The Role of Customer Experience, Food Healthiness, and Value for Revisit Intention in GROCERANT

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Received: 6 February 2020; Accepted: 17 March 2020; Published: 18 March 2020

Abstract: This study proposes a research model in which food healthiness is considered in addition to the five strategic experiential modules (sense, feel, think, act, and relate) to test the antecedent variables that may enhance customer value and intention to revisit grocerants. For the empirical analysis, consumers with experience of using seven Korean grocerants were surveyed. Grocerant experience and food healthiness were found to be associated with hedonic and utilitarian values and these values were shown to have a significant effect on revisit intention. This study differentiates itself from earlier studies of consumer experience in the foodservice industry that ignore the importance of food healthiness. The presented research model shows the importance of the roles played by food healthiness and the five strategic experiential modules in enhancing customers’ value perception and intention to revisit grocerants. The theoretical framework proposed and tested in the research model of this study is thus expected to serve as the basis for future research on experiential marketing in the foodservice industry.

Keywords: grocerant; experience; healthiness; hedonic value; utilitarian value; revisit intention

1. Introduction

Living in today’s fast-paced world, people have less time to prepare food and thus look for fast, convenient, and delicious options to meet their meal needs [1]. Time-starved consumers seek places that provide high-quality ready-to-eat and ready-to-heat meals [2]. Grocerants have emerged in the foodservice industry, differentiating themselves from other eating-out foodservice sectors by providing customers with a unique foodservice experience [3]: meals prepared on-site with the fresh ingredients selected by customers immediately after purchase. The term grocerant initially referred to supermarkets where ready-to-eat and ready-to-heat meals, as well as freshly prepared dishes were offered on-site. However, what was considered a competitive strategy used by large supermarkets then has become a trend that outperforms traditional grocery shopping [4]. Grocerants are not only convenient for making food purchases and meals at the same time; they also offer excellent value for money because only a small cooking fee is paid for the ingredients [5]. As a portmanteau term combining “grocery” and “restaurant,” “grocerant” is a perfect and appropriate response to the growing trend of freshly prepared ready-to-eat instant meals provided by convenience stores, chain drug stores, grocery outlets, and other non-food retailers [2]. The rise of the grocerant niche has “blurred the boundaries between restaurants and grocery stores” [6], and has transformed groceries into interesting venues to enjoy eating and shopping at the same time [3]. A Forbes article reads “neither restaurants nor grocery stores are the future of food shopping. Instead, what could dominate is a hybrid of the two” [3,7]. According to Technomic Inc., a U.S. research and consulting firm, more consumers are choosing their local grocery stores over traditional fast food and restaurants. As a result, grocerants are seeing the value in beefing
up their prepared food experiences [6]. The NPD Group, a research outfit in Canada, reported that grocerants generated 2.4 billion new visits and over US $10 billion in sales in 2016 [8].

The emergence of the hybrid term “grocerant” was the turning point that reflects the customers’ perception of supermarkets shifting from a place where they buy groceries to a place where they can have food experience [6]. Lotte Mart, an Asian hypermarket chain, is the front-runner in providing consumers with a good grocerant experience. The Lotte Mart grocerant situated in Seocho, South Korea, has rows of cooking islands where shoppers can order from a broad range of fresh food items (e.g., steak, seafood, salad, and juice); making it easy to select the ingredients they want [9]. Eataly, a Bologna-based Italian food chain mall launched in 2004, is famous for Fico Eataly World, the world’s largest agri-food theme park. Fico Eataly World offers food and farming experiences with up to 30 events and 50 classes per day in an open-air environment [3,10]. The American company, Whole Foods Market, appeals to customers who appreciate sensory, emotional, and experiential experiences by transforming a grocery market into a showtime arena. A range of interesting culinary experiences is offered there. For example, a Candy Island next to a fountain where customers can enjoy chocolate-dipped strawberries, Lamar Street Greens where customers can buy organic agricultural products, salads, and wine, and Street Seafoods where more than 150 fresh seafood items are offered [3].

Customer experience marketing arises from many factors and forms or changes a customer’s brand perception [11]. However, a good customer experience has a limited experience base. Instead, a good experience that shapes a successful brand should be “embedded in the fundamental value proposition” in every experience feature [3,12]. If a brand provides positive experiences to consumers, that brand will likely arouse pleasant and familiar feelings, leaving positive emotions in their minds, and contributing to creating emotional consumer value for that brand [13].

Meanwhile, in a recent survey conducted by Technomic, 52% of the respondents answered that they consider ready-to-eat foods offered by grocerants as a healthy alternative to fast food. A study by NPD Group, a U.S. market research institute specializing in consumer purchase behavior, reported that ready-to-eat foodservices provided by grocerants were rated higher by customers [6]. These survey results indicate that one of the reasons consumers use grocerants is associated with food healthiness. Health-conscious consumers, in particular, are interested in health issues and try to eat healthier foods. Health-conscious consumers, therefore, tend to search for information on nutritious natural products, read food-related articles, and are ready to pay more for green restaurants [14]. Freshippo, a grocerant in Shanghai, China, provides comprehensive information about pre-cooked meals, including nutrition facts, ingredients, calories, and origins of individual components for health-conscious customers [9]. Such a grocerant system can be viewed as a customized service considering the health-seeking behavior of customers. Food healthiness is becoming increasingly important for its direct association with consumer health [15,16]. Olsen and Skallerud [17] report that the classification of products covering a large number of different products and high-quality fresh products is positively related to consumer shopping value. Therefore, the role of grocery stores in meeting the health requirements of consumers is of particular importance [16]. Food healthiness is as important for grocerants as it is for restaurants. Similarly, in South Korea, grocerants have gained a firm foothold as a new restaurant model going far beyond the image of grocery retailers. Korean foodservice providers facing fierce competition may consider grocerant as another business model and a new distribution channel. Against this background, research on consumer behavior that could determine the success of the growing grocerant sector is overdue. This study proposes food healthiness as a positive antecedent to customer value and revisit intention among grocerant patriots alongside the five strategic experiential modules proposed by Schmitt [18], namely: sense, feel, think, act, and relate. This study differentiates itself not only from the only existing study on grocerants conducted by Kim et al. [3], but also from the studies in which the theory put forward by Schmitt [18] is applied to the hospitality industry [19–21]. One major contribution of this study to academic research is featuring grocerant as a new business model in the restaurant and foodservice distribution sector. Based on the results of this study, we aim to
provide useful data for setting up relevant marketing strategies by analyzing customer preferences and behavior and presenting practical proposals.

2. Literature Review and Hypotheses

2.1. Experiences and Values

Experiences are private events that occur in response to stimulation; they often result from direct observation and/or participation in events, whether real, virtual, or in dreams [18,22]. People then gain an understanding of the events by looking back in hindsight [18]. Thus, in a broader sense, experience is what one sees, hears, feels, and thinks about all activities undertaken while interacting with others not only during the event, but also after the event by analyzing it in hindsight and understanding it [23]. Consumer experience is what happens when a consumer develops an impression or knowledge when interacting with various elements of the content provided by a product or service provider [24]. Therefore, experience should be understood in terms of all a consumer’s senses, emotions, perceptions, behaviors, and relationships obtained through the product/service or brand. [18].

Schmitt [18] proposed holistic experiences based on five constructs of the strategic experience modules (SEMs), namely: sense, feel, think, act, and relate, and highlighted that brand loyalty can be reinforced and brand value created when holistic experience of these five SEMs is provided. In order for experiential marketing to be successfully implemented, these five SEMs need to be adequately harmonized towards forming holistic and favorable experiences instead of acting separately in the marketing environment [18]. Such a systemic and holistic experience harmoniously embracing single experiences can provide customers with value and utility [25]. To achieve this end, it is necessary to proactively promote customer observation and participation prior to launching corporate marketing activities. Through this process, not only are simple functional benefits of a product/service conveyed to consumers, but the customers are also provided with holistic experiences that makes them better appreciate the value of the product/service [26]. In other words, if a brand provides a more positive experience to consumers with a product/service provision, positive emotions are formed in their minds, which in turn helps them build a personal brand value [13]. When an experience is memorable for a consumer, that experience enhances product value. It is, therefore, a great concern of marketers to increase product value by adding experiential features to the product’s functional aspects [27]. Simply put, experiences leading to value perception provide not only utilitarian values on the functional side but also values related to sensory perceptions and emotional behavior [28].

Holbrook [29] established a value system by categorizing the value in consumption experience into extrinsic/intrinsic and active/reactive consumer dimensions. Extrinsic value refers to the practicality acquired through the purchase of a product, whereas intrinsic value refers to the fun or pleasure arising from purchasing behavior [29]. Consumer shopping value includes utilitarian value that prioritizes the functional benefits provided by products/services (time savings, low price, amenities, etc.) and hedonic shopping value that pursues various symbolic and empirical benefits derived from the shopping process [30]. Many studies have demonstrated the importance of hedonic or utilitarian motives for consumption or purchase [31–33]. Smith and Colgate [25] verified the association between utilitarian and hedonic values inherent in products that elicit experiences and emotions in consumers. Babin, Darden, and Griffin [34] measured hedonic and utilitarian values derived from shopping experience (purchasing) and demonstrated a close relationship between experience and value (hedonic and utilitarian values). Values with inherent hedonic and utilitarian values are added from experiencing a product/service, whereby experience contributes more to the added value than the product/service itself because it is more personal and memorable [27]. From these findings of previous studies, the following hypotheses can be deduced:

**Hypothesis 1a (H1a):** Holistic experience has a significantly positive effect on hedonic value.

**Hypothesis 1b (H1b):** Holistic experience has a significantly positive effect on utilitarian value.
2.2. Food Healthiness and Values

Food quality is one of the most crucial factors of dining experience and purchase intention [35]. Food quality is also an essential factor of customer satisfaction and revisit intention in the choice of food and restaurants [36], and its importance has been reaffirmed by numerous studies [37,38]. In addition to taste, quantity, and aesthetics, the healthiness of foods was also identified as an important factor in determining food quality [35,38]. In particular, Roininen, Lahteenmaki, and Tuorila [39] argue that taste and healthfulness of food are the two most important predictors of food consumption behavior. As it is directly linked to the health of consumers, the health of food is becoming crucial [16]. According to the reports released by government agencies (e.g., U.S. Department of Agriculture) and private health research institutes (e.g., Harvard School of Public Health), healthy foods are minimally processed or refined, fresh, and low in both fat and sugar. A large variety of vegetables and fruits are healthy foods and their intake is vital for maintaining a healthy weight and reducing risks of chronic diseases [40].

Previous studies have shown that people who consciously make healthy food choices have higher value and satisfaction, which influences their revisit intention [16,40]. Healthy and quality foods make consumers recognize the value of the corresponding food brands or restaurants, motivating them to purchase/use them [41]. In particular, Olsen and Skallerud [17] demonstrated that grocery stores with a reputation for selling or using fresh and high-quality foods were appealing to the utilitarian value of customers. Utilitarian value based on logical and cognitive motives for purchase or utility is pursued when purchasing useful and necessary products/services. That is, utilitarian value drives a customer to buy products/services that are rational and appropriate for the goal [42,43]. Such consumers spend more time and effort searching for information to uphold utilitarian value and make reasonable purchase choices based on price and quality comparisons [30]. Nutrition and health information on food labels in grocery stores and menus of restaurants help such customers make rapid decisions, have positive attitudes towards food labels or menus, and rely on them for food or menu choices [44]. Thus, customer value includes not only functional and utilitarian value, but also hedonic value perceived by customers seeking various positive experiences in the process of choosing foods or menus and pursuing them [34]. On the other hand, hedonic value based on emotional motives refers to the excitement or pleasure felt in the process of experiencing the product/service and in the state of immersion in the purchasing environment; for example, a happy and amusing purchase experience in a grocery store or restaurant in a highly appealing environment [42,43]. Consumers who appreciate hedonic value tend to be steered by emotional urges, which is also shown by their interest in experiential attributes such as emotional or sociocultural meanings [45]. In the same vein, it can also be inferred that customers gain not only utilitarian value by purchasing or eating healthy foods, but also hedonic value such as emotional stability and entertainment [34]. From the foregoing discussion, the following hypotheses can be deduced regarding the relationship between food healthiness and consumer value:

Hypothesis 2a (H2a): Food healthiness has a significantly positive effect on hedonic value.

Hypothesis 2b (H2b): Food healthiness has a significantly positive effect on utilitarian value.

2.3. Values and Revisit Intention

Revisit intention refers to a customer’s intention to continue using a product/service or return to a store and is indicative of consumer satisfaction or dissatisfaction [46]. It also means the likelihood for a customer to repeatedly visit the present product/service provider in the future [47]. Thus, revisit intention is a key factor for evaluating relationship marketing performance as it is useful in measuring the likelihood of continued relationships [48].

Numerous previous studies have verified the relationship between consumer value and revisit intention [3,40,49]. Therefore, if consumers can obtain the products or services they want at a grocery
store or restaurant, they will appreciate the utilitarian value of that a product/service and will likely revisit it later [50]. Consumers tend to be loyal to their preferred brands because they want to relive their pleasant feelings [18]. Therefore, if a grocery store or restaurant can provide customers with a pleasant shopping experience, they will rate its hedonic value high and continue to revisit and repurchase [51]. The purchasing value will have to reflect both utilitarian value associated with fulfilling the purchase or repurchase goal and hedonic value indicative of customers’ evaluation of the shopping experience pleasure [49]. From these findings, the following hypotheses can be deduced:

**Hypothesis 3 (H3):** Hedonic value has a significantly positive effect on revisit intention.

**Hypothesis 4 (H4):** Utilitarian value has a significantly positive effect on revisit intention.

All the hypotheses of this study are illustrated in the theoretical model and depicted in Figure 1 below.

![Theoretical framework](image)

Figure 1. Theoretical framework.

3. Materials and Methods

3.1. Sampling and Data Collection

Our survey population consists of Korean adults aged 20 and above who have experienced a grocerant in Korea within the previous six months. All seven grocerants in Korea were involved in the survey: Gourmat 494, Lotte Mart Grocerant Market, Olive Market, PK Market, Shinsegae Food Market, Dean & Deluca, and Eataly. Customers who have purchased or eaten at any of these seven grocerants were included in the survey. The questionnaire-based survey was conducted over three weekdays and two weekend days for six weeks, totaling 30 days (1 December 2019 to 10 January 2020). Customers coming out of a grocerant were directly surveyed at the exit by enumerators instructed on the content and method of survey. Investigators trained in the research and methods of this study verified the use of the grocerant before the start of the survey. All surveys were filled out by respondents after
obtaining consent. A total of 410 questionnaires were collected, of which 384 (93.7%) were used for analysis after excluding incomplete or inconsistent questionnaires.

3.2. Research Instrument

First, a measurement instrument was constructed in a preliminary study based on a literature review, with the original questionnaire modified to suit the grocerant setting. Then, the questionnaire was drafted and reviewed by an expert panel including three doctoral researchers specializing in foodservice management and two grocerant operators. The reviewed draft was subjected to a pilot test and then revised. The final questionnaire was constructed after thorough corrections.

Nine constructs were set as variables: sense, feel, think, act, relate (five strategic experiential modules or aspects of holistic experience), food healthiness, hedonic value, utilitarian value, and revisit intentions. The five variables pertaining to holistic experience comprised 15 items, with three items assigned to each variable, based on the studies of Schmitt [18] and Ding and Tseng [19]. Food healthiness comprised four items based on the studies of Kim et al. [40] and Konuk [16]. Four items of hedonic value and three items of utilitarian value were formulated based on the studies of Babin et al. [34] and Ryu, Han, and Jang [33]. Revisit intention comprised four items based on the studies of Kim et al. [40] and Wang and Yu [52]. All items except for demographics were measured on a five-point Likert scale (1 = strongly disagree; 5 = strongly agree).

3.3. Analytical Methods

The data collected were analyzed using SPSS 22.0 and AMOS 20.0. Frequency analysis was performed to determine the demographic characteristics of the sample. A reliability test was performed using Cronbach’s alpha and a confirmatory factor analysis (CFA) was conducted to assess construct validity. In particular, CFA, being a high-order factor analysis, was conducted as a second-order factor. The structural equation modeling (SEM) was used to identify the structural relationships between the constructs used in the research model of this study. With regard to CFA and SEM, a 2-step approach was encouraged as it allows testing for the significance of every path coefficient. In addition, an acceptable fit for the structural equation model can be obtained through this process [53].

4. Results

4.1. Demographics of Respondents

The demographic characteristics of the sample are examined and specified as follows: 45.1% of the respondents were male and 54.9% were female; 20.3% of the respondents were 20–29 years old, 20.3% were 30–39, 25.0% were 40–49, and 18.8% were 50–59, while 15.6% were 60 or older. The majority of the respondents (60.4%) held at least a university degree; 20.1% had an average monthly income of USD 2000–2999, 19.3% above USD 6000, and 19.0% were between USD 3000 and 3999. Lastly, 44.0% of were office workers, followed by 20.6% of professionals and 12.2% of self-employed respondents.

4.2. Measurement Model

Following the two-step approach [53], we assessed the measurement model prior to testing the structural model. The measurement model fit was assessed by a CFA. The measurement model had a good fit with the data collected ($\chi^2 = 910.369 (p < 0.001), df = 363, \chi^2/df = 2.508, RMR = 0.026, GFI = 0.891, NFI = 0.878, IFI = 0.926, CFI = 0.925, RMSEA = 0.060$) (See Table 1). All standardized loadings are higher than 0.6 and significant ($p < 0.001$), thus the unidimensionality of the measures was evident.

The adequacy of the measurement model was evaluated based on the criteria of reliability, convergent validity, and discriminant validity. First, reliability analysis results of latent variables, the Cronbach’s $\alpha$ in each variable ranged from 0.702 to 0.881, which satisfied acceptable level reliability [54]. All the reliabilities of variables were over the cutoff value of 0.70, ensuring adequate internal consistency of multiple items for each variable [54]. Second, composite construct reliability (CCR) and average
variance extracted (AVE) were calculated to verify convergent validity. The CCR value was found to be 0.770–0.881. All CCR indices were above the threshold limit of 0.70 [54]. The AVE values for all variables were higher than the suggested threshold value of 0.5, suggesting the convergent validity of the scale [54]. AVE ranged from 0.529 to 0.692, thus these results were evidence of the convergent validity of the measures [54]. Third, to examine the discriminant validity of variables whose convergent validity have been established, we compared the average variance extracted (AVE) of each latent variable against the squared correlation coefficients between potential variables, verifying whether all of the AVE values exceed the squared correlation coefficients [55]. Analysis results are reported in Table 2 and show that the squared correlation coefficients among all latent variables is 0.049–0.413, thus smaller than the AVE values range 0.529–0.691, indicating that all latent variables have discriminant validity [55].

Table 1. Reliability and confirmatory factor analysis for the measurement items.

| Variables and Items                                      | Standardized Loading | CCR^a | AVE^b |
|---------------------------------------------------------|----------------------|-------|-------|
| Sense (α = 0.718)                                        |                      |       |       |
| This grocerant tries to engage my senses.                | 0.601                | 0.770 | 0.529 |
| This grocerant is perceptually interesting.              | 0.718                |       |       |
| This grocerant has a sensory appeal.                     | 0.629                |       |       |
| Feel (α = 0.777)                                         |                      |       |       |
| This grocerant tries to put me in a certain mood.       | 0.684                | 0.835 | 0.628 |
| This grocerant makes me respond in an emotional manner.  | 0.744                |       |       |
| This grocerant appeals to my feelings.                   | 0.688                |       |       |
| Think (α = 0.819)                                        |                      |       |       |
| This grocerant tries to intrigue me.                     | 0.733                | 0.856 | 0.644 |
| This grocerant stimulates my curiosity.                  | 0.755                |       |       |
| This grocerant appeals to my creative thinking.         | 0.742                |       |       |
| Act (α = 0.790)                                          |                      |       |       |
| This grocerant makes me think about my lifestyle.        | 0.759                | 0.832 | 0.622 |
| This grocerant reminds me of activities that I can do.   | 0.736                |       |       |
| This grocerant leads me to think about my actions and behaviors. | 0.719                |       |       |
| Relate (α = 0.881)                                       |                      |       |       |
| This grocerant tries to get me to think about relationships. | 0.783                | 0.870 | 0.692 |
| This grocerant reminds me of social rules and arrangements. | 0.776                |       |       |
| Food healthiness (α = 0.779)                             |                      |       |       |
| This grocerant provides a nutritionally balanced diet.   | 0.721                | 0.857 | 0.601 |
| This grocerant uses fresh and natural or organic ingredients. | 0.649                |       |       |
| This grocerant uses a healthy cooking method.            | 0.751                |       |       |
| This grocerant provides information about nutrition.     | 0.641                |       |       |
| Hedonic value (α = 0.812)                                |                      |       |       |
| The use of this grocerant makes me feel good.            | 0.714                | 0.874 | 0.634 |
| The use of this grocerant cafe is fun and pleasant.      | 0.748                |       |       |
| The use of this grocerant is truly a joy.                | 0.651                |       |       |
| While using this grocerant, I feel the excitement of searching for food. | 0.708                |       |       |
| Utilitarian value (α = 0.702)                            |                      |       |       |
| The use of this grocerant is convenient.                 | 0.727                | 0.805 | 0.580 |
| The use of this grocerant is pragmatic and economical.   | 0.630                |       |       |
| While using this grocerant, I can easily find the food I need and want. | 0.601                |       |       |
| Revisit intention (α = 0.871)                            |                      |       |       |
| I intend to revisit this grocerant in the near future.   | 0.715                | 0.881 | 0.650 |
| I plan to revisit this grocerant continuously.           | 0.769                |       |       |
| I am likely to revisit this grocerant next time.         | 0.688                |       |       |
| It is very likely that I will revisit this grocerant.    | 0.726                |       |       |

^a^: Composite Construct Reliability, ^b^: Average Variance Extracted.
Table 2. Correlations of analysis between the variables.

| Variable          | 1   | 2   | 3   | 4   | 5   | 6   | 7   | 8   | 9   |
|-------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1. Sense          | 0.529 * | 0.348 | 0.334 | 0.191 | 0.076 | 0.151 | 0.314 | 0.139 | 0.232 |
| 2. Feel           | 0.590 | 0.628 * | 0.286 | 0.283 | 0.054 | 0.116 | 0.413 | 0.182 | 0.242 |
| 3. Think          | 0.578 | 0.535 | 0.644 * | 0.176 | 0.049 | 0.216 | 0.263 | 0.179 | 0.126 |
| 4. Act            | 0.437 | 0.532 | 0.419 | 0.622 * | 0.243 | 0.255 | 0.164 | 0.219 | 0.126 |
| 5. Relate         | 0.275 | 0.233 | 0.221 | 0.493 | 0.692 * | 0.255 | 0.046 | 0.175 | 0.057 |
| 6. Food healthiness | 0.388 | 0.340 | 0.465 | 0.505 | 0.505 | 0.601 * | 0.219 | 0.243 | 0.228 |
| 7. Hedonic value  | 0.560 | 0.643 | 0.513 | 0.405 | 0.215 | 0.468 | 0.634 * | 0.294 | 0.256 |
| 8. Utilitarian value | 0.373 | 0.427 | 0.423 | 0.468 | 0.418 | 0.493 | 0.542 | 0.580 * | 0.348 |
| 9. Revisit intention | 0.482 | 0.492 | 0.355 | 0.355 | 0.239 | 0.477 | 0.506 | 0.590 | 0.650 * |
| Mean              | 3.859 | 3.789 | 3.800 | 3.481 | 3.743 | 3.800 | 3.827 | 3.898 | 3.738 |
| S.D.              | 0.606 | 0.569 | 0.529 | 0.711 | 0.589 | 0.529 | 0.609 | 0.566 | 0.621 |

*: Diagonal elements show the average variance extracted (AVE). Below, the diagonal is the correlation coefficient. Above, the diagonal is the square root of the correlation coefficient. All correlation coefficients were significant at the 0.001 level.

4.3. Structural Model

After the evaluation of the measurement model through CFA, the SEM was performed to test the validity of the model and each hypothesis. In order to run SEM to test the hypotheses, the model fit for inter-variable correlations should be evaluated. As a result of evaluating the fit of the structural equation models, the models for the hypothesis test showed the values of $\chi^2 = 901.764$ ($p < 0.001$), df = 318, $\chi^2$/df = 2.836, RMR = 0.024, GFI = 0.909, NFI = 0.880, IFI = 0.932, CFI = 0.932, RMSEA = 0.066. All model fit indices showed acceptable or higher fit values within the ranges of recommended standards.

Table 3 outlines the hypothesis test results that set the causal relationships between variables. Holistic experience was found to have a significant positive effect on hedonic value ($\beta = 0.665$, $t = 6.361$, $p < 0.001$), thus supporting hypothesis 1a. Holistic experience was also found to have a significant positive effect on utilitarian value ($\beta = 0.564$, $t = 4.744$, $p < 0.001$), thus supporting hypothesis 1b. Hypothesis 2a was supported because a positive causal relationship was observed between food healthiness and hedonic value ($\beta = 0.273$, $t = 3.090$, $p < 0.01$). Hypothesis 2b was also supported because a significant positive relationship was observed between food healthiness and utilitarian value ($\beta = 0.366$, $t = 3.253$, $p < 0.01$). Hypothesis 3 was supported because hedonic value had a positive effect on revisit intention ($\beta = 0.436$, $t = 4.523$, $p < 0.01$). Finally, Hypothesis 4 was also supported because utilitarian value had a significant positive effect on revisit intention ($\beta = 0.484$, $t = 4.600$, $p < 0.001$). The results from the structural model with parameter path coefficients are described in Figure 2.

Table 3. Results of the structural model analysis.

| Hypothesized Path          | $\beta$-Value | t-Value | Results   |
|----------------------------|---------------|---------|-----------|
| H1a Holistic experience →  Hedonic value | 0.655 | 6.361 ** | supported |
| H1b Holistic experience →  Utilitarian value | 0.564 | 4.744 ** | supported |
| H2a Food healthiness →     Hedonic value | 0.273 | 3.090 *  | supported |
| H2b Food healthiness →     Utilitarian value | 0.366 | 3.253 *  | supported |
| H3 Hedonic value →         Revisit intention | 0.436 | 4.523 ** | supported |
| H4 Utilitarian value →     Revisit intention | 0.484 | 4.600 ** | supported |

*: $p < 0.01$; **: $p < 0.001$. 
The purpose of this study is to test customer value perception towards grocerants by applying food healthiness to the five strategic experiential modules (SEMs) proposed by Schmitt [18] and to test the causal relationship between perceived customer value (predictor) and revisit intention (outcome variable). This SEM model contains eight constructs as explanatory variables (sense, feel, think, act, relate, food healthiness, hedonic value, and utilitarian value).

Data analysis proved that experience and food healthiness are positive determinants of customer value for grocerants. In particular, experience was found to have the greatest impact on hedonic value and utilitarian value, demonstrating the importance of customer experience on grocerants. This is consistent with the findings of previous studies where brand experience establishes consumer value. Schmitt [18] states that consumers can derive value from a brand that goes far beyond the value of the information itself if they have favorable and unique experiences with the products of that brand. This supports the finding of another study [3] where the experience of entertainment in a grocerant, which is a hedonic factor, is important to customers. This is also consistent with a previous study [19] that notes that holistic experiences in eating-out foodservice brands elicit pleasant emotions. The more harmonious the sensory (sense), affective (feel), cognitive (think), behavioral (act), and social (relate) experiences are for customers while visiting a grocerant, the more positively they perceive the hedonic value (pleasure, interest, joy) and utilitarian value (convenience and utility). These findings suggest that a grocerant is positioned for customers not only as a convenient and practical place where they can buy groceries and eat on-site, but also as an interesting and pleasant space.

It was also found that food healthiness is a positive factor for hedonic and utilitarian customer values. This implies that hedonic and utilitarian values perceived by customers rise when they are favorably impressed by food healthiness in addition to a positive experience of grocerant use. This finding partly supports a previous study [40] that identifies food healthiness to be an important factor in determining the value of restaurant use, whereby providing an opportunity to act healthfully adds value not only in the minds of those who have healthy eating habits, but also those who eat healthy

**Figure 2.** Structural equation model with parameter estimates. *: $p < 0.01$; **: $p < 0.001$.  

5. Discussion and Conclusions

5.1. Discussion

The purpose of this study is to test customer value perception towards grocerants by applying food healthiness to the five strategic experiential modules (SEMs) proposed by Schmitt [18] and to test the causal relationship between perceived customer value (predictor) and revisit intention (outcome variable). This SEM model contains eight constructs as explanatory variables (sense, feel, think, act, relate, food healthiness, hedonic value, and utilitarian value).

Data analysis proved that experience and food healthiness are positive determinants of customer value for grocerants. In particular, experience was found to have the greatest impact on hedonic value and utilitarian value, demonstrating the importance of customer experience on grocerants. This is consistent with the findings of previous studies where brand experience establishes consumer value. Schmitt [18] states that consumers can derive value from a brand that goes far beyond the value of the information itself if they have favorable and unique experiences with the products of that brand. This supports the finding of another study [3] where the experience of entertainment in a grocerant, which is a hedonic factor, is important to customers. This is also consistent with a previous study [19] that notes that holistic experiences in eating-out foodservice brands elicit pleasant emotions. The more harmonious the sensory (sense), affective (feel), cognitive (think), behavioral (act), and social (relate) experiences are for customers while visiting a grocerant, the more positively they perceive the hedonic value (pleasure, interest, joy) and utilitarian value (convenience and utility). These findings suggest that a grocerant is positioned for customers not only as a convenient and practical place where they can buy groceries and eat on-site, but also as an interesting and pleasant space.

It was also found that food healthiness is a positive factor for hedonic and utilitarian customer values. This implies that hedonic and utilitarian values perceived by customers rise when they are favorably impressed by food healthiness in addition to a positive experience of grocerant use. This finding partly supports a previous study [40] that identifies food healthiness to be an important factor in determining the value of restaurant use, whereby providing an opportunity to act healthfully adds value not only in the minds of those who have healthy eating habits, but also those who eat healthy
food irregularly. However, Kim et al. [40] tested customer value for food healthiness only from a one-dimensional perspective, that is, utilitarian value. In this regard, our study differentiates itself from the said study in that it categorizes customer value into hedonic and utilitarian values. This being said, the results of our analysis show more realistic customer perceptions on value, and what is more, it will serve as an important basis for food healthiness-related consumer value research.

This study proved the efficacy of the positively formed hedonic and utilitarian values gained through the holistic experience of grocerant in raising the customer’s revisit intention. This is consistent with the findings of previous research [3] that demonstrated that functional, hedonic, and monetary values are important variables that increase customer loyalty to grocerants.

### 5.2. Conclusions

Based on the above analysis results, the following points may be made, given their academic significance and practical implications: from a theoretical perspective, this study sought to find antecedent variables that influence customers’ positive value recognition and revisit intention for grocerants, which has recently been attracting attention as the future of food shopping. As antecedent variables, we adopted Schmitt’s [18] notion of strategic experience modules (SEMs) which has been put on center stage as a theory for customer loyalty and brand value creation. Judging that previous studies [19,56] applying SEMs to test their validity are not sufficient to apply to the eating-out foodservice sector, we constructed an extended model by adding food healthiness as an additional explanatory variable. Research conducted by Schmitt [18] and Brakus, Schmitt, and Zarantonello [57] applied SEMs to items of the foodservice industry, such as fast food, pizza and pasta, coffee, and ice cream. However, these studies overlooked the health-related aspect. Food healthiness is becoming increasingly important because it is directly related to consumers’ health, and healthy eating is essential to maintaining well-being [15,16]. The role of grocery stores is therefore of particular importance in meeting customers’ health needs [16]. In an effort to address this research gap, we analyzed the structural relationship between these variables, thereby applying customers’ value recognition and revisit intention to grocerants as antecedents and Schmitt’s [18] holistic experience as well as food healthiness as predictors, then verified the model fit. The research design and outcomes can greatly contribute to working out a theory about foodservice brand experience. The theoretical framework proposed and tested in the research model of this study is expected to serve as the basis for further research on experiential marking in the foodservice industry.

Our results show that both customer experience and food healthiness have a positive effect on hedonic value and utilitarian value, implying that hedonic and utilitarian values perceived by customers rise when they enjoy the environment and are impressed by the healthiness of food in grocerants. Finally, these findings demonstrate that in-store customer experience and food healthiness, alongside hedonic and utilitarian values, are important variables that increase customer loyalty to grocerants.

From a practical viewpoint, based on these results, attention should be paid to the importance of experience in order to induce continuous revisit to grocerants. In the U.S., the grocerant model was first developed as a low-cost option but has since been upgraded. In South Korea, since the initial upgrading of the grocerant model, its uptrend is still ongoing [3]. It is therefore important to ensure sensory and impressive interior design in a grocerant, and a relaxed and shopping atmosphere needs to be provided with appropriate lighting, music, and space layout. Menu composition should be up to high-end culinary standard and the service should be raised to restaurant level. However, the notion of grocerants in South Korea is marginally beyond the image of a general food court and still lacks these sensory elements. Also important is the development of interesting in-house entertainment programs with which to lure customers. The Korean model of grocerants is still in its infancy, and the current level of experience is that of cooking and eating the purchased ingredients on-site. To upgrade, it is necessary to expand the notion of grocerant benchmarking. For example, Italy’s argi-food theme park, Fico Eataly World, where there are a variety of ongoing events and learning programs on a daily basis,
provides customers with food and agricultural product experiences. In rural Korea, there are farms where the production and processing of agricultural products are offered as an on-site experience. Applying the grocerant concept to such farms would open the door to large-scale agri-food theme parks like Fico Eataly World, going beyond urban grocerants with limited spaces.

Moreover, interesting events and diverse experience spaces that appeal to customers in a sensory, emotional, and experiential manner should be offered to encourage customer participation, as in the Whole Foods Market in America. Currently in vogue in Korea are food-related reality programs that stimulate the public. Programs featuring famous chefs, restaurants, and food trips stimulate the curiosities of the public. The phenomenon of cooking only for oneself is becoming more and more common, with an increasing number of single-person households. As an example of a grocerant event, we propose cooking classes for singles. Participants in the cooking class could then apply their grocerant experience to their daily lives and feel like their lifestyles are changing. Korean society is characterized by relational ties. Despite the increasing proportion of singles, people gather frequently to eat out with family members, team colleagues, and social group members. Eating out in a group is a common Korean culture through which participants foster relationships. Therefore, grocerant managers should take care to develop culinary experience programs tailored to different customer groups from different segments of society.

Health-conscious consumers tend to search for nutritious natural products, read food-related information, and pay more for green restaurants [14]. Our analysis revealed that grocerant customers attach high value to healthy foods. Korean grocerant customers are considered health-conscious consumers. Therefore, grocerant managers should always ensure to stock fresh and eco-friendly ingredients and thoroughly monitor the hygiene of their spaces, foods, and staff. In this context, the focus of the above-mentioned culinary experience programs by customer segment must also be on food healthiness. In addition, since the nutritional facts and health benefits indicated on the grocerant menus and packaged food labels increase the hedonic and customer values, grocerant managers will have to build a relevant system. In Korea, the highly developed information and communication technology (ICT) infrastructure is also penetrating the restaurant industry. It would be much more appealing to customers to use such a system that permits them to check the grocerant’s menu, health information, and nutritional information using tablets, smartphones, and kiosks.

5.3. Limitations and Future Research

Notwithstanding, this study is not without a few limitations. First, the data collection took place only in South Korea, and the analysis results have limited generalizability. Considering that the Korean-style grocerant model is still in its infancy, the findings of this study may be inappropriate to apply to non-Korean countries. Second, the steadily increasing number of single-person households accounted for 28.6% of all households in 2017 [58]. This makes it necessary to analyze the intergroup differences between single-person and multiple-person households. In addition, there are gender differences in behavior when using grocery stores or restaurants, so it is necessary to apply it to consumers who use grocerant. Analysis of intergroup and gender differences in future research is expected to deliver a basis for more comprehensive data that is useful for setting up grocerant marketing strategies.

Author Contributions: S.R.Y. and H.M.J. conceived and designed the experiments; S.R.Y. performed the experiments and analyzed the data; S.R.Y., S.W.L. and H.M.J. wrote the paper. All authors have read and agreed to the published version of the manuscript.

Funding: No external funding was received for this work.

Conflicts of Interest: The authors declare no conflict of interest.
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