentioned. In line with the findings of this research with regards to the key role of narrative structure, managers of experiential services seeking to apply stories in the design of their service offerings should ensure that they choose or create stories that have a strong narrative structure, from the perspective of the target segment. They should also ensure that the story is applied in the design of the experiential service in such a way that customers can follow the story as it links the various moments and/or elements of the experience.

Our results also suggest that managers can, for example, use the narrative structure scale to choose between multiple stories under consideration for application in the design of an experiential service by having a sample of the target audience rate the perceived narrative structure of each story to identify the story that has the strongest perceived narrative structure. This way managers can identify which stories resonate strongly with specific target segments and whose underlying narrative structure they most clearly perceive to use in designing their experiential service offering. Ultimately, this will ensure that managers of experiential services can design and

market story-based experiential service offerings that provide a better experience for customers and that lead to more favorable firm outcomes.

Further, this research suggests that managers of in-person story-based experiential service offerings should as much as possible minimize potential distractions within the servicescape that could hinder customers from devoting all of their attentional resources to the experience at hand. This will ensure that customers pay attention to the story-based experience and are in a position to experience a higher amount of narrative transportation which should, in turn, lead to better customer and firm outcomes.

### **Limitations and further research**

This study has some limitations that can be addressed in future research. First, future studies should examine the application of storytelling in service design for other types of experiential services other than magic shows to enhance the generalizability of this research's findings. Tours such as the Boston Freedom Trail, zoos, museums, circuses, cruises, concerts, and other types of experiential services are other types of experiential services that could be examined in future research. Secondly, future research could incorporate actual behavioral outcomes as the dependent variables to better assess how story-based experiences influence actual consumer behavior and not just customer intentions alone which were examined in this research.

Thirdly, future research could also examine which specific story elements are most crucial in impacting customer outcomes. This study only examined the story as a whole, however, examining the role of specific story elements such as characters, the plot, evoked emotions, plot structure, and other story elements will deepen our understanding of how stories influence customer outcomes when applied in service design. In addition, the participant sample for this

study largely consisted of young adults who were mostly students from the USA. Future studies could examine a sample of participants from other countries and cultures to increase the generalizability of our findings to other populations. These future studies could also examine potential cross-cultural differences in how customers respond to story-based experiential services especially when the story is from a foreign culture versus their own culture.

Lastly, this study was conducted in an experimental setting although a significant amount of effort was put into attaining experimental realism. A field study where actual paying customers are surveyed after participating in a story-based versus non-story-based experiential service will enhance the external validity of this research's findings to other kinds of experiential services.

## **ENDNOTE**

American Psychological Association (APA) seventh edition citation style has been used throughout this chapter.

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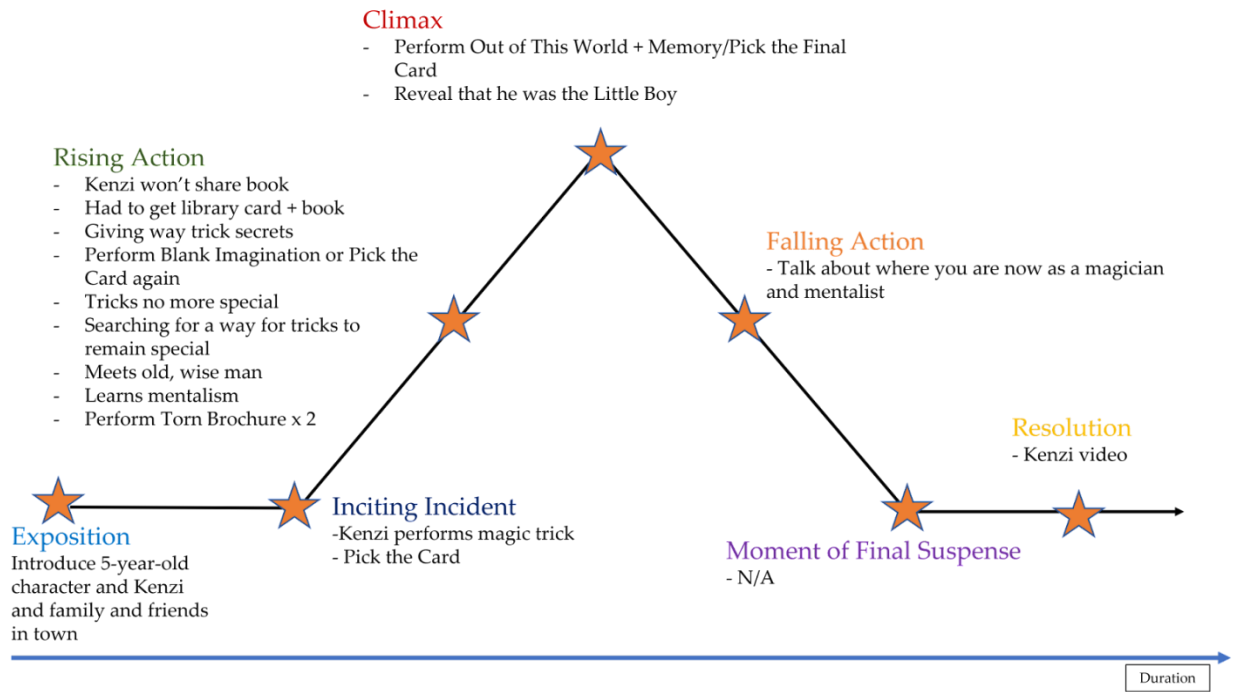
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# Appendix A

## Visualization of Storyline



## CHAPTER 4

### GENERAL CONCLUSIONS

Altogether, across the two essays in this dissertation, the effects of applying storytelling in the design of service offerings and their associated customer journeys are examined. The mechanisms through which storytelling enhances the customer experience and customer outcomes when applied in service design evidence are also identified and evidence supporting the roles of these mechanisms is provided. The effects of story-based approaches to the design of service offerings on customer outcomes are also compared with the effects of non-story-based approaches. In addition, potential moderators of the effectiveness of storytelling approaches to service and customer journey design are identified and empirically tested. And lastly, a narrative-theory-driven guide for how managers of (experiential) services can apply storytelling in the design of the service offerings and the associated customer journey is provided.

The results of the qualitative study provide some evidence supporting the propositions laid out in the first essay. Analysis of the collected data suggests that as proposed, the application of storytelling in the design of customer journeys enhances the thematic cohesion and consistency of firm-controlled touchpoints across the customer journey. The results also provide some evidence that the application of storytelling in customer journey design could facilitate the unpredictability that leads to greater customer excitement and involvement with the experiential service offering. Some evidence was also found that customers experienced narrative transportation in response to the application of storytelling in customer journey design, and this feeling of transportation enhanced customers' engagement or involvement with the experiential service offering. The data also shows that greater customer familiarity with the story

underpinning the experience increased the effectiveness of a story-based approach in enhancing the customer experience. Similarly, the presence of visual aids and other servicescape elements which provide information about the story on which the experiential service offering is based also increased the effectiveness of a story-based approach to customer journey design.

The results of this research show that narrative transportation does occur as part of customers' responses to story-based experiential service offerings and that it plays a key role in mediating the effects of the story-based experience on customer outcomes. The research also shows that the mere application of storytelling in service design does not lead to better outcomes compared to non-story-based experiential service offerings. Rather, this research highlights the key role that the concept of narrative structure plays in facilitating the benefits of applying storytelling in service design. Lastly, the research also finds that immersion does not moderate the effects of the story-based service offering on customer responses such as narrative transportation and affective responses as predicted.

Altogether, the results of this research support the notion that the application of storytelling in service and customer journey design enhances the customer experience and other customer outcomes such as customer cognitive and affective responses. These favorable customer outcomes translate into beneficial customer behavioral intentions such as increased positive word-of-mouth intentions and purchase intentions. Secondly, the results of this research show that the mere application of storytelling in service or customer journey design does not automatically translate into favorable customer outcomes. Rather, it is the customers' perception of the story and how well they can perceive the linkages between the moments or touchpoints of the service offering that are connected by the story that drives the observed benefits of applying storytelling in service and customer journey design. Thus, managers looking to apply storytelling

in service and customer journey design are encouraged to look for stories with a strong narrative structure and to also apply the story in such a way that customers can easily perceive the connection between each moment or event of the story as laid out or told across the service offering or the customer journey. The results also suggest that experiential service providers looking to apply storytelling in service and customer journey design need to ensure that they match target market segments with stories that they are familiar with and that have the right amount of richness or complexity to grab and hold their attention across the entirety of the service experience or customer journey.

Although this research addresses some existing knowledge gaps as relates to the application of storytelling in service and customer journey design to enhance the customer experience, future research could build on this research in the following ways. Firstly, while qualitative evidence was found to support the propositions described in the first essay, future research should translate the propositions into hypotheses and test them within the context of a story-based customer journey to provide quantitative evidence supporting the application of storytelling in customer journey design. Secondly, another interesting avenue for future research will be to examine if story-based experiences lead to enhanced customer wellbeing outcomes compared to non-story-based experiences in light of the findings from the experiential advantage literature which suggest that the consumption of experiences leads to higher customer happiness and wellbeing in the long term compared to the consumption of material purchases. Ultimately, this research hopes service providers generally, and experiential service providers particularly will continue to take advantage of the power of stories to enhance customer and firm outcomes by applying storytelling in service and customer journey design.