LJMU Research Online

Belhaj, M and Lehman, K

 Conceptualising experiential marketing strategies in tourism and hospitality

http://researchonline.ljmu.ac.uk/id/eprint/25126/

Article

Conceptualising Experiential Marketing Strategies in Tourism and Hospitality

Dr Monika Belhaj*
Lithuanian Centre for Social Sciences
Institute of Economics and Rural Development
Department of Business Ecosystems
A.Vivulskio g. 4A-13, 03220
Vilnius, Lituania
monika.belhaj@ekvi.lt

and

Dr Kim Lehman
Liverpool Business School
Liverpool John Moores University
Liverpool L3 5UG
United Kingdom
K.F.Lehman@ljmu.ac.uk

* Author for correspondence

Abstract

This paper explores the incorporation of experiential marketing strategies into the business models of tourism and hospitality firms, arguing that such an approach can enhance consumer experience and differentiate firms in a competitive market. Building on previous research that investigates experiential marketing in broader contexts, this study reviews existing research and practices to identify key issues and proposes a typology of experiential strategies specifically tailored to tourism and hospitality. While focusing solely on these sectors, the paper acknowledges the potential for future research to extend these findings to other industries. Practical implications include offering industry guidelines to evaluate the impact of experiential marketing strategies. The originality and value of this paper lie in its contribution to tourism and hospitality literature by conceptualising experiential strategies as a differentiation tool, thus providing new directions for both academic inquiry and industry practice.

Keywords: Experiential marketing, differentiation, typology, tourism, hospitality, customer experience

Conceptualising Experiential Marketing Strategies in Tourism and Hospitality

Introduction

With the rise of the experience economy, consumers have begun to seek unique experiences rather than just consuming products and services (Pine and Gilmore, 2013). The increased role of customer experience in the business has led to a shift towards a different marketing approach, that is, a shift from traditional marketing to experiential marketing (Schmitt, 2010). In many areas, such as retail, branding, and event marketing, experiential marketing has become a major research topic (Williams, 2006). Gilmore and Pine's (2002) earlier work highlighted the benefits of experiential marketing to both businesses and consumers. Other later research emphasised the significance of the experience-based marketing strategy as the best instrument to differentiate firms and unique offerings from one another (Goldsmith and Tsiotsou, 2012; Tresidder, 2015; Walls et al., 2011a). Indeed, staging the environment, and providing experiences that create memorable moments and add experiential value to people's lives have become core tasks of the business (Hemmington, 2007; Shah et al., 2018), underscoring the importance of a thoughtful experience-based marketing strategy.

The application of experiential marketing theory to tourism and hospitality services can add significant value, as the core product of a tourist's visit is not a tangible good but rather the cumulative experience they acquire (Goldsmith and Tsiotsou, 2012). That is because "people not only consume products, but also ideas and beliefs" (Mendez, 2009: 634). Thus, the notion of experience as it relates to the tourism and hospitality industries has been the subject of considerable research (Carù and Cova, 2003; Oh et al., 2007; Sundbo and Dixit, 2020; Vlahovic-Mlakar and Ozretic-Dosen, 2022). However, experience is a very subjective and personal concept that is difficult to define, understand, analyse, and evaluate (De Freitas Coelho et al., 2018; Dieguez and Conceição, 2020; Godovykh and Tasci, 2020). For example, a customer stays for a few hours in a restaurant, experiencing the restaurant. According to Schmitt (1999), this context of experience is made up of several factors, that is, what a customer sees, feels, and thinks, as well as how interacts with the physical and social environments.

Despite widespread discussion of experiential marketing across various sectors, including art, heritage, retail, manufacturing, media, entertainment, and events (Batat, 2021; Leighton, 2007; Petkus Jr, 2004; Shafiee et al., 2019; Srinivasan and Srivastava; 2010; Vila-López and Rodríguez-Molina, 2013), it has not been thoroughly explored by researchers in tourism and hospitality. In this context, our paper aims to conceptualise the use of experiential marketing strategies to create differentiation. We seek to make two significant contributions. First, based on a comprehensive literature review, we conceptualise a typology of experiential marketing strategies to differentiate hospitality and tourism offerings. Typologies can be a useful tool for identifying specific research gaps and providing a structured framework for analysing and addressing a research problem (McKercher and du Cros, 2003; Reinhold et al., 2023; Zamani-Farahani et al., 2018). Second, our paper outlines key aspects to consider when developing an experience-based marketing strategy, thus providing practical advice for the industry. Overall, we provide a comprehensive view of the research and practice of using experiential strategies in the context of tourism and hospitality.

Strategic Differentiation Through Customer Experience

Experience as a driving force

In their seminal paper "Welcome to the Experience Economy", Pine and Gilmore (1998) introduced the concept of experience as the fourth economic offering, alongside commodities, goods, and services, as a distinct avenue for differentiation. They argued that "many companies today wrap experiences around their existing good and services to differentiate its offerings" (Pine and Gilmore, 1999: 15), highlighting a shift in consumer preferences toward memorable consumption experiences. Moreover, Pine and Gilmore (1998) discussed consumer experiences along two dimensions, involvement and connection, and categorised experiences into four realms, namely entertainment, education, escapism, and aesthetics. They argued that the richest experiences integrate all four realms, likening businesses to stages where services are intangible activities and experiences are memorable events that encourage customers return.

This perspective introduces the concept of experiential value, emphasising its creation through engaging and memorable experiences that build emotional connections and lasting impressions. Experiential value has arisen as an essential component within modern marketing paradigms, significantly impacting consumer behaviour and organisational

performance. Key antecedents include the quality of interactions, the environment, and the emotional engagement of customers (Varshneya and Das, 2017). Outcomes of experiential value include increased purchase intentions, brand loyalty, and positive word-of-mouth (Shah et al., 2018). This concept is particularly significant in fields like tourism and hospitality, where consumer satisfaction and loyalty are deeply tied to the quality of the overall experience. Experiential value is shaped by factors such as sensory appeal, novelty, personalisation, and the ability to fulfill deeper needs, such as connection and escapism.

Thus, to facilitate the implementation of experiential phenomenon inside the firm, Pine and Gilmore (1998) outlined five principles essential for integrating experiential design into marketing strategies: (1) develop a cohesive theme, (2) form positive impressions, (3) eliminate distractions, (4) provide memorabilia, and (5) engage all five senses. Although there is no guarantee that success will be achieved by using these five design principles, an "innovative experience design will become a critical component of … [a] company's core capability" (Gilmore and Pine, 2002: 89). According to Mossberg (2008), this approach ensures that other businesses will encounter difficulties if they attempt to replicate the unique concept.

Furthermore, Schmitt (1999) explored how experiential marketers perceive consumers and introduced Strategic Experiential Modules (SEMs) encompassing sensory, affective, cognitive, physical, and social-identity experiences. These experiences are facilitated through various Experience Providers (ExPros), such as communications, visual and verbal identity, product presence, co-branding, spatial environments, electronic media, and personnel. This strategic process aims to drive growth, increase competitive advantage, and enhance brand perception by delivering engaging and personally relevant customer experiences.

Differentiation through experiencescapes
Research has shown a strong link between perceived customer experience, the evaluation of the environment with its components, and the influence on customer behavioural intentions (Dong and Siu, 2013; Durna et al., 2015). In tourism and hospitality, for example, physical and social surroundings significantly impact the overall quality of the consumer experience (Mei et al., 2020; Nelson, 2023). Understanding and optimising these environments are therefore essential for creating positive consumer interactions and fostering brand loyalty.

Scholars have used various terms to describe service environments, encompassing processes, consumer attitudes, behaviour, and interactions. Kotler (1973) initially introduced these concepts, which were later expanded to encompass physical evidence and the environment (Booms and Bitner, 1981), followed by the seminal concept of the servicescape (Bitner, 1992). While Bitner's (1992) servicescape focused on the internal environment and its influence on behaviour, the concept has since expanded to include external environments and social interactions within the consumption process, collectively referred to as the experiencescape (Kandampully et al., 2023; Mossberg, 2007; O'Dell and Billing, 2005).

The experiencescape is described as "a space of pleasure, enjoyment, and entertainment, as well as a meeting ground where diverse groups interact" (Mossberg, 2007: 62). O'Dell and Billing (2005: 15) note that experiences are often "planned in one place, developed in another, and staged for consumption in a third", making the experiencescape integral to the spatial organisation of experiences and "an important aspect in creating successful and differentiated tourism and hospitality experiences" (Tresidder and Deakin, 2019: 196). Following Kandampully et al. (2023: 325), "customers' interaction with the experiential environment is important for the effective cue of service for hedonic reasons (e.g. restaurant, hotels, theaters and other leisure services)". This broader perspective holds relevance in experience-driven industries, where creating meaningful and engaging environments is essential for customer experience. Disney theme parks, for example, are often regarded as exemplary experiencescapes that actively engage customers in co-creating unforgettable experiences (Carù and Cova, 2007; Fırat and Dholakia, 2006; Williams, 2006). Similarly, as noted by Mody et al. (2017) and Agapito et al. (2021), the accommodation sector also offers environments conducive to experiential consumption. Nevertheless, not every business employs a thoughtful design process. For example, Mei et al. (2020) note that few service providers use professional designers for experiencescapes. In their case, they found that farm tourism operators focused more on product sales than on creating experiences. However, the authors argue that the experiencescape, including both tangible (e.g., farm setting, products) and intangible elements (e.g., farmer-visitor interactions, participation in activities), is crucial for the experience co-creation. As Hoarau and Kline (2014: 45) emphasise, "the value of the experience is not only created by the firm and its customers but is embedded in a larger social and physical context". Therefore, creating a unique experiential environment is essential for fostering co-creation and distinguishing the brand or service from its competitors.

Market differentiation

The global tourism competition has intensified the need for marketers to create and promote brands or tourism offerings that adhere to their values and leverage unique experiences as a key differentiator (Giannopoulos et al., 2021). Tourism and hospitality settings have therefore increasingly utilised various forms of experiential differentiation to stand out in both national and international markets (for example, Belhaj, 2022; Ruiz-Molina et al., 2014; Seyitoğlu and Ivanov, 2020; Wang et al., 2020). This emphasis on differentiation, particularly through innovative and experience-driven marketing strategies, has become essential for survival in a globally competitive tourism market (Sudirjo, 2023).

However, the fragmented nature of the tourism industry (O'Regan, 2014) presents distinct challenges across its sectors, affecting efforts to differentiate and market effectively (Tinsley and Lynch, 2008). For instance, in the accommodation sector, "bed and breakfasts are differentiated by offering a unique style of accommodation compared to hotels" (Tinsley and Lynch, 2008: 169). That aside, merely creating an experience is insufficient. Garely (2012) argues that, in a competitive market, establishing an emotional connection to the destination and its values through customer experiences is crucial for attracting and retaining tourists. This requires strategic decisions that prioritise experiential development and effective marketing to enhance competitiveness (Tsai et al., 2009).

A company's efficiency and productivity heavily depend on managers' ability to craft and implement effective marketing strategies (Barros et al., 2011), as well as on differentiation, which is vital for business survival and success (Sudirjo, 2023). Integrating strategic marketing tools with strong managerial skills allows tourism and hospitality businesses to excel in attracting and retaining customers while differentiating their offerings. As Shaw (2007: 6) notes, the first step for any company is to "dig into the detail and understand the DNA of Customer experience". Companies that fail to deliver exceptional experiences risk allowing competitors to distinguish themselves through superior customer interactions. Therefore, effectively managing and designing the customer experience is critical for achieving differentiation and profitability in a commoditised market.

Defining Experiential Marketing

The original notion of consumer experience has much evolved (Chaney et al., 2018), with marketing researchers increasingly embracing experiential marketing as a more integrated approach (Batat, 2019; Schmitt, 1999). This evolution has led to the development of various concepts to address the changing behaviours of contemporary consumers, including the dream society (Jensen, 1999), the entertainment economy (Wolf, 1999), Pine and Gilmore's experience economy (1998, 1999), and Batat's (2019) experiential marketing mix, the 7 Es.

In this context, experiential marketing is regarded as a creative and effective strategic tool, distinguished by its diverse and unique operational approach. For instance, Williams (2006) argues that experiential marketing is a powerful method for designing extraordinary and memorable experiences. You-Ming (2010: 190) describes it as a "communication method that primarily enhances customers' physical and emotional feelings". Similarly, Yuan and Wu (2008: 388) define experiential marketing as "a tactic designed by businesses to stage the entire physical environment and operational processes for customers to experience". Overall, as noted by Shah et al. (2018), experiential marketing highlights how a company designs and delivers the entirety of its product experience to engage customers and generate value. Certainly, research indicates that customers who engage with multiple experiential touchpoints throughout their journey tend to feel more satisfied and are more likely to return (Schmitt and Zarantonello, 2013; Yazıcı et al., 2017). These implications are particularly relevant in the tourism and hospitality industry, where enterprises are increasingly dedicated to curating unforgettable experiences to attract and retain clientele.

Experiential Marketing in tourism and hospitality
Experiential marketing as a strategy in the tourism and hospitality sectors has increased in importance in recent years (Batat and Frochot, 2014; Frochot and Batat, 2013). Research has explored the personal and emotional dimensions of tourist experiences across various contexts, such as natural environments (Schänzel and McIntosh, 2000), hospitality services (Hanefors and Mossberg, 2003; Lin et al., 2009; McIntosh and Siggs, 2005), the arts (Petkus Jr, 2004), heritage sites (Leighton, 2007; Mattsson and Praesto, 2005), and high-risk, extraordinary experiences (Arnould and Price, 1993; Hallin and Mykletun, 2006). Such studies highlight the multifaceted nature of the experiences and underscore the importance of experiential marketing strategies, which effectively tap into the experiential dimensions to create compelling and differentiated offerings that deeply resonate with consumers.

Unlike traditional marketing, which emphasises functional benefits, experiential marketing engages customers on emotional and sensory levels, creating memorable and unique experiences (Hwang and Seo, 2016; Schmitt, 1999). This strategy significantly enhances customer perception and satisfaction, both of which are critical in an industry where service quality and customer experience are central. By crafting distinctive experiences, hospitality businesses can differentiate themselves, foster stronger brand loyalty, and encourage positive word-of-mouth (Kim and Choi, 2020; Pine and Gilmore, 1998). Numerous scholars have highlighted the profound impact of experiential marketing on consumer experience, behaviour, and brand perception, underscoring its effectiveness in achieving competitive differentiation (Batat and Frochot, 2014; Lemon and Verhoef, 2016). Likewise, Walls et al. (2011a) reviewed several studies demonstrating how the concept of experience has enabled companies to establish emotional connections with their customers.

In practice, some businesses in the tourism and hospitality industry have employed experiential marketing without an explicit strategy as such. This is because "the fact that their product is almost always experiential puts tourism and hospitality marketers in a unique position to apply the principles of experiential marketing to their activities" (Williams, 2006: 487). Numerous success stories illustrate how companies in this sector have utilised the concept of experience as a key marketing tool, integrating experiential marketing into their business models to gain a competitive advantage (Batat, 2021; De Klumbis, 2002; Gilmore and Pine, 2002; Mossberg, 2008; Williams, 2006). Their tactics included various emotional, spatial, physical, and social aspects.

Debates around Experiential Marketing
The literature on experiential marketing is extensive yet fragmented (Tynan and McKechnie, 2009), sparking considerable debate. Some authors argue that using experiential content and implementing experiential marketing in business is not as straightforward as some researchers have suggested (for example, Pine and Gilmore, 1998). Mazur (2000) indicated that before creating an experience, a firm should first focus on the effectiveness of the product or service and the development of a strong brand. Only then could firms start adding an experiential dimension. Similarly, Berry et al. (2002) claims that companies:

that simply tweak design elements or focus on the customer experience in isolated pockets of their business – by providing a quick hit of entertainment, for example – will be disappointed in the results (Berry et al., 2002: 88).

Williams (2006) argues that there are few exemplary cases of businesses effectively practicing experiential marketing, as the concept is often poorly executed or misunderstood. It involves complex, multidimensional strategies that require precise alignment between company goals and consumer experiences. For example, the immersion of people into the experiential context depends on their identity, the environmental and situational influences, and the level of their knowledge, involvement, and interpretation of the themed context (Hansen and Mossberg, 2013). As a result, it is not enough for a company to create an experiential context alone, "it must also and, above all, develop the means to facilitate people's immersion in this context" (Carù and Cova, 2007: 42). Companies need to have knowledge, expertise, and tactics to make it easier for consumers to immerse themselves in an experiential context.

Despite these issues, experiential marketing is widely applied and continues to attract research interest (see Chuang and Hu, 2017; Ferreira and Sousa, 2020; Tasci and Milman, 2019; Wiedmann et al., 2018). In this context, while some scholars have made advances in conceptualising experiential marketing strategies (for example, Batat, 2019; Gentile, 2007; Schmitt, 1999; Smith and Hanover, 2016) and highlighting how experiences and experiencescapes can serve as a means of differentiation (Mei et al., 2020; Nelson, 2023; O'Dell and Billing, 2005), there remains a critical gap in the literature. To our knowledge, no previous research has offered a comprehensive categorisation that systematically identifies, presents, and analyses the key tactical elements of experiential marketing strategies within a unified framework.

A typology of Experiential Marketing strategies

Our research seeks to fill that gap by establishing a typology based on an extensive literature review and integrating real-life examples into a single conceptual framework of direct applicability to the tourism and hospitality industry (see Table 1). Unlike prior approaches, our proposed typology goes beyond product-focused or connection-based perspectives, offering a holistic view of experiential marketing strategies. It presents practitioners and researchers with a clear framework to guide the implementation and study of experiential

marketing, potentially aiding the development of effective strategies and a deeper understanding of their impact.

The table is organised into four sections: the first column categorises the different categories of experiential strategies; the second column elaborates on the tactical elements of each category, designed to enhance consumer engagement through various means; the third column references academic and theoretical works that support and explain each experiential strategy, providing foundational theories and empirical research; and the fourth column provides practical, real-world examples of each experiential strategy, illustrating their implementation in various settings to enhance consumer engagement and satisfaction.

The typology is divided into the following categories: sensorial-hedonistic, entertainment-based, educational, escapist, lifestyle-oriented, and product-based strategies. These categories are largely informed by the experience classifications introduced by pioneering scholars such as Pine and Gilmore (1998) and Schmitt (1999). Their frameworks have been adapted to emphasise the multidimensional role of experiential marketing strategies, demonstrating how diverse settings and contexts enhance consumer experience differentiation, ultimately delivering and securing a competitive advantage. Furthermore, the categories have been developed from a comprehensive literature review focusing on the concepts of experience, experiencescape, and market differentiation, which underpin experiential marketing.

To offer a clearer definition of each category, *the sensorial-hedonistic* refers to a strategy employed by tourism and hospitality firms that utilises various sensory stimuli to engage all five senses – sight, hearing, touch, smell, and taste. The objective of this approach is to provide a multi-level experience for customers. *The entertainment-based* involves firms creating themed environments inspired by music, films, history, places, storytelling, design, and art. Their primary goal is to entertain and engage customers throughout the entire consumption experience. *The educational* category of an experiential marketing strategy encompasses firms using educational, informational, story-based, and interactive tools to create memorable learning experiences. Their goal is to blur the lines between enlightenment and entertainment, offering a fully inclusive experience to attract and retain customers. *The escapist* involves firms using innovative, themed, human-related resources, such as costumed staff and live, unexpected performances, to create a "wow" experience. This approach offers customers an escape from everyday life and the chance to experience something

extraordinary. The main goal is to develop live, immersive experiences where customers take on various roles and co-create the experience. *The lifestyle-oriented* category includes firms utilising leisure activities, such as high-risk adventures, cultural events, or other unique experiences, to provide an extraordinary and shareable experience. The goal is to enhance this experience through social connections with others who share a similar lifestyle. Finally, *the product-oriented* refers to a strategy that firms utilise to transform their businesses into memorable experiences that generate revenue and profit through non-conventional services, empowered employees, and augmented products. The main goal is to extend, enhance, and add value to their product components.

As can be seen from Table 1, companies aim to distinguish themselves and secure a competitive advantage in the crowded market by producing experiential offerings that provide a memorable experience. This is particularly important in the "Big Middle", a concept introduced by Levy et al. (2005), which describes a large, stable market segment

Table 1. A proposed typology of experiential marketing strategies

Category	Tactical elements of an Experiential Marketing strategy	Literature	Examples
Sensorial-hedonistic	The firms are using multiple sensorial stimuli to engage the five senses such as seeing, hearing, touching, smelling, and tasting. Their goal is to satisfy their customers on multiple levels. This is because customers seek the pursuit of pleasure through a mix of fantasies, feelings, and fun.	Holbrook and Hirschman (1982); Leighton (2007); Pine and Gilmore (1998), (1999); Schmitt (1999).	Rainforest Café (appeals to all five senses). Other restaurants offer a dining experience combined with music and theatre: Iridium; Medieval Times Dinner and Tournament; Hooters. At Jorvik Centre, visitors experience Viking life's sights, smells, and sounds.
Entertainment-based	The firms are creating themed, staged environments (experiencescapes) that are inspired by music, films, history, places, storytelling, design, and/or art. The main goal of the firm is to entertain and engage with their customers before, during, and after they consume. Most firms have a clearly defined theme that is achieved through consistency in branding and operations, effective marketing communication, and employees.	Batat (2021); Gilmore and Pine (2002); Gottdiener (1998); Mossberg (2008); Petkus Jr (2004); Pine and Gilmore (1998), (1999); Smilansky (2018); Williams (2006).	Hard Rock Café; Planet Hollywood; The Forum Shops at Caesars in Las Vegas; Walt Disney Parks and Resorts (Disneyland); Venetian in Las Vegas; The House of Blues; Blackfriars Playhouse in Staunton, Virginia, USA; Kardemomme Village in Norway; Mumin World in Finland; Punch Drunk Theatre, Secret Cinema, You Me Bum Bum Train.
Educational	The firms are using various educational, informational, story-based, and interactive tools to create a memorable learning experience to attract and retain customers. Their goal is to blur the boundaries between enlightenment, knowledge, and entertainment in one fully inclusive experience.	Leighton (2007); Mattsson and Praesto (2005); Mossberg and Johansen (2006); Williams (2006).	Guinness Storehouse; The Scotch Whisky Heritage Centre (visitors travel in cars shaped as whisky barrels to discover the history of whisky distilling); Leeds Armouries (visitors can engage in recreated battle on computer screens, guided tours); "In Arn's Footsteps" in Arnrike, Sweden (visitors can go on guided tours, visit places, see plays, listen to stories, eat Arn-Cakes, etc.).
Escapist	The firms use innovative, themed, human-related resources (for example, staff dressed in costumes; actors' performances) to interact with their customers and create a "wow" experience. In this way, customers are offered an escape from everyday life and to experience what is extraordinary. The main goal of the firms is to develop live experiences with customers, expecting them to take on various roles, be immersed in the setting, and co-create the experience.	Hanefors and Mossberg (2003); Ladwein (2007); Leighton (2007); Mossberg (2007), (2008); Roederer (2012); Tzanelli and Yar (2016).	The Galleries of Justice in Nottingham (visitors experience a real trial in an authentic Victorian courtroom); Warwick Castle (which uses a combination of animatronic figures and live, costumed interpreters); Hidden restaurant in Hong Kong (no name, no signs, no choice of menu but opera-singing chef); "Astrid Lindgren's World" theme park in Sweden; Televisual destination "Breaking Bad".
Lifestyle-oriented	The firms are utilising leisure activities that deliver an extraordinary experience, be it high-risk adventures, cultural	Arnould and Price (1993);	River rafting in Colorado river basin; High-risk skydiving adventure; Kjerag in Norway: The

|	activities, or events. The goal is to provide an extraordinary and shareable experience that is complemented/enhanced through social connections with others who share a similar lifestyle.	Celsi et al. (1993); Hallin and Mykletun (2006); Hannam (2004); Schembri, (2009); Smith and Hanover (2016).	Mecca of base-jumpers; The Prava's Bharatiya Divas Festival (aims to rediscover roots); Harley-Davidson and the HOGs events; Camp RZR (a three-day off-roading Mecca for Polaris RZR owners and their families).
Product-based	The firms are turning their businesses into a real-life, memorable experience that generates revenues and profit through a variety of means, for example, non-conventional services and facilities, the empowerment of employees "to do more", and augmented products. The main goal is to extend, enhance, and add value to the components of their products.	Batat (2021); Gottdiener (1998); Mossberg (2008); Petkus Jr (2004); Pine and Gilmore (1998); Smith and Hanover (2016).	Airbnb; MGM Grand Hotel & Casino (awakening guests with recorded voices of celebrities who have recently performed there); Raffles L'Ermitage Hotel (charging guests a 24-hour rate); Starbucks; Barista Brava; Bellagio Gallery of Fine Art; Klaus K Hotel; Delta Airlines T4X pop-up travel experience; The Picture House (pay-by-picture restaurant in London).

Source: Compiled by the authors, 2024

where most companies compete because it contains the majority of potential customers. Differentiation can be carried out in a variety of forms. Some of the firms devote great attention to entertainment, customers' unique experience, and their immersion. Some concentrate on the employees and their role as a game-changer or on the unique and experiential services they provide. Others want to distinguish themselves through design and arts or educational programs. In particular, an overarching story-based approach has become one of the key differentiators. It is important to note that these proposed categories can be used individually or in combination, depending on the firm's strategy, target audience, and the product offered.

Discussion and conclusions

In the tourism and hospitality sectors, where services and products are inherently experience-based, leveraging experiential marketing is crucial for differentiation (Williams, 2006). Unlike traditional approaches such as market segmentation, customer differentiation and product differentiation, experiential marketing focuses on creating memorable and immersive experiences. Figure 1 sets out the relationship between our typology and these traditional approaches. This approach helps businesses stand out by offering unique interactions that resonate deeply with customers, as highlighted by Goldsmith and Tsiotsou (2012: 207), who note that the value of a tourist's visit is the sum of all experiences. By crafting personalised and engaging experiences, businesses not only attract and retain customers but also build a competitive advantage through distinctive, meaningful interactions. In this context, our paper addresses theoretical and practical gaps by offering a more comprehensive and balanced approach to experiential marketing and its application in the tourism and hospitality sectors.

Figure 1. The relationship between our typology and traditional approaches
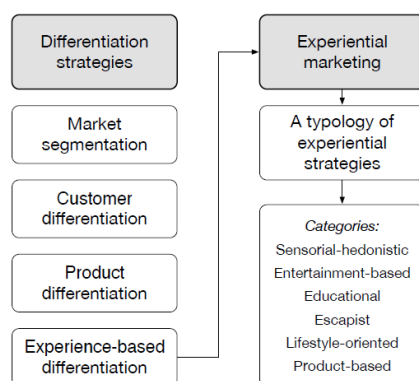
Source: Compiled by the authors, 2024

Implications for theory

The first aim of our paper was to conceptualise the use of experiential marketing strategies as a means of creating differentiation. It achieved this by proposing a typology in the context of tourism and hospitality that grouped experiential marketing strategies into the following categories: *sensorial-hedonistic*, which engages all five senses for multi-level customer satisfaction; *entertainment-based*, which creates themed environments inspired by music, films, history, and art to entertain and engage customers; *educational*, which uses informational and interactive tools to blur the lines between enlightenment and entertainment; *escapist*, which employs themed resources like costumed staff and live performances to offer extraordinary, immersive experiences; *lifestyle-oriented*, which utilises unique leisure activities to provide extraordinary and shareable experiences enhanced by social connections; and *product-oriented*, which transforms businesses into memorable experiences through non-conventional services and augmented products. We recognise that different directions, perspectives, and groupings can be adopted through various channels, contexts, stimuli, touchpoints, or long-term, short-term, or one-time strategies. Our typology, however, adopts a holistic approach from the company's perspective.

The typology provides a structured framework to understand better and categorise diverse experiential marketing strategies, which depend on the firm's positioning, internal strategies, the wants and demands of a niche market, and its segments. Such strategies are increasingly pivotal in influencing consumer behaviour in the tourism and hospitality sectors. Existing literature often lacks a comprehensive classification, leading to fragmented and inconsistent analyses of experiential marketing practices. By introducing a clear typology, this research addresses a significant gap, facilitating more precise and comparable studies. This advancement supports theoretical development and offers practical insights for industry practitioners to enhance customer engagement and experience. Moreover, it encourages new businesses to adopt one of the proposed experiential marketing strategies to differentiate their offerings.

Industry implications

The second aim of our paper was to provide practical advice for the industry by suggesting key points to consider when developing an experience-based marketing strategy. Practically, the typology of experiential marketing strategies has substantial implications for industry professionals. It offers a clear framework for categorising and implementing experiential

marketing strategies, enhancing customer engagement and loyalty by tailoring efforts to resonate with specific target audiences (Walls et al., 2011b). Additionally, the typology can guide businesses across various sectors, beyond tourism and hospitality, in selecting the most effective experiential strategies for their unique business models. By applying the appropriate experiential elements, companies can differentiate themselves in competitive markets, create memorable customer experiences, and ultimately drive higher revenue.

As discussed above, there have been several conceptualisations of various facets of experiential marketing, such as Gentile (2007), Mossberg (2007), Pine and Gilmore (1999), Schmitt (1999, 2010), Smilansky (2018), and Smith and Hanover (2016). In light of this work, and drawing on our typology, it can be summarised that experiential marketing strategies should encompass several key aspects to ensure effectiveness and differentiation, particularly in the tourism and hospitality industry, though these principles are applicable more broadly: (1) coherent theme and rich content, (2) sensory engagement (stimuli), (3) involvement and immersion, (4) experiencescape, (5) personalisation and continuous innovation, (6) social interactions, and (7) memorability.

A coherent theme and rich content offer a unified and immersive experience (Mossberg, 2007), while sensory engagement through diverse stimuli enhances both immersion and memorability. Active involvement and immersion strengthen emotional connections with the brand (Ind and Coates, 2013). The experiencescape, including the physical, social, and virtual environments, must be thoughtfully designed to support the overall experience (O'Dell and Billing, 2005). Personalisation and ongoing innovation keep the experience relevant and engaging, while positive social interactions with staff contribute to a more authentic and satisfying experience. Ultimately, any strategy should be aimed at creating memorable moments that foster strong emotional connections and brand loyalty (Batat, 2019; Smilansky, 2018). By considering these aspects, businesses can develop effective experiential marketing strategies that engage customers, create lasting impressions, and drive success and revenue.

Future research
While our research makes significant contributions to the conceptual and practical study of experiential marketing strategies in the context of tourism and hospitality, there are limitations that future research could address. Firstly, our typology serves as an initial framework, which needs to be tested with empirical research and applied to real-world

examples. Secondly, given the considerable number of case studies in the literature, some examples may have been overlooked. Our goal with this research was to suggest potential categories of experiential marketing strategies rather than to present an exhaustive list of examples. Additionally, we acknowledge that others may interpret the information and examples provided in Table 1 differently. Therefore, future studies are encouraged to refine and test the typology across different contexts and industries to ensure its robustness and applicability. Such research will validate the proposed concepts and provide insights into adapting experiential marketing strategies to diverse market conditions and consumer preferences, enhancing the overall effectiveness of these practices.

References

Agapito D, Pinto P, Ascenção MP and Tuominen P (2021) Designing compelling accommodationscapes: Testing a framework in a rural context. *Tourism and Hospitality Research* 22(3): 259–274.

Arnould EJ and Price LL (1993) River magic: extraordinary experience and the extended service encounter. *Journal of Consumer Research* 20(1): 24–45.

Barros CP, Botti L, Peypoch N and Solonandrasana B (2011) Managerial efficiency and hospitality industry: the Portuguese case. *Applied Economics* 43(22): 2895–2905.

Batat W (2019) *Experiential Marketing: Consumer Behavior, Customer Experience and the 7Es*. London: Routledge.

Batat W (2021) *Experiential Marketing: Case Studies in Customer Experience*. London: Routledge.

Batat W and Frochot I (2014) Towards an experiential approach in tourism studies. In: McCabe S (ed) *The Routledge Handbook of Tourism Marketing*. London: Routledge, pp. 109–123.

Belhaj M (2022) *Experiential marketing as focus differentiation: linking hospitality product to place.* PhD Thesis, University of Tasmania, Australia.

Berry LL, Carbone LP and Haeckel SH (2002) Managing the total customer experience. *MIT Sloan Management Review* 43(3): 85–89.

Bitner MJ (1992) Servicescapes: The impact of physical surroundings on customers and employees. *The Journal of Marketing* 56(2): 57–71.

Booms BH and Bitner MJ (1981) Marketing strategies and organisation structures for service firms. In: Donnelly JH and George WR (eds) *Marketing of Services*. Chicago: American Marketing Association, pp. 47–51.

Carù A and Cova B (2003) Revisiting consumption experience: A more humble but complete view of the concept. *Marketing Theory* 3(2): 267–286.

Carù A and Cova B (2007) *Consuming Experience*. London: Routledge.

Chaney D, Lunardo R and Mencarelli R (2018) Consumption experience: past, present and future. *Qualitative Market Research: An International Journal* 21(4): 402–420.

Chuang CC and Hu F-L (2017) Experiential marketing strategy: the empirical study of 85 C Bakery Café. *International Research Journal of Applied Finance* 8 (3): 129–142.

Celsi RL, Rose RL and Leigh TW (1993) An exploration of high-risk leisure consumption through skydiving. *Journal of Consumer Research* 20(1): 1–23.

De Freitas Coelho M, De Sevilha Gosling M and De Almeida ASA (2018) Tourism experiences: Core processes of memorable trips. *Journal of Hospitality and Tourism Management* 37: 11–22.

De Klumbis DF (2002) *Seeking the "ultimate hotel experience"*. In: *XIIe International Leisure and Tourism Symposium ESADE-Fira de Barcelona,* Barcelona, Spain, April 2002, pp. 58–76.

Dieguez T and Conceição O (2020) Experiential tourism and experiential marketing: An innovative approach. In: *International Conference on Tourism, Technology and Systems* (eds A Abreu, D Liberato, EA González and JC Garcia Ojeda)*,* Singapore, October 2020, pp. 550–559. Singapore: Springer Singapore.

Dong P and Siu NY-M (2013) Servicescape elements, customer predispositions and service experience: The case of theme park visitors. *Tourism Management* 36: 541–551.

Durna U, Dedeoglu BB and Balikçioglu S (2015) The role of servicescape and image perceptions of customers on behavioral intentions in the hotel industry. *International Journal of Contemporary Hospitality Management* 27(7): 1728–1748.

Ferreira J and Sousa B (2020) Experiential marketing as leverage for growth of creative tourism: a co-creative process. In: *Advances in Tourism, Technology and Smart Systems: Proceedings of ICOTTS 2019,* Smart Innovation, Systems and Technologies 171 (eds Á Rocha et al.), Buenos Aires, Argentina, 5-7 December 2019, pp. 567–577. Singapore: Springer Nature Singapore.

Fırat AF and Dholakia N (2006) Theoretical and philosophical implications of postmodern debates: some challenges to modern marketing. *Marketing Theory* 6(2): 123–162.

Frochot I and Batat W (2013) *Marketing and Designing the Tourist Experience*. Oxford: Goodfellow Publishers Limited.

Garely E (2012) Differentiation is key to destination marketing. *Tourism Tattler Travel Trade Journal Magazine* 1:12.

Gentile C, Spiller N and Noci G (2007) How to sustain the customer experience: An overview of experience components that co-create value with the customer. *European Management Journal 25*(5): 395–410.

Giannopoulos A, Piha L and Skourtis G (2021) Destination branding and co-creation: a service ecosystem perspective. *Journal of Product & Brand Management* 30(1): 148–166.

Gilmore JH and Pine BJ (2002) Differentiating hospitality operations via experiences: Why selling services is not enough. *Cornell Hotel and Restaurant Administration Quarterly* 43(3): 87–96.

Godovykh M and Tasci AD (2020) Customer experience in tourism: A review of definitions, components, and measurements. *Tourism Management Perspectives* 35: 1–10.

Goldsmith RE and Tsiotsou RH (2012) *Strategic Marketing in Tourism Services*. UK: Emerald Group Publishing.

Gottdiener M (1998) Themed environments of everyday life: restaurants and malls. In: Berger AA (ed) *The Postmodern Presence: Readings on Postmodernism in American Culture and Society.* London: AltaMira Press, pp. 74–87.

Hallin CA and Mykletun RJ (2006) Space and place for BASE: on the evolution of a BASE-jumping attraction image. *Scandinavian Journal of Hospitality and Tourism* 6(2): 95–117.

Hanefors M and Mossberg L (2003) Searching for the extraordinary meal experience. *Journal of Business & Management* 9(3): 249–270.

Hannam K (2004) India and the ambivalences of diaspora tourism. In: Coles T and Timothy DJ (eds) *Tourism, Diasporas and Space*. London: Routledge, pp. 246–260.

Hansen AH and Mossberg L (2013) Consumer immersion: a key to extraordinary experiences. In: Sundbo J and Sørensen F (eds) *Handbook on the Experience Economy*. UK: Edward Elgar Publishing, pp. 209–227.

Hemmington N (2007) From service to experience: Understanding and defining the hospitality business. *The Service Industries Journal* 27(6): 747–755.

Hoarau H and Kline C (2014) Science and industry: sharing knowledge for innovation. *Annals of Tourism Research* 46: 44–61.

Holbrook MB and Hirschman EC (1982) The experiential aspects of consumption: Consumer fantasies, feelings, and fun. *Journal of Consumer Research* 9(2): 132–140.

Hwang J and Seo S (2016) A critical review of research on customer experience management: Theoretical, methodological, and cultural perspectives. *International Journal of Contemporary Hospitality Management* 28(10): 2218–2246.

Ind N and Coates N (2013) The meanings of co-creation. *European Business Review 25*(1): 86–95.

Jensen R (1999) *The Dream Society: How the Coming Shift from Information to Imagination Will Transform Your Business*. New York: McGraw Hill.

Kandampully J, Bilgihan A and Amer SM (2023) Linking servicescape and experiencescape: creating a collective focus for the service industry. *Journal of Service Management 34*(2): 316–340.

Kim JH and Choi J (2020) The role of memorable experiences in the formation of tourists' destination loyalty: A comparison of short-term and long-term memory. *Current Issues in Tourism* 23(5): 558–573.

Kotler P (1973) Atmospherics as a marketing tool. *Journal of Retailing* 49(4): 48–64.

Ladwein R (2007) Consumption experience, self-narrative, and self-identity: the example of trekking. In: Carù A and Cova B (eds) *Consuming Experience.* New York: Routledge, pp. 95–108.

Leighton D (2007) "Step back in time and live the legend": experiential marketing and the heritage sector. *International Journal of Nonprofit and Voluntary Sector Marketing* 12(2): 117–125.

Lemon KN and Verhoef PC (2016) Understanding customer experience throughout the customer journey. *Journal of Marketing* 80(6): 69–96.

Levy M, Grewal D, Peterson RA and Connolly B (2005) The concept of the "Big Middle". *Journal of Retailing* 81(2): 83–88.

Lin K-M, Chang C-M, Lin Z-P, Tseng M-L and Lan LW (2009) Application of experiential marketing strategy to identify factors affecting guests' leisure behaviour in Taiwan hot-spring hotel. *WSEAS Transactions on Business and Economics* 6(5): 229–240.

McIntosh AJ and Siggs A (2005) An exploration of the experiential nature of boutique accommodation. *Journal of Travel Research* 44(1): 74–81.

McKercher B and du Cros H (2003) Testing a cultural tourism typology. *International Journal of Tourism Research* 5: 45–58.

Mattsson J and Praesto A (2005) The creation of a Swedish heritage destination: an insider's view of entrepreneurial marketing. *Scandinavian Journal of Hospitality and Tourism* 5(2): 152–166.

Mazur L (2000) Build the brand before creating the "experience". *Marketing* 7: 24.

Mei XY, Hågensen AMS and Kristiansen HS (2020) Storytelling through experiencescape: Creating unique stories and extraordinary experiences in farm tourism. *Tourism and Hospitality Research* 20(1): 93–104.

Mendez C (2009) Anthropology and ethnography: contributions to integrated marketing communications. *Marketing Intelligence & Planning* 27(5): 633–648.

Mody MA, Suess C and Lehto X (2017) The accommodation experiencescape: a comparative assessment of hotels and Airbnb. *International Journal of Contemporary Hospitality Management* 29(9): 2377–2404.

Mossberg L (2007) A marketing approach to the tourist experience. *Scandinavian Journal of Hospitality and Tourism* 7(1): 59–74.

Mossberg L (2008) Extraordinary experiences through storytelling. *Scandinavian Journal of Hospitality and Tourism* 8(3): 195–210.

Mossberg L and Johansen EN (2006) *Story-telling: Marknadsföring i Upplevelseindustrin (Storytelling: Marketing in the Experience Industry)*. Lund: Studentlitteratur.

Nelson V (2023) Reconstructing the microbrewery taproom experiencescape through narratives in online travel reviews: A case from Houston, Texas USA. *Tourism and Hospitality Research 24*(3): 349–362.

O'Dell T and Billing P (2005) *Experiencescapes: Tourism, Culture and Economy*. Copenhagen: Copenhagen Business School Press.

Oh H, Fiore AM and Jeoung M (2007) Measuring experience economy concepts: Tourism applications. *Journal of Travel Research* 46(2): 119–132.

O'Regan M (2014) Fragmenting tourism: niche tourists. In: McCabe S (ed) *The Routledge Handbook of Tourism Marketing*. London: Routledge, pp. 290–302.

Petkus Jr E (2004) Enhancing the application of experiential marketing in the arts. *International Journal of Nonprofit and Voluntary Sector Marketing* 9(1): 49–56.

Pine BJ and Gilmore JH (1998) Welcome to the experience economy. *Harvard Business Review* 76(4): 97–105.

Pine BJ and Gilmore JH (1999) *The Experience Economy: Work is Theatre and Every Business a Stage.* UK: Harvard Business Publishing.

Pine BJ and Gilmore JH (2013) The experience economy: past, present and future. In: Sundbo J and Sørensen F (eds) *Handbook on the Experience Economy.* UK: Edward Elgar Publishing, pp. 21–44.

Reinhold S, Beritelli P, Fyall A, Choi H-S C, Laesser C and Joppe M (2023) State-of-the-art review on destination marketing and destination management. *Tourism and Hospitality* 4(4): 584–603.

Roederer C (2012) A contribution to conceptualizing the consumption experience: emergence of the dimensions of an experience through life narratives. *Recherche et Applications en Marketing (English Edition)* 27(3): 81–95.

Ruiz-Molina M-E, Gil-Saura I and Berenguer-Contrí G (2014) Information and communication technology as a differentiation tool in restaurants. *Journal of Foodservice Business Research* 17(5): 410–428.

Schänzel HA and McIntosh AJ (2000) An insight into the personal and emotive context of wildlife viewing at the Penguin Place, Otago Peninsula, New Zealand. *Journal of Sustainable Tourism* 8(1): 36–52.

Schembri S (2009) Reframing brand experience: the experiential meaning of Harley–Davidson. *Journal of Business Research* 62(12): 1299–1310.

Schmitt B (1999) Experiential marketing. *Journal of Marketing Management* 15(1/3): 53–67.

Schmitt B (2010) Experience marketing: concepts, frameworks and consumer insights. *Foundations and Trends® in Marketing* 5(2): 55–112.

Schmitt B and Zarantonello L (2013) Consumer experience and experiential marketing: a critical review. *Review of Marketing Research* 10: 25–61.

Shafiee MM, Haghighizade R and Rahimzadeh S (2019) The effect of experiential marketing on brand equity: study of a home appliances manufacturing group. *International Journal of Business Innovation and Research* 20(2): 233–252.

Shah IA, Rajper ZA, Ghumro IA and Mahar SW (2019) Experiential value mediates relationship between experiential marketing and customer satisfaction. *Sukkur IBA Journal of Management and Business* 5(2): 45–61.

Shaw C (2007) *The DNA of Customer Experience: How Emotions Drive Value.* London: Palgrave Macmillan.

Seyitoğlu F and Ivanov S (2020) A conceptual study of the strategic role of gastronomy in tourism destinations. *International Journal of Gastronomy and Food Science* 21: 100230.

Smilansky S (2018) *Experiential Marketing: A Practical Guide to Interactive Brand Experiences* (2nd ed). London: Kogan Page.

Smith K and Hanover D (2016) *Experiential Marketing: Secrets, Strategies, and Success Stories from the World's Greatest Brands*. New Jersey: John Wiley & Sons.

Srinivasan SR and Srivastava RK (2010) Creating the futuristic retail experience through experiential marketing: Is it possible? An exploratory study. *Journal of Retail & Leisure Property* 9(3): 193–199.

Sundbo J and Dixit SK (2020) Conceptualizations of tourism experience. In: Sundbo J and Dixit SK (eds) *The Routledge Handbook of Tourism Experience Management and Marketing*. London: Routledge, pp. 15–26.

Sudirjo F (2023) Marketing Strategy in Improving Product Competitiveness in the Global Market. *Journal of Contemporary Administration and Management* 1(2): 63–69.

Tasci AD and Milman A (2019) Exploring experiential consumption dimensions in the theme park context. *Current Issues in Tourism* 22(7): 853–876.

Tinsley R and Lynch PA (2008) Differentiation and tourism destination development: small business success in a close-knit community. *Tourism and Hospitality Research* 8(3): 161–177.

Tresidder R (2015) Experiences marketing: A cultural philosophy for contemporary hospitality marketing studies. *Journal of Hospitality Marketing & Management* 24(7): 708–726.

Tresidder R and Deakin EL (2019) Historic buildings and the creation of experiencescapes: looking to the past for future success. *Journal of Tourism Futures* 5(2): 193–201.

Tsai H, Song H and Wong KK (2009) Tourism and hotel competitiveness research. *Journal of Travel & Tourism Marketing* 26(5/6): 522–546.

Tynan C and McKechnie S (2009) Experience marketing: a review and reassessment. *Journal of Marketing Management* 25(5–6): 501–517.

Tzanelli R and Yar M (2016) Breaking bad, making good: notes on a televisual tourist industry. *Mobilities* 11(2): 188–206.

Varshneya G and Das G (2017) Experiential value: Multi-item scale development and validation. *Journal of Retailing and Consumer Services* 34: 48–57.

Vlahovic-Mlakar TS and Ozretic-Dosen D (2022) Brand experience research in hospitality and tourism–review and future directions. *Tourism: An International Interdisciplinary Journal* 70(4): 674–693.

Vila-López N and Rodríguez-Molina M (2013) Event-brand transfer in an entertainment service: experiential marketing. *Industrial Management & Data Systems 113*(5): 712–731.

Walls A, Okumus F, Wang Y and Kwun DJ-W (2011a) Understanding the consumer experience: An exploratory study of luxury hotels. *Journal of Hospitality Marketing & Management* 20(2): 166–197.

Walls AR, Okumus F, Wang YR and Kwun DJ-W (2011b) An epistemological view of consumer experiences. *International Journal of Hospitality Management* 30(1): 10–21.

Wang R, Xia B, Dong S, Li Y, Li Z, Ba D and Zhang W (2020) Research on the spatial differentiation and driving forces of eco-efficiency of regional tourism in China. *Sustainability* 13(1): 280.

Wiedmann K-P, Labenz F, Haase J and Hennigs N (2018) The power of experiential marketing: exploring the causal relationships among multisensory marketing, brand experience, customer perceived value and brand strength. *Journal of Brand Management* 25(2): 101–118.

Williams A (2006) Tourism and hospitality marketing: fantasy, feeling and fun. *International Journal of Contemporary Hospitality Management* 18(6): 482–495.

Wolf MJ (1999) *The Entertainment Economy: How Mega-Media Forces are Transforming Our Lives*. London: Penguin.

Yazıcı T, Kocak S and Altunsöz IH (2017) Examining the effect of experiential marketing on behavioral intentions in a festival with a specific sport event. *European Sport Management Quarterly* 17(2): 171–192.

You-Ming C (2010) Study on the impacts of experiential marketing and customers' satisfaction based on relationship quality. *International Journal of Organizational Innovation* 3(1): 189–209.

Yuan Y-HE and Wu CK (2008) Relationships among experiential marketing, experiential value, and customer satisfaction. *Journal of Hospitality & Tourism Research* 32(3): 387–410.

Zamani-Farahani H, van Niekerk M and Mathis EF (2018) From an event to tourist attraction: a typological study of New Year celebrations. *Journal of Policy Research in Tourism, Leisure and Events* 11(1): 94–120.