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# The influence of social interactions on senior customers' experience and loneliness

Haiyan Song
School of Hotel and Tourism Management
The Hong Kong Polytechnic University
haiyan.song@polyu.edu.hk

Levent Altinay
Oxford Brookes University
Oxford, UK
laltinay@brookes.ac.uk

Ning Sun
School of Hotel and Tourism Management
The Hong Kong Polytechnic University
n.sun@connect.polyu.edu.hk

Xuan Lorna Wang University of West London, UK Lorna.wang@uwl.ac.uk

# The influence of social interactions on senior customers' experiences and loneliness

#### **Abstract**

**Purpose** – This study uses the theory of third places to understand how different kinds of social interaction in small hospitality businesses, such as restaurants and cafes, can enhance senior customers' experiences and alleviate their loneliness.

**Design/methodology/approach** – The target population of this study was Hong Kong residents aged 60 or older. The sampling frame comprised respondents who visited a Cha Chaan Teng (that is, a Hong Kong-style tea restaurant) more than once a year. We distributed 500 questionnaires and collected 411 valid responses in 2016. We used structural equation modeling for data analysis.

**Findings** – The results show that social interactions (service manner and need identification) with employees and other customers have a positive effect on senior customers' experiences while the service manner of employees reduces senior customers' loneliness.

**Originality/value** – This study demonstrates the respective contributions of social interactions with employees and those with other customers to enhancing senior customers' experiences and alleviating their loneliness. This study's findings may provide a foundation for future research into the relationships between social interactions, customer experience, and loneliness in third places (that are, informal public places that offer individuals opportunities to escape from home

and the workplace and to enjoy voluntary conversation, entertainment, and gatherings). Further, this study also demonstrates the specific role and importance of the hospitality industry in addressing a contemporary social problem in the form of seniors' loneliness.

**Keywords** – Customer experience; Loneliness; Seniors; Social interactions; Third places

Paper type – Research paper

#### 1. Introduction

Loneliness is one of the most serious societal issues for seniors, with economic, sociocultural and psychological implications in many developed economies, including Hong Kong (Windle et al., 2014). Loneliness leads to negative effects on physical and mental health, increased stress and mortality, poor sleep, and eventually challenges social care and health services (Ayis et al., 2003; Lauder et al., 2006). Given both individuals' and communities' interest in people's well-being, health, and financial capacity, there is a national and international policy consensus that support must be provided to ameliorate social isolation and to help those seniors who live in a state of, or are on the brink of, loneliness. A variety of measures have been taken to prevent and alleviate loneliness, with mixed success. These include: social care, mentoring, and volunteering; practical help with tasks like gardening, intergenerational activities, and transport; and other ways of helping seniors get out and about (Masi et al., 2011). There are also supportive group interventions and services, such as lunch clubs and social group programs that provide access to libraries and museums and that contribute to expansion of seniors' social circles. These activities help to prevent seniors' social isolation, increase their quality of life, and reduce public health expenditure (Losada et al., 2012). Drawing upon continuity theory, some researchers have found that seniors who are active in a range of social or leisure activities (e.g.,

meeting other seniors, having food and beverages together, shopping, and reading) in their daily life tend to exhibit higher well-being and lower loneliness (Pettigrew 2007; Toepoel, 2013).

Relevant studies have focused on the influence of quantity and quality of social interactions on loneliness (Toepoel, 2013; Breen, 2009; Pettigrew, 2007; Kim et al., 2005; Dykstra, 1990; Pinquart and Sörensen, 2001; Rook and Pietromonaco, 1987). However, to date, research concerning the association between specific types of social interactions and loneliness is lacking. Studies have tended to divide customers' social interactions during the consumption process into two types: social interactions with employees and those with other customers (Fakharyan et al., 2014; Levy, 2010; Papathanassis, 2012; Edgall et al., 1997). However, there is a research gap vis-à-vis the differential impact of each of the two types of social interaction on senior customers' loneliness. Moreover, psychology, healthcare, and sociology researchers have discussed the association between social interactions and loneliness without considering the role of commercial activities, particularly in the hospitality industry, in helping seniors to tackle their loneliness. The hospitality industry is often criticized for its promotion of unhealthy diets and public disorder, but its role in addressing social concerns about senior customers' loneliness is yet to be investigated.

This study addresses these research gaps. It uses the theory of third places to evaluate how social interactions with employees and with other customers in small hospitality businesses, such as restaurants and cafes, influence senior customers' loneliness by enhancing their customer experience. Two important contributions are put forward based on the results herein. First, we highlight the importance of the social space created by the hospitality industry; indeed, this is the first study to compare the respective influences of two types of social interaction (with employees and with customers) on enhancing the hospitality customer experience and alleviating

loneliness among senior customers. Second, we demonstrate the role and importance of the hospitality industry in addressing a social problem; this reveals that the ultimate goal of the hospitality service experience goes beyond merely providing a business transaction, for this experience also plays an important role in addressing loneliness among senior customers.

#### 2. Literature Review

#### 2.1 Third places

Third places can be defined as informal public places that offer individuals opportunities to escape from home and the workplace and to enjoy voluntary conversation, entertainment, and gatherings (Oldenburg, 1999; Rosenbaum, 2006). By this definition, a range of small hospitality businesses, such as restaurants, cafes, and taverns, are typical third places in daily life. Compared with younger generations, seniors usually suffer more negative and stressful events that lead to loneliness e.g., retirement and deceased or absent spouses and children (Rosenbaum, 2006). Studies have found that many senior customers who lack other social networks enjoy interacting or forming friendships with employees in third places to satisfy their needs for companionship and emotional support (Kang and Ridgway, 1996; Forman and Sriram, 1991; Stone, 1954; Giles, 2005; Rosenbaum, 2006; Pettigrew, 2007). More specifically, many senior customers seek conversation and entertainment in third places because they perceive them as a "place-aspractical" (for enjoying food and beverages), "place-as-gathering" (for pursuing social companionship), or "place-as-home" (for pursuing close and personal emotional support) (Rosenbaum, 2006). Drawing on third place theory, we propose that senior customers' social interactions in third places may improve their customer experience and remedy their loneliness by satisfying their needs for companionship and emotional support.

#### 2.2 Social interactions and customer experience

The inevitability of interactions during the consumption process gives us good reason to investigate how these interactions influence customers' experiences. Several studies have revealed the positive effect of social interactions on customer experience (Harris, 2007; Srivastava and Kaul, 2014). The consumer experience includes the dimensions of physical environment and human interaction and is as important for a company as its products and services (Yuan and Wu, 2008; Walls, 2013). This is consistent with Carbone and Haeckel's (1994) claim that the most effective interactions appeared when the physical environment and human interaction worked together. Pugh (2001) suggested that customers observe and evaluate service interactions, for instance, with respect to employees' service manner, and the resultant effect on customers' comfort can influence their emotions and experiences. According to Lloyd and Luk (2013), the overall customer experience is shaped by social interactions with employees insofar as these interactions promote customers' sense of comfort and thus improve overall service quality and customer satisfaction.

Market-related or consumer experiences can be influenced by customers' interactions not only with employees but also with other customers (Fakharyan et al., 2014; Levy, 2010; Papathanassis, 2012; Edgall et al., 1997). Walls (2013) conducted 451 intercept interviews with adult hotel guests who stayed at least one night in various hotels in an international tourist destination in the United States. Walls found that four dimensions of human interaction, including guest-to-guest relations, have significant effects on guests' experiences. Other researchers, such as Baron et al. (1996) and Martin and Pranter (1989), have also reported that customer experience can be affected by interactions between customers. However, few scholars have compared the respective contributions of the two types of social interaction (with

employees and with customers) identified above on the experiences of senior customers. We propose the following hypotheses, which, taken together, compare the respective effects of these two types of interaction on senior customers' experiences.

H1: Social interactions with employees have a positive influence on customer experience.

H2: Social interactions with other customers have a positive influence on customer experience.

#### 2.3 Social interactions and loneliness

Loneliness is commonly regarded as a feeling generated by perceived deficits in social relationships (Dykstra and Fokkema, 2007). This social problem is especially serious and prevalent among seniors because age is negatively related to social integration (Steed et al., 2007). Stalker (2008) and Orsega-Smith et al. (2007) suggested it was essential to understand what kinds of social behavior and network characteristics were effective in promoting seniors' well being. On the basis of individual interviews, Pettigrew (2007) stated that consumption behavior and activities that facilitate social interaction could help seniors to alleviate loneliness and could contribute to a higher perceived quality of life. Studies have found that both a larger quantity and higher quality of social interactions reduce loneliness (Dykstra, 1990; Pinquart and Sörensen, 2001). More specifically, Pinquart and Sörensen (2001) found that the quality of social interactions was more effective in relieving older adults' loneliness than the quantity of interactions, as social interactions are not always positive experiences and can make an individual feel depressed (Rook and Pietromonaco, 1987). In terms of negative social interactions, "the more, the better" is clearly untenable. Aspects of the quality of social interactions (e.g., having a confidant, feeling loved and understood) should be more strongly

related to positive emotions than the quantity of social interactions, and inability to satisfy one's need for emotional support should lead to more loneliness (Pinquart and Sörensen, 2001). However, which kinds of social interaction are more effective in addressing senior customers' loneliness still needs further study. Hence, we propose the following hypotheses, again comparing the respective effects of two types of social interaction (with employees and with customers) on seniors' loneliness.

H3: Social interactions with employees help to reduce loneliness.

H4: Social interactions with other customers help to reduce loneliness.

### 2.4 Customer experience and loneliness

The association between senior customers' experiences and loneliness does not seem to have been explored to date, but experimental marketing research suggests that providers' communication, vision, language, appearance, manner, and media provide consumers with conscious, emotional, and cognitive value (Su, 2011; Schmitt, 1999). There is also evidence that when older people consume goods or services, they prefer to interact with the providers of these phenomena to relieve their loneliness (Forman and Sriram, 1991; Bloch et al., 1991). Thus, we assume that when providers offer pleasurable experiences to older consumers, they will feel more satisfied and less lonely. Studies have shown that social interactions with both employees and other customers can contribute to seniors' experiences by creating a sense of comfort or satisfaction (Lloyd and Luk, 2011), which helps to alleviate their loneliness by satisfying their companionship and emotional needs (Pettigrew, 2007). Meanwhile, a positive customer experience may help to alleviate seniors' loneliness (Forman and Sriram, 1991; Bloch et al., 1991). Therefore, we propose the following hypotheses.

H5: Customer experience helps to reduce loneliness.

H6: Customer experience may mediate the relationship between social interactions with employees and the reduction of loneliness.

H7: Customer experience may mediate the relationship between social interactions with other customers and the reduction of loneliness.

# 3 Methodology

#### 3.1 Data collection

The target population of this study was Hong Kong residents aged 60 or older. The sampling frame comprised respondents who visited a Cha Chaan Teng more than once a year, because the Cha Chaan Teng, which is the Cantonese name for a Hong Kong-style tea restaurant, is very popular among residents of Hong Kong. The Cha Chaan Teng is known for its eclectic and affordable menus, which include food and beverages from Hong Kong cuisine and Hong Kong-style Western cuisine e.g., Hong Kong-style milk tea (Chang et al., 2010). As the Cha Chaan Teng plays a vital role in the cultural life of Hong Kong (Yu and Titz, 2000), it functions as a typical third place for this study. A convenience sampling method facilitated access to the target population through an online survey, which we administered with the help of a data capture company to increase the response rate. We distributed 500 questionnaires and collected 411 valid responses in 2016.

#### 3.2 Measures

The questionnaire used for this study is a composite based on measures from extant studies. Schmitt (1999) developed the customer experience construct, which comprised five dimensions: act (five items), feel (five items), sense (five items), think (three items), and relate (five items). We adapted the scale measuring social interactions with employees from Lloyd and Luk (2011) and included two dimensions: service manner (seven items) and need identification (four items). We adopted the scale measuring social interactions with other customers (four items) from Walls (2013). We measured loneliness using the six items from Kim et al. (2005). We selected these scales because they all had high reliability and validity and because all used a 7-point Likert-type scale to elicit opinions, with 1 equaling "strongly disagree" and 7 equaling "strongly agree".

#### 3.3 Data analysis

We adopted structural equation modeling to analyze the data via SPSS and AMOS software packages. Using SPSS, we performed analyses of descriptive statistics and correlations, exploratory factor analysis (EFA), and reliability analysis to determine the characteristics of the sample population, to identify the different dimensions of the four constructs, and then to assess the significance of the relationships between the constructs. Using AMOS, we performed confirmatory factor analysis (CFA) and goodness-of-fit tests on the measurement model, structural model, and hypotheses. Following De Vellis's (1991) suggestion, we split the sample into two subsamples randomly. We used subsample A (N = 196) for EFA and subsample B (N = 215) for CFA of the measurement models. We used the full sample (N = 411) to test the structural model. To examine each of our proposed indirect effects, we followed Selig and Preacher's (2008) method of conducting a Monte Carlo simulation (i.e., a form of parameter bootstrapping) with 2,000 replications, which provided an estimate of the confidence interval (CI) for each effect.

# 4 Findings

#### 4.1 Profile of the respondents

Table 1 summarizes the characteristics of the respondents, 50.9% of whom were male and 49.1% of whom were female. Of the respondents, 58.4% were aged between 60 and 69, and 41.6% were aged 70 or older. The frequency of visits to a Cha Chaan Teng was divided into seven groups; the top three groups visited two or three times a week (30.9%), once a week (23.1%), and more than three times a week (21.9%). This suggests that the Cha Chaan Teng is a very popular third place for seniors. Around 63.5% of the respondents spent up to one hour in a Cha Chaan Teng. About 71.3% of the respondents tended to visit a privately owned Cha Chaan Teng, whereas only 28.7% preferred a large chain-owned Cha Chaan Teng. Although some respondents preferred to use public transport (5.1%), a private car (0.2%), or other modes of transport (0.2%), 94.4% preferred to walk to the Cha Chaan Teng, which suggests that small, community-based hospitality businesses (e.g., restaurants and cafes) should make an effort to establish themselves next to elderly communities.

#### **INSERT TABLE 1 HERE**

Figure 1 illustrates senior customers' time preferences with respect to visiting Cha Chaan Teng. The most popular tea time is in the afternoon (25.3%, 26.3%, 30.2%, 25.3%, 25.8%, 21.7%, and 18.2% for Monday-Sunday afternoons, respectively) and morning (26.0%, 23.8%, 25.3%, 23.1%, 24.3%, 20.0%, and 16.5% for Monday-Sunday mornings, respectively), which is consistent with Hong Kong residents' preferences for morning and afternoon teas. Interestingly, senior customers prefer to have morning tea on Monday and afternoon tea on Monday and

Wednesday. This suggests that small hospitality businesses should pay more attention to the nature and extent of their service provision in the morning and afternoon.

#### **INSERT FIGURE 1 HERE**

#### 4.2 Exploratory factor analysis

We first conducted EFA using principal component analysis with varimax rotation due to the simplicity of interpreting the extracted factors (Field, 2005). Several criteria were considered for factor extraction. First, the most commonly adopted standard is to retain those factors with eigenvalues above 1 (Kaiser, 1960). Second, a factor loading should exceed 0.50 (Stevens, 1992). Third, communality and scree plots should also be used for factor extraction, and for a sample size larger than 250, the average communality needs to be greater than 0.60 (Kaiser, 1974). Fourth, Cronbach's alpha for each construct should be greater than 0.70 (Nunnaly, 1978).

Consistent with previous studies (Lloyd and Luk, 2011), the EFA showed that social interactions with employees comprise two factors: service manner and need identification. The results of the EFA were as follows: Kaiser-Meyer-Olkin (KMO) = 0.93; Bartlett's test of sphericity was significant (Chi-square  $(x^2) = 1,819.73$ ; degrees of freedom (df) = 55, p < 0.00), indicating that the correlation patterns were relatively compact and the factors identified were distinct and reliable. Two items measuring social interactions with employees explained 65.85% of the overall variance. Cronbach's alpha for the total construct was 0.95 and scale reliability for the two dimensions was 0.94 and 0.90, respectively, indicating that the constructs were reliable and stable. The EFA of social interactions with customers yielded the following results: KMO = 0.79; Bartlett's test of sphericity was significant ( $x^2 = 282.02$ ; df = 6, p < 0.00). The eigenvalue was 2.60, and all items together explained 65.07% of the total variance. Cronbach's alpha for the

total construct was 0.82. The EFA of loneliness yielded the following results: KMO = 0.92; Bartlett's test of sphericity was significant ( $x^2 = 526.58$ ; df = 15, p < 0.00). The eigenvalue was 3.65, and all items together explained 60.86% of the total variance. Cronbach's alpha for the total construct was 0.90.

The EFA of customer experience showed slight differences compared with the results of Schmitt's (1999) study. We merged items corresponding to two dimensions of customer experience developed by Schmitt (1999), think and sense, into one composite. Thus, overall, we identified four dimensions: (1) sense and think—the customer's perceptions of satisfaction, excitement, and deep thinking; (2) relate—the customer's experience of a brand given a certain societal and cultural context; (3) feeling—the customer's feelings about an organization, its products, and its brands insofar as these feelings are induced by strategic methods; (4) act—the customer's tangible experience of developing habits and customs. The EFA results were as follows: KMO = 0.85; Bartlett's test of sphericity was significant ( $x^2 = 2.842.81$ ; df = 253, p < 0.00). Four items measuring customer experience together explained 64.98% of the overall variance. Cronbach's alpha for the construct was 0.95 and the scale reliability of each dimension ranged from 0.81 to 0.90, suggesting satisfactory internal consistency. To analyze the influence of social interactions and customer experience on the reduction of loneliness, we reversed the score for the latter.

#### **INSERT TABLE 2 HERE**

# 4.3 Confirmatory factor analysis

We conducted CFA to validate the measurement models. First, we examined the measurement model with subsample B (N = 215), and it was found to be reliable and valid. The

fit indices ( $x^2 = 1499.56$ , df = 868, CFI = 0.91, TLI = 0.90, IFI = 0.91, RMSEA = 0.06) suggested that the model fit was acceptable. As shown in Table 6, the AVE values of the overall measurement model exceeded 0.50, attesting to convergent validity. Finally, the AVE value of the overall measurement model was larger than the squared correlation coefficients for the corresponding inter-constructs, indicating satisfactory discriminant validity (Fornell and Larcker, 1981).

#### **INSERT TABLE 4 HERE**

#### 4.4 Structural model and hypotheses testing

Using all of the sample data, we evaluated the structural model. The model fit indices ( $x^2$  = 2045.54, df = 886, CFI = 0.91, TLI = 0.90, IFI = 0.91, RMSEA = 0.06) indicated that the structural model exhibited an acceptable fit to the data. However, only the relationship between social interactions with employees and customer experience was significant in this model. As there are two factors in social interactions with employees, this study further explored the overall influence of social interactions with customers and the respective influence of each of the two factors of social interactions with employees on customer experience and loneliness to determine the different contributions of each factor. The model fit indices of the final structural model were as follows:  $x^2 = 2073.17$ , df = 885, CFI = 0.91, TLI = 0.90, IFI = 0.91, RMSEA = 0.06. The results suggest an acceptable fit between the final structural model and the data. Table 5 and Figure 2 show the final structural model and the standardized parameter estimates.

#### INSERT TABLE 5 AND FIGURE 2 HERE

Next, we examined the proposed hypotheses by testing the significance of coefficients and paths. We used the C.R. to indicate whether the standardized parameter estimates were statistically different from zero (Byrne, 2001). We present the results in Table 5. As predicted by H1, the standardized path coefficients from service manner and need identification to customer experience are 0.46 and 0.33, respectively, with C.R.s of 6.73 and 4.67 (above 1.96) and p < 0.001. Together, the path coefficients and significance levels suggest that social interactions with employees have significantly positive impacts on customer experience. As predicted by H2, the standardized path coefficient between social interactions with customers and customer experience is positive (0.18) and statistically significant (C.R. = 2.62 > 1.96, p < 0.01). Therefore, social interactions with other customers also have significantly positive impacts on customer experience. As predicted by H3, the standardized path coefficient between service manner and the reduction of loneliness is positive (0.41) and statistically significant (C.R. = 3.01)> 1.96, p < 0.01). However, the standardized path coefficient between need identification and the reduction of loneliness is negative (-0.15) and insignificant (C.R. = -1.11  $\leq$  1.96, p  $\geq$  0.05). With respect to H4, the standardized path coefficient between social interactions with customers and the reduction of loneliness is negative (0.24) but insignificant (C.R. = 1.84 < 1.96, p > 0.05). With respect to H5, the standardized path coefficient between customer experience and the reduction of loneliness is negative (-0.24) but insignificant (C.R. = -1.49 < 1.96, p > 0.05). Together, the standardized path coefficients and significance levels suggest that only service manner significantly reduces loneliness.

We assessed the mediation hypotheses using the bootstrapping method. The standardized total effect of each of the two factors of social interactions with employees (service manner and

need identification) on the reduction of loneliness was 0.30 and -0.23 respectively. The mediating effect of customer experience on the relationship between each of the two factors of social interactions with employees and the reduction of loneliness was -0.11 and -0.08 respectively, with respective Monte Carlo CI of [-0.29, 0.05] and [-0.24, 0.03], which included zero. This suggested that the indirect effects of social interactions with employees on reducing the loneliness of senior customers were insignificant, so H6 was not supported. Using the same method, the standardized total effect of social interactions with other customers on reducing loneliness was 0.20. The mediating effect of customer experience on the relationship between social interactions with customers and the reduction of loneliness was insignificant (standardized estimate = -0.04, 95% Monte Carlo CI [-0.19, 0.01]), which did not support H7.

#### **INSERT TABLE 6 HERE**

# 5 Summary and conclusions

### 5.1 Social interactions and customer experience

As expected, the two dimensions of social interactions with employees—service manner and need identification—exhibited a significant and positive influence on senior customers' experiences, thus supporting findings from previous studies (e.g., Harris, 2007; Srivastava and Kaul, 2014; Pugh, 2001; Lloyd and Luk, 2011). Similarly, the respondents reported that social interactions with other customers could enhance their customer experience, a finding again consistent with those of other studies (e.g., Harris, 2007; Srivastava and Kaul, 2014; Pugh, 2001; Lloyd and Luk, 2011). Interestingly, the results suggest that service manner was more effective than need identification in terms of improving senior customers' experiences. Lloyd and Luk (2011) similarly found that need identification had less effect on comfort than service manner,

possibly because the latter is relatively easy for service employees to produce, perform, and control (Dolen et al., 2004). Need identification, in contrast, requires service employees to anticipate customers' needs clearly and to give required feedback, and hence employees may find it difficult to identify and satisfy customers' needs without their cooperation or suggestions (Lloyd and Luk, 2011). Because customers may not indicate their needs or preferences precisely, service employees, especially those who are less experienced, may exhibit need identification behaviors which are sub-optimal and do not leave a lasting impression on some customers.

This study also showed that social interactions with other customers significantly and positively influenced senior customers' experiences (but to a lesser extent than service manner), thus supporting previous studies (e.g., Walls, 2013; Baron et al., 1996; Martin and Pranter, 1989). According to Surprenant and Solomon (1987), customers and employees are relatively more mutually dependent and interactive with each other in service settings compared to other customer-provider contexts, and the closer relationships that result can help to improve customer experiences. This may explain why the influence of social interactions with employees on customer experience is stronger than that of interactions with other customers according to our results. To conclude, this study is the first to empirically reveal that service manner is a more effective strategy for promoting senior customers' experiences than need identification and social interactions with other customers.

#### 5.2 Social interactions and loneliness

Employees' service manner had a statistically significant and positive effect on reducing loneliness. However, the effect of employees' need identification on reducing loneliness was statistically insignificant, a rather surprising finding. This appears to suggest that employees'

service manner is more important than their ability to identify the needs of senior customers in Hong Kong. This could be explained in terms of service manner being easier for service employees to produce, perform, and control than need identification (Dolen et al., 2004) and thus leaving a deeper impression on customers, helping to reduce their loneliness. The effect of social interactions with other customers on reducing loneliness was also insignificant in this study, perhaps due to Chinese cultural values, namely family orientation and kinship, which could act to forestall interactions outside of family circles. According to Lovelock (1999), cultural values usually play a vital role in influencing human interactions in tourism and hospitality businesses. Scholars have regularly observed that Chinese people tend to stay close to their families and are family-oriented in their decisions (Cheng, 1997; Chan and Cheng, 2002; Zhang and Harwood, 2004; Qian et al., 2007; Hsu and Huang, 2016). Therefore, compared with seniors in Western countries, who pursue friendship ties rather than family ties (Kim et al., 2005), Chinese seniors may rely on family interactions more than social interactions with other customers in small hospitality businesses.

#### 5.3 Customer experience and loneliness

Neither the effect of customer experience on reducing loneliness nor the mediating effect of customer experience on the relationship between social interactions and reducing loneliness was significant. This might also be related to Chinese seniors' values of family orientation and kinship. A study by Cheng et al. (2009) focusing on Chinese seniors in Hong Kong reported a positive relationship between seniors' well-being and diverse, family-focused networks. This suggests that compared with family satisfaction supported by family ties and interactions, customer experience supported by social ties and interactions may play a weaker role in mitigating seniors' loneliness.

### 5.4 Implications and future research

#### 5.4.1 Theoretical contributions

This study investigated how social interactions influence the experiences of senior customers and whether such interactions reduce their loneliness. The first theoretical contribution is the proposal of a new structural model. Based on third place theory, this study highlights the importance of social spaces created by the hospitality industry and is the first to compare the respective effects of two types of social interactions, with employees and with customers, in enhancing customer experiences in the hospitality sector and alleviating loneliness among senior customers. Although some of the hypotheses were not supported by the empirical results generated herein, the proposed model helps to enrich theoretical understandings of the relationship between social interactions, customer experience, and loneliness in third places. Second, this study demonstrates the role and importance of the hospitality industry in addressing a contemporary social problem. It is clear that the ultimate goal of the hospitality service experience goes beyond a mere business transaction; this experience also plays an important role in addressing loneliness among senior customers.

#### 5.4.2 Practical implications

The findings of this study could help hospitality businesses, SME support organizations, elderly support organizations, and government policymakers work together to help seniors become more socially connected with the rest of the community and thus alleviate their loneliness.

First, the study offers insights into how small hospitality businesses can enhance senior customers' experiences, help to reduce their social isolation, and alleviate their loneliness. In particular, small hospitality organizations should introduce staff training with a focus on the development of employees' interactions with customers, especially senior customers. That is to say, service employees are expected to be trained to be more professionally mannered and well groomed (Lloyd and Luk, 2013). The results of this study may also suggest that small hospitality businesses in Hong Kong should make employees' service manner the top priority to enhance service quality. The employees of hospitality outlets must treat their customers in a respectful, patient, and friendly manner. As social interactions have an important influence on customer experiences, service providers must positively and proactively manage customer behavior to enhance senior customers' experiences.

Second, this study demonstrates that loneliness as a social issue should be tackled not only through healthcare and psychological interventions, but also by commercial activities oriented toward experiential consumption. Most of the seniors in our sample preferred to walk to a nearby Cha Chaan Teng (94.4%), suggesting that small community-based hospitality businesses (e.g., restaurants and cafes) should endeavor to establish themselves next to elderly communities and should be encouraged to offer older consumers a comfortable and relaxing environment for social interactions. As there is clear evidence that lonely individuals enjoy the attention of personal service in the retail setting, Moschis (2003) suggests that mall retailers should hire older salesmen to increase interactions with senior customers. This study suggests that hospitality businesses may also consider hiring older employees, who better understand senior customers' needs and thus increase and improve personal interactions with senior customers.

Third, this study provides useful suggestions for encouraging senior customers' participation and involvement in hospitality services to prevent their loneliness. The findings suggest that emphasis should be placed on experiential consumption with a view to enhancing the quality of their social interactions with both service providers and other customers. It is highly likely that such experiential consumption will motivate seniors to visit hospitality businesses more often and thereby make them more socially connected whilst simultaneously generating revenue for the businesses, thus ultimately contributing to local economic sustainability.

Furthermore, the findings suggest that small hospitality businesses could help senior customers feel safe, comfortable, and welcome through proper service manner and need identification. Moreover, the results indicate that the distribution of training manuals for small hospitality business managers and employees may enhance their social interactions with senior customers and create the space and mechanisms needed to help senior customers to connect with other customers. Regulations should also be developed by the government in collaboration with small hospitality businesses to establish design requirements that include specifications for interactive spaces that create reasons for seniors to visit, stay, and enjoy their dining experiences.

#### 5.4.3 Limitations and future research

Like other empirical research, this study is not without its limitations. A major concern is our use of an online survey as opposed to an alternative means of elicitation; seniors are less likely to exhibit positive preferences for information technology compared to younger generations. Another limitation is the use of a convenience sampling frame within the context of this online survey. A quota sampling method could be adopted in future research to reduce the

potential for self-selection bias. Furthermore, this study did not consider the effect of cultural differences and cultural values on the relationships between social interactions, customer experience, and loneliness, which may affect the robustness of our findings. The respondents' marital status was also not taken into account. In this study, whether a senior customer visited a Cha Chaan Teng with his/her spouse may have influenced key results, because seniors' quantity and quality of social interactions and degree of loneliness may also be determined by their marital status (Cheng et al., 2009).

Future research could involve a comparative study on this topic across different cultural settings. In addition, cultural values, marital status, and other variables could be added to the proposed model as moderators to increase the generalizability of the findings. The mediating effect of other variables (e.g., customer satisfaction, comfort, and service quality) on the relationship between social interactions and loneliness could also be tested in future. As customer experience consists of four dimensions in this study, the relationship between each dimension of customer experience and other constructs is also a matter for further study.

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# The influence of social interactions on senior customers' experiences and loneliness

Figure 1 Senior customers' time preferences for visiting Cha Chaan Teng

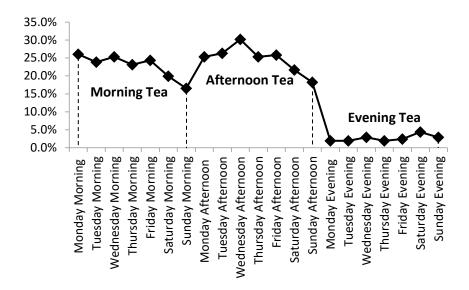
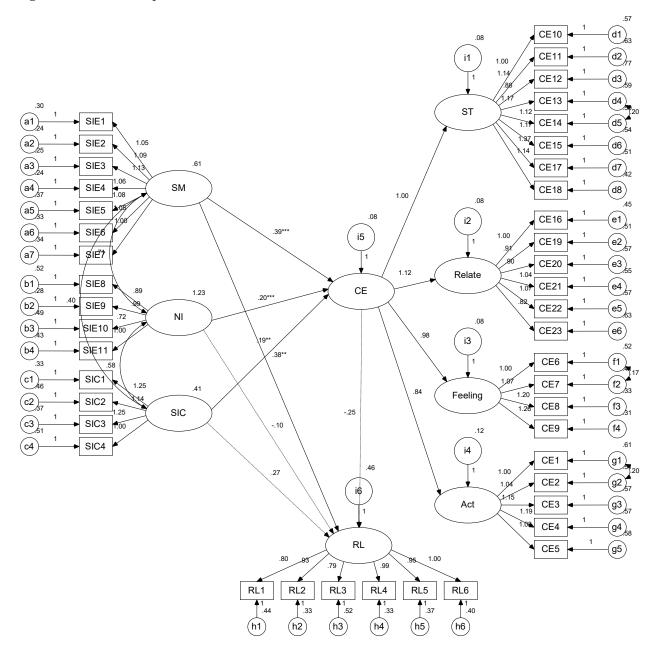


Figure 2 Standardized path estimates for the structural model



Note: SM = service manner, NI = need identification, SIC = social interactions with customers, CE = customer experience, ST = sense & think, RL = reduction of loneliness.

\*\*\*: correlation is significant at the 0.001 level. \*\*: correlation is significant at the 0.01 level. \*: correlation is significant at the 0.05 level. Values adjacent to dotted lines are not significant.

# The influence of social interactions on senior customers' experiences and loneliness

 Table 1 Profile of the respondents

Characteristics	Frequency	Percentage
Gender		
Male	209	50.9%
Female	202	49.1%
Age		
60 - 69	240	58.4%
70 - 79	133	32.4%
80 - 89	37	9.0%
90 and over	1	0.2%
Frequency of visiting a Cha Chaan Teng		
Most days – more than 3 times a week	90	21.9%
About 2 or 3 times a week	127	30.9%
About once a week	95	23.1%
About 2 or 3 times a month	48	11.7%
About once a month	37	9.0%
Less than 2 or 3 times a year	14	3.4%
Time spent in a Cha Chaan Teng on each visit		
Up to an hour	261	63.5%
1-1.5 hours	125	30.4%
1.5-2 hours	23	5.6%
2-2.5 hours	1	0.2%
2.5-3 hours	1	0.2%
Preference for large, chain-owned places or privately owned places		
Chain	118	28.7%
Private, non-chain	293	71.3%
Main method of transport used to get to the Cha Chaan Teng		
Own car	1	0.2%
Public transport	21	5.1%
Walking	388	94.4%
Other	1	0.2%

**Table 2** Results of exploratory factor analysis (N = 196)

	Factor Loading	Initial Eigenvalues	Cumulative %	Squared Multiple Correlation	Cronbach's α if Item Deleted	α
Social interactions with						
employees						
Factor 1 – Service manner		7.24	65.85%			0.94
SIE1	0.78			0.81	0.93	
SIE2	0.82			0.80	0.93	
SIE3	0.83			0.84	0.93	
SIE4	0.84			0.84	0.93	
SIE5	0.65			0.78	0.93	

SIE6	0.75			0.79	0.93	
SIE7	0.73			0.79	0.93	
Factor 2 – Need	0.77			0.77	0.93	
identification		1.06	9.66%			0.90
SIE8	0.81			0.72	0.90	
SIE9	0.84			0.72	0.89	
SIE10	0.84			0.83	0.89	
SIE10 SIE11	0.73			0.83	0.88	
SIETT	0.63			0.73	0.91	
Social interactions with		2.60	65.07%			0.82
other customers		2.00	03.0770			0.62
SIC1	0.86			0.71	0.74	
SIC2	0.83			0.66	0.76	
SIC3	0.85			0.70	0.75	
SIC4	0.68			0.50	0.83	
Customer experience						
Factor 1 – Sense and think		10.64	46.27%			0.90
CE10	0.53	10.0.	.0.2770	0.61	0.90	0.50
CE11	0.71			0.73	0.89	
CE12	0.65			0.58	0.90	
CE13	0.87			0.79	0.88	
CE14	0.77			0.75	0.88	
CE15	0.59			0.66	0.89	
CE17	0.62			0.75	0.88	
CE18	0.46			0.65	0.89	
Factor 2 – Relate	00	1.80	7.81%	0.00	0.05	0.86
CE16	0.52			0.67	0.83	
CE19	0.62			0.64	0.83	
CE20	0.76			0.66	0.83	
CE21	0.54			0.70	0.82	
CE22	0.62			0.70	0.82	
CE23	0.69			0.49	0.86	
Factor 3 – Feeling		1.31	5.67%			0.87
CE6	0.83			0.72	0.84	
CE7	0.84			0.74	0.83	
CE8	0.72			0.76	0.82	
CE9	0.53			0.69	0.85	
Factor 4 – Act		1.20	5.22%			0.81
CE1	0.62			0.62	0.77	
CE2	0.62			0.68	0.76	
CE3	0.69			0.61	0.78	
CE4	0.55			0.56	0.79	
CE5	0.69			0.55	0.79	
Loneliness		3.65	60.86%			0.90
RL1	0.74			0.44	0.86	
RL2	0.81			0.52	0.84	
RL3	0.67			0.32	0.87	
RL4	0.81			0.53	0.84	
RL5	0.83			0.58	0.84	
RL6	0.81			0.56	0.84	

Note: SM = service manner, NI = need identification, SIC = social interactions with customers, CE = customer experience, RL = reduction of loneliness.

**Table 3** Correlations (squared correlation), reliability, AVE, and mean (N = 215)

	SM	NI	SIC	CE	RL
SM	1.00				
NI	0.78** (0.61)	1.00			
SIC	0.73** (0.53)	0.74** (0.55)	1.00		
CE	0.82** (0.67)	0.78** (0.61)	0.72** (0.52)	1.00	
L	0.27** (0.07)	0.17* (0.03)	0.14* (0.02)	0.21** (0.04)	1.00
Reliability	0.94	0.89	0.86	0.96	0.85
AVE	0.94	0.89	0.87	0.97	0.85
Mean	4.77	4.33	4.68	4.53	5.38
Std. Dev.	0.87	1.06	0.82	0.76	0.68

Note: SM = service manner, NI = need identification, SIC = social interactions with customers, CE = customer experience, RL = reduction of loneliness.

**Table 4** Results of structural model and hypotheses testing (N = 411)

Hypotheses/ Path	Coefficient	C.R.	Results
H1: SIE -> CE			
H1a: SM -> CE	0.46	6.73***	Supported
H1b: NI -> CE	0.33	4.67***	Supported
H2: SIC -> CE	0.18	2.62**	Supported
H3: SIE -> RL			
H3a: SM -> RL	0.41	3.01**	Supported
H3b: NI -> RL	-0.15	-1.11	Not supported
H4: SIC -> RL	0.24	1.84	Not supported
H5: CE -> RL	-0.24	-1.49	Not supported

Note: SM = service manner, NI = need identification, SIC = social interactions with customers, CE = customer experience, RL = reduction of loneliness.

**Table 5** Mediating effect of affective commitment (N = 411)

Hypothesis/Path	Standardized	Monte Ca		rlo 95% CI	Results
	estimates	P-value	Low end	High end	- Results
SM -> CE -> RL	-0.11	0.20	-0.29	0.05	Not supported
NI -> CE -> RL	-0.08	0.18	-0.24	0.03	Not supported
SIC -> CE -> RL	-0.04	0.15	-0.19	0.01	Not supported

Note: SM = service manner, NI = need identification, SIC = social interactions with customers, CE = customer experience, RL = reduction of loneliness.

<sup>\*\*:</sup> correlation is significant at the 0.01 level. \*: correlation is significant at the 0.05 level.

<sup>\*\*\*:</sup> correlation is significant at the 0.001 level. \*\*: correlation is significant at the 0.01 level. \*: correlation is significant at the 0.05 level.

<sup>\*\*\*:</sup> correlation is significant at the 0.01 level. \*\*: correlation is significant at the 0.05 level. \*: correlation is significant at the 0.1 level.