MARKETING IN POSTMODERNITY: EXPERIENTIAL MARKETING AND IMAGINEERING

Hasan Hüseyin ERDOĞAN

Supervisor

(Assist.Prof.Dr. Gürhan AKTAŞ)

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DECLARATION

I hereby declare that this master's thesis titled as **"Marketing in Postmodernity: Experiential Marketing and Imagineering"** has been written by myself in accordance with the academic rules and ethical conduct. I also declare that all materials benefited in this thesis consist of the mentioned resources in the reference list. I verify all these with my honor.

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ABSTRACT

Master's Thesis

Marketing in Postmodernity: Experiential Marketing and Imagineering

Hasan Hüseyin ERDOĞAN

Dokuz Eylül University

Graduate School of Social Sciences

Department of Business Administration (English)

Business Administration (English) Program

Offering only core products and services with no suplementary services are no longer enough to survive in today's fierce competitive environment. It is argued that today's businesses require something more effective and innovative than the traditional marketing methods and approaches such as Customer Relationship Management (CRM). It is now important for businesses to adopt Customer Experience Management (CEM). Recently, companies have been trying to enhance their competitive advantages through creating experiences for their customers. There is no doubt that experience creation helps companies strengthen customers' image perceptions of their products, hence to improve customer satisfaction and loyalty. The need, therefore, is to create memorable, personal, and engaging experiences and to orchestrate all the touchpoints related to the experience in a consistent way.

The aim of this research is to create awareness and enhance the comprehension of experiential marketing concept in Turkey. For this reason, a case study technique was executed, for which interviews were arranged with the managers of three businesses operating in the service sector in Izmir, Turkey to find out how these three businesses formulate, market, and offer their products according to the principles of experiential marketing. The findings of the research show that the companies do not apply any specific customer experience management schemes although they were found to utilize some principles and applications with no systematic planning or well-projected marketing decisions. After the analysis of the case studies, finally, a customer experience

management framework called as Strategic Customer Experience Management Framework (SCEMF), is proposed to provide a guideline for practioners in experiential marketing.

ÖZET

Yüksek Lisans Tezi

Postmodernite'de Pazarlama: Deneyim Pazarlaması ve Hayal Mühendisliği

Hasan Hüseyin ERDOĞAN

Dokuz Eylül Üniversitesi
Sosyal Bilimler Enstitüsü
İngilizce İşletme Anabilim Dalı
İngilizce İşletme Yönetimi Programı

Hiçbir destekleyici servis olmadan sadece temel mallar ve servisler sunmak günümüzün rekabetçi ortamında hayatta kalabilmek için yeterli değildir. Bugünün işletmelerinin Müşteri İlişkileri Yönetimi (MİY) gibi geleneksel pazarlama metodları ve yaklaşımlarından daha etkili ve yenilikçi bir şeye ihtiyacı olduğu herkesçe tartışılmaktadır. Artık Müşteri Deneyimi Yönetimi'ne (MDY) geçmek işletmeler için büyük önem arz etmektedir. Hiç şüphe yok ki deneyimler yaratmak müşterilerin ürünler hakkında zihinlerinde oluşturduğu imajı geliştirerek müşteri memnuniyetini ve sadakatini arttırma konusunda şirketlere yardımcı olmaktadır. Bu yüzden gerekli olan, akılda kalıcı, kişiye özel ve meşgul edici deneyimler yaratmak ve deneyimle alakalı her bir temas noktasını uygun bir şekilde organize etmekdir.

Bu araştırmanın amacı Türkiye'de deneyim pazarlaması hakkında bir farkındalık yaratmak ve bilgilendirme sağlamaktır. Bu sebeble işletmelerin ürünlerini oluşturma, pazarlama ve sunma aşamalarında deneyim pazarlaması ilkelerine göre ne kadar uygun hareket ettiklerini ortaya çıkarmak için İzmir'de hizmet sektöründe faaliyet gösteren üç işletmeden yöneticilerle mülakat yapılarak bir örnek olay çalışması gerçekleştirilmiştir. Araştırmanın bulguları göstermektedir ki işletmelerde sistemli planlanma ve iyi tasarlanmış pazarlama kararları olmaksızın bazı pazarlama ilkeleri ve uygulamalarına rastlansa da işletmeler belirgin müşteri deneyimi yönetimi şemaları kullanmamaktadır. Son olarak, örnek olay analizleri sonrasında, yöneticilere deneyim pazarlamasında bir gidiş yolu sunmak amacıyla Stratejik Müşteri

Deneyimi Yönetimi Modeli (SMDYÖ) adında bir müşteri deneyimi yönetimi modeli önerilmiştir.

Anahtar Kelimeler: Müşteri Deneyimi Yönetimi, Deneyim, Deneyim Ekonomisi, Deneyim Pazarlaması, Hayal Mühendisliği, Hizmet Sektörü.

MARKETING IN POSTMODERNITY: EXPERIENTIAL MARKETING AND IMAGINEERING

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ABBREVIATIONS

CEI	Consumer Experience Index
CEM	Customer Experience Management
CEMO	Customer Experience Modeling
CRM	Customer Relationship Management
EVP	Experiential Value Promise
ExPro	Experience Provider
GM	General Manager
HIEC	High Involvement Experience Concept
HRM	Human Resources Management
OM	Operations Management
PEV	Progression of Economic Value
SCEMF	Strategic Customer Experience Management Framework
SEM	Strategic Experiential Module

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INTRODUCTION

Consumer behaviour is a dynamic concept, which changes under the influence of so many different factors. Consumers' wants and needs may change dramatically in a short period of time. With the fast changing developments in technology and Internet, for example, there are now customers who belong to the highly technology- and internet-oriented generations. This new generation is not very easy to satisfy, at least, not by the traditional marketing approaches used for other generation types. While the choices of consumers in modernity depended mostly on rational reasons, consumers in postmodernity values emotional engagement more than rational reasons (Fırat *et al.,* 1995). Today's consumers seem to be more interested in product identities rather than simply fulfilling needs while consuming a product (Holbrook and Hirschman, 1982). Pine and Gilmore (1998) explains this by pioneering the usage of the concept "*Experience Economy*". In this new economy, products and services take their place in the back seat. Instead, what distinguishes a company among its competitors is the "*experience*" that the company provides for the customer during the overall consumption process (Shaw and Ivens, 2002). This is why companies have recently been striving for touching their customers' emotions (Schmitt, 1999) and crafting images rather than only producing goods (Klein, 2000) in order to create great experiences. In this economy, therefore, marketing becomes "*Experiential Marketin*g".

In this research, the first chapter looks into the literature review on consumer behaviour, experience, experiential marketing, the models for conceptualizing the nature of the customer experiences, and the frameworks for managing experiences. The second chapter, the research methodology, introduces information on data collection, data analysis, value and originality of research, research sample and limitations. In the third chapter, the findings and analyses of the interviews conducted with three service sector companies in İzmir, Turkey are presented. Finally, in the conclusion chapter, research findings are discussed more in detail in the hope of proposing managerial implications developed in line with the experiential principles in the existing literarure. Having inspired by the frameworks on the management of experiences in the existing literature and the results of the case study,

at the very end of this paper, the author proposes the Strategic Customer Experience Management Framework (SCEMF).

CHAPTER ONE
EXPERIENTIAL MARKETING

1.1. CONSUMER IN POSTMODERNITY

Fırat *et al.* (1995) indicate that the marketing field has witnessed noticeable changes in consumer behavior, which have resulted a transition from modernism to postmodernism. In modernity, it is basically considered that the consumer has a stable, consistent and authentic identity. It is, therefore, believed that the actions of consumers could be explained in the light of the analysis of various variables such as values, attitudes, (brand) preferences, incomes, social class, psychographics and demographics (Fırat *et al.*, 1995). Lash (1990) claims that the traditional marketing approach based on this bias has become increasingly challenged as today's consumers prefer to gather around chosen interests rather than traditional loyalties. According to Morgan and Watson (2007), the traditional marketing has failed because of the attempts to understand consumer behaviour purely in terms of cognitive information processing (Morgan and Watson, 2007) or simple intellectual structures (Hackley and Tiwsakul, 2006). Lash (1990) suggests an emerging structural de-differentiation within consumer research.

1.1.1. Consumer Behavior in Postmodernity

The consumer in postmodernity is not so easy to explain as the consumer in the modernity (Fırat *et al.*, 1995). McCole (2004: 535) explains today's consumers as clever, articulated, and free-thinking individuals. The affluent and well-informed consumers (Morgan and Watson, 2007) of today have become relatively immune to marketing messages targeted at them (Pine and Gilmore, 1999). Therefore, consumers who are expected to make purchasing choices with rational reasons may sometimes give themselves permission to be frivolous when they get convinced by an engaging experience (Hansen, 2007: 7). Such kind of a frivolous action may be observed when mothers, who take their daughters to the American Girl Place, are taken as examples. In this place, which is basically settled to engage mothers and

daughters by offering an experience based on the American Girl collection of dolls, mothers will to pay an admission fee of $16 for lunch and tea and $18 for dinner in the sake of experience (Pine and Gilmore, 2002: 2). Morever, Poulsson and Kale's (2004: 269) following statement summarizes the recent trend in consumer behavior in postmodernity:

> In 2001, Dennis Tito, the finance-analyst, sparked the age of space tourism with his $20 million trip to the International Space Station. And in 1998, twelve tourists opted for the deep oceans instead, each coughing up $32,000 to be taken down to see the Titanic, the sunken ship, in which public interest resurfaced after the release of the movie. Granted, these examples are a fraction of all tourist activity, but they represent the growing trend of people enthralled with seeking out extraordinary experiences and willing to pay generously for them.

In the postmodern age, therefore, it is very usual to see consumers subscribing to multiple and often highly contradictory value systems and lifestyles, without feeling inconsistent or improper (Fırat *et al.*, 1995). According to Fırat *et al.* (1995), in postmodernity, it is not very surprising to witness mainstream professionals such as doctors and lawyers who participate in motorcycle gangs, which was very unlikely in the modern era. Lukas (2007) explains this issue by claiming that today's world is increasingly apolitical. Therefore, a research approach, which focuses on the humanistic side (rather than intellectual side) of consumption has emerged since consumers are in search of authenticity that expresses reflective, personal, and subjective experiences for them (Hackley and Tiwsakul, 2006).

Furthermore, Ramaswamy (2009) acknowledges that thanks to the Internet, connectivity, globalization, new communications, and information means -i.e. wikis, podcasts, message boards, online forums, chat rooms, text messaging, and social interaction technologies- interactions among individuals have exploded and the active, engaged consumers of today do not want "*take it or leave it*" business decisions anymore; instead, they want to be involved in what is created for them and share their experiences with others (Ramaswamy, 2009). Binkhorst and Dekker (2009: 312), in the same context, add that: "*Today we see that modern consumers*

want context related, authentic experience concepts and seek a balance between control by the experience stager and self determined activity with its spontaneity, freedom and self expression".

Crosby and Johnson (2007) identify two kinds of motivation determining consuming behavior: rational motivation and emotional motivation. Rational motivation has to do with the "*calculative*" reasons for being attached to a brand. Consumers with rational motivation, during decision making process, question in their mind if the benefits of doing business with a brand outweigh consumption costs. They seem to be always doing mental cost-benefit analysis. Emotional motivation, in contrast, has more to do with personal and symbolic reasons for being loyal to a brand. It is claimed that emotional motivation in consumption is more important than rational motivation (Shaw and Ivens, 2002; Crosby and Johnson, 2007; Joseph, 2010).

In their research, in which they analyze the relative impact of rational motivation versus emotional motivation on brand loyalty, Crosby and Johnson (2007: 23) find out that the impact of emotional motivation on brand loyalty outweighs rational motivation by a ratio of about 5 to 3. Similarly, in an article on the motivations of a museum's visitors, Voase (2008) classifies consumers in two groups as smart consumers and thoughtful consumers. Smart consumers are commercially oriented and see the visit essentially in terms of a transaction with the motivation that the exchange value is the key factor. It can be said that they are motivated by rational aspects of consumption in Crosby and Johnson's (2007) work. On the other hand, thoughtful consumers consist of people who are ready to get engaged with an experience and expect that this engagement will provide them with an extended personal narrative or reflection, which will bring them about the pleasure of mind and heart (Voase, 2008). Consequently, it can be said that thoughtful consumers are motivated by emotional reasons in Crosby and Johnson's (2007) work.

Consideration on emotional aspects, indeed, dates back to the beginning of the 1980s when Holbrook and Hirschman (1982) suggested the experiential view, which stresses the symbolic, hedonic, and esthetic nature of consumption. In their research, Holbrook and Hirschman (1982) mention the existence of aspects such as fun, feeling and fantasy sought by consumers. Furthermore, they argue that in the

consumption research the focus should not only be on the utilitarian value of products but also on the symbolic meanings that products generate on consumers' minds. While utilitarian value is determined by the functional benefits of conventional goods and services, symbolic meaning relates to hedonic benefits of the experience (Holbrook and Hirschman, 1982). Fırat *et al.* (1995) claim that the consumption in postmodernity is more likely to be symbolic whereas in the modern era the material consumption was dominant. Fırat *et al.* (1995) explain this situation pronouncing a consumer transformation occurred during the transition from modernity to postmodernity: from a target subject who was surrounded by objects in the market area to "*an active link in the continual production and reproduction of images and symbolic meaning*" (Fırat *et al.*, 1995: 53). In other words, Fırat *et al.* (1995: 50-51) state that:

> *In modernity the consumer was declared as the sovereign, the subject, and yet was increasingly objectified and divorced from her/his ability to control the objects or his/her life. Ironically, it is in emerging postmodernity that the consumer may be finding the potential to become a participant in the customization of his/her world by immersing her/himself as an object into the world of objects, instead of trying to maintain a position that is privileged to and detached from the objects ... The postmodern consumer lacks commitment to grand projects and seeks different experiences, and is willing to see oneself as a (marketable) object in the different situations s/he encounters in order to make each a supremely exciting and enjoyable experience.*

Schouten (1991) stresses the importance of symbolic consumption in maintaining or developing one's self-concept in today's world as he states that symbolic consumption provides consumers with the exploration, establishment and ongoing support of new roles and identities. In his research, he finds out the following determinants, which play crucial roles during the identity reconstruction: role transitions; identity play; sexual selves and romantic fantasies; control of one's own identity and personal efficacy as the ability to exercise such control. Moreover, Hackley and Tiwsakul (2006: 69) state that "*one way of expressing (or 'playing out')*

our own sense of self-concept is through identification with particular groups and norms of consumption practice".

Banister and Hogg (2003) in their research mention that the higher-order needs of consumers may maintain or enhance their self-esteem. They claim that consumers do not only prefer to consume certain products in order to enhance self-esteem; but also they avoid products that have negative meanings associated with their rejected selves in order to maintain self-esteem. Relatedly, Fırat *et al.* (1995: 50-51) recall the term "*fashion consciousness*". They argue that fashion consciousness pervades most consumption areas of today including fashion clothes, cosmetics, music, film, cars, appliances, furniture, architecture, travel, and food. Therefore, almost every presentable aspect of consumption may happen to be rendered as an image-producing act for consumers.
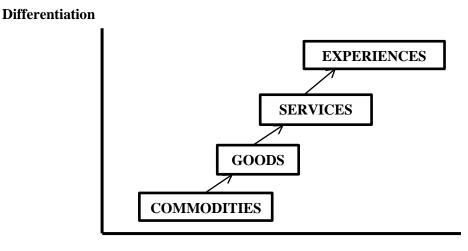
Pine and Gilmore (1998), in their article "*Welcome to the Experience Economy*", discuss the changes in consumer behavior by giving the example of mothers' made birthday cakes. In the past, mothers used to buy farm commodities such as flour, sugar, butter, and eggs to make birthday cakes. In time, they started to enjoy the premixed ingredients. Later, with the arrival of the service economy and because mothers started taking more active roles in business environments, they started ordering cakes from bakery or grocery stores. More recently, meantime, they prefer to go to places that offer a special event along with amusement, for which the cake is just a part of the entire birthday experience. According to the authors, therefore, Economic Value progresses from commodities to goods and services, and then to experiences (see Figure 1).

Pine and Gilmore (1998) suggest that changes in consumer behavior, which were basically resulted by the new way of industry-and-technology-abundant-living, have caused an emerging type of economy that they call "*Experience Economy*". Similarly, Lorentzen (2009: 830) argues that experience economy has emerged because today's consumers seek for new identities and moments that may have the potential of involving them in a broader society.

Consequently, consumers now want to stay free, independent and are looking for innovation (Blass, 2004). They unquestionably desire experiences (Pine and Gilmore, 1998), are scouring the globe in search of experiences that are relevant and

engaging (Poulsson and Kale, 2004: 269), and are willing to *"become part of processes and to experience immersion into "thematic settings" rather than merely to encounter "finished" products"* (Fırat *et al*., 1995: 52).

Figure 1: Progression of Economic Value

Differentiation

Price

Source: Pine and Gilmore, 1998: 98.

1.1.2. Psychology of Consumer Behavior

The Maslowian model suggests that individuals are always motivated by some discrete, specific need for survival, safety, social relationship, self esteem and self actualization. Csikszentmihalyi (2000) contradicts to this suggestion and indicates that there is, in fact, an existential vacuum in addition to the existential needs described by Maslow. Accordingly, people also have a need to keep consciousness in an organized state and focus on some activity that requires attention. He claims that when there is nothing to do, people's attention starts to turn inward and they begin to ruminate. Consequently, this leads to depression and one feels less alert, active, strong, happy, and creative and; therefore, self -esteem declines. However, when one does a goal- directed activity, s/he fills the experiential vacuum and eliminates the possibilities of depression and despair.

Furthermore, Csikszentmihalyi (1997) claims that people seek for *"flow"* moments in their everyday lives. He suggests his flow concept, which he identifies as

an engaging activity requiring a particular aim and responds and engaging people in such a way that they forget about worries, problems and dull back grounds of everyday life. According to him, people call these flows as the moments that stand out in life.

"*The experience recommendation*" that Nicolao *et al*. (2009) mention in their research may seem to be a reasonable start point for those who aim to create great experiences for their customers. This recommendation explicitly suggests that purchases of material goods -i.e. cars, houses, furniture- lead to less happiness comparing to purchases of experiential goods - i.e. vacations, concerts, sporting events- .

In the following statement, Shaw and Ivens (2002: 5) explain the importance of emotions in decision making process of consumers: *"When something happens, data travels through the right, emotional side of the brain before then entering into the left logical side. You feel an emotion before you can make logical sense of it"*. Eventually, all these issues including the experiential need to keep consciousness tuned; the concept of flow; the experience recommendation, and importance of emotions have attracted the attention of the marketing specialists. The marketing logic, which succeeds to understand deeply and provides desired experiences towards these psychological issues, is now called experiential marketing.

1.2. EVOLUTION OF MARKETING APPLICATIONS

Boone and Kurtz (1995) divide the evolution of marketing into three eras: production era, sales era and marketing era. In the production era, which dates back prior to 1920s, principal was that "*a good product would sell itself*"; therefore, it was a production orientation dominated era. According to Boone and Kurtz (1995), it was not surprising that the applications found their direction in a way as such since there was production shortages and intense consumer demand in those early days. Altunışık *et al*. (2002: 17) further divide this era into two as production approach and product approach. For production approach, the aim of marketing was to enhance production means and to effectuate distribution channel systems in order to enhance the market accessibility. Product approach had to do with enhancing product features

and benefits as it was believed that consumer would buy the best product amongst alternatives.

After this period, a new era with the sales orientation emerged due to the sophistications in worldwide production systems along with the era of industrialization between 1925 and the early 1950s. During this era, companies started to believe that consumers have a resistance to purchase and this resistance could be overcome by an intense sales orientation (Boone and Kurtz, 1995: 11). Moreover, in this new era, the amount of supply had started to surpass the amount of demand in the market. Thus, consumers had a wide range of brands to choose. The main aim of marketing became to reach the highest sales volumes (Altunışık *et al*., 2002: 17).

Starting with the decreasing demand during the years of Great Depression and World War 2, managers realized that they had to pay closer attention to markets and that goods and services should have been marketed, not just produced or sold. In this period, the marketing era emerged, for which the main idea was "*the consumer is king*" (Boone and Kurtz, 1995: 11). In an environment where consumers had started to become more and more conscious, competition had become more intense, and the distance between demand and supply had become clearer, marketing specialists mostly focused on long term performances that would result in consumer satisfaction and loyalty (Altunışık *et al*., 2002).

However, even in the marketing era, what practitioners did for a long time was only studying the consumer and responding with market offerings appropriate to it, assuming customers as targets who have a fixed position in the market and are always open to new product launches. Simply, they were focusing on material conditions in shaping consumers' needs as mentioned in Section 1.1.1 (Fırat *et al.*, 1995). Marketing approaches were still focusing on mere need satisfaction and were all about company stimulus and consumer responses (Schmitt, 1999a).

In the 90s, Fırat *et al.* (1995) claimed that marketing has the ultimate power to determine the conditions and meanings of life for the future owing to its special instruments (producing images, meanings and simulations) affecting the life of the society, to which it is applied. According to Fırat *et al*., (1995: 53) "*marketing can no longer pretend to be an instrumental discipline that affects consumers and society*

but has to become reflexive and has to be studied as the sociocultural process that defines postmodern society". Taking these discussions as the starting point, by the late 90s, business professionals and authors introduced a newly emerging marketing trend: "*Experiential Marketing*". The term experiential marketing was firstly used by Schmitt (1999) after Pine and Gilmore's (1998) usage of experience economy. In experiential marketing, the aim of companies is to transcend people's lives (Schmitt, 1999a) by offering symbolic meanings to consumers (Fırat *et al.*, 1995) with personal and memorable experiences (Pine and Gilmore, 1999).

Ian McAllister, CBE, former Chairman, and Managing Director of Ford Motor Company Limited, summarizes the evolution of marketing in the last thirty years as:

> *In the eighties quality was a differentiator. In the nineties, I think brand was a differentiator. My own view is that for the 2000s, the customer experience will be the differentiator* (Shaw and Ivens, 2002: 5).

1.3. EXPERIENCE: THE CONCEPT

After Pine and Gilmore (1998) proposed their PEV (see Figure 1), it was commonly accepted by both academicians and practitioners that the economic offerings of businesses have been shifted throughout the history from commodities to goods, services and finally to experiences. According to Pine and Gilmore (1998), each of these business offerings have their own features, which differentiate them from others. Pine and Gilmore (1998: 97) indicate that: "*Experiences are generally mixed up with services by business people; however experiences are distinct economic offerings, as different from services as services are from goods*". On the other hand, according to Poulsson and Kale (2004), since experiences possess the characteristics of services such as intangibility and perishability, experiences can be considered to be a part of the service sector. However, they also recognize the differences between services and experiences. They define services as something done for one's body or property or on one's behalf while experiences as products that affect consumers by entertaining, educating or engaging them in the consumption

process. In experiences, the memory of the place or platform where the product is served has a lasting impact on the consumer's mind even after consumption. Poulsson and Kale (2004) further claim that outcomes of each offerings are different: when purchasing a good, the outcome is the object for the consumer to keep; when having a service the outcome is something done for you; and when buying an experience, the outcome is everything exchanged between provider and consumer during the consumption phase and the memory of the encounter. Pine and Gilmore (1999: 2), too, explain the difference between service and experiences with a similar perspective: "*When a person buys a service, s/he purchases a set of intangible activities carried out on his/her behalf. But when s/he buys an experience, s/he pays to spend time enjoying a series of memorable events that a company stages- as in a theatrical play- to engage him/her in a personal way*". The "*Economic Distinctions*" table of Pine and Gilmore (1998: 98) may further help clarify the differences between each economic offering by explaining each type in terms of classes including economy, economic function, nature of offering, key attribute, method of supply, seller, buyer and factors of demand (see Table 1).

As it can be seen on the chart, Pine and Gilmore (1998: 98) define experiences as engaging activities that are served to individual customers in a staging manner, by using goods as props. Beltagui *et al*. (2012: 130) states that: "*Beyond staging an experience, the customer ultimately cannot be controlled and therefore the perceived experience occurs only within the mind of the customer*". Accordingly, Pine and Gilmore (1998: 99) suggests that experiences are personal since the experience, which is formed on one's mind in emotional, physical, intellectual, or even spiritual way, depends on the relation between consumer's perception and the staged event.

Gordon Bye, Managing Director of Eurostar UK, defines customer experience as following:

> *The customer experience is your view and your feelings of what a company is offering you. It's the physical things, the comfort of a seat, the suitability of a meal, the cleanliness of a train, of a building, of our terminals, but mixed with the more intangible things, the psychological aspects. Things like how the staff handled me. Do I feel valued? Do the people treat me as a commodity or are*

they treating me as an individual? Is there a heart to this business? Do they actually care? How do they react when things go wrong? I think it's a physical and psychological mix (Shaw and Ivens, 2002: 6).

Table 1: Economic Distinctions

Economic Offering	Commodities	Goods	Services	Experiences
Economy	Agrarian	Industrial	Service	Experience
Economic Function	Extract	Make	Deliver	Stage
Nature of Offering	Fungible	Tangible	Intangible	Memorable
Key Attribute	Natural	Standardized	Customized	Personal
Method of Supply	Stored in bulk	Inventoried after production	Delivered on demand	Revealed over a duration
Seller	Trader	Manufacturer	Provider	Stager
Buyer	Market	User	Client	Guest
Factors of Demand	Characteristics	Features	Benefits	Sensations

Source: Pine and Gilmore, 1998: 98.

Morgan and Watson (2007) define experiences as commercial products, by which companies seek to have an extraordinary impact on consumers in order to have a competitive advantage. Poulsson and Kale (2004) mention the concept of "*commercial experience*". According to the auhors, experiences have to be provided by sectors like entertainment and leisure so that they can be differentiated from everyday regular experiences. For them, a day at Disneyland, a Broadway show, a helicopter flight over the Grand Canyon, a river rafting trip, a night at a casino, or a bungee jump experience would count to be a commercial experience. Poulsson and Kale (2004: 271) further argue that: "*For an encounter to be labelled as an experience, one or more of the following sensations and feelings need to be apprehended by the customer: personal relevance, novelty, surprise, learning, and engagement*".

Crosby and Johnson (2007: 21) in their article use the concept of "*brand experiences*". They indicate that brand experiences can be created any moment and anywhere within the company as customers are served through retail stores, web site, catalogue, and customer-service call centers. They state that there are two kinds of touch points: human and automated. Human touch points are composed of clerks, concierges, and so on. Automated ones include vending machines, voice response units, kiosks, automated teller machines, and so on. Crosby and Johnson (2007) further claim that the clues like the name, identity, and all the accompanying signs, symbols, sayings, and promises related to a brand are also brand experience generating components. Brakus *et al.* (2009: 65) define brand experiences as perceptions, which arise in a variety of settings when consumers search for, shop for, and consume brands and affect consumer satisfaction and loyalty through brand personality.

Schmitt (1999a: 60) defines experiences as private events that are whether real, dreamlike, or virtual and occur in response to some stimulation. Schmitt (1999a) states that, on the minds of consumers, there are three basic components in determination of experiences: sensation, cognition, and affect. Sensation includes all the sensory inputs like light waves, sound waves, haptic and textile information that reach retina, ear, and other sensors. Sensation is not controllable. On the other hand cognition is a thought process of one's creative imagination. Hence, it can be controlled. Affect refers to fast uncontrollable affective responses towards and complex emotions about a stimuli. Additionally, Schmitt (1999a: 63) indicates that there are two other components that were considered by psychologists and sociologists: the individual's actions that range from physical experiences to broader patterns of behavior and lifestyle and a relational experience that results from belonging to a group, society, or culture. In this regard, Schmitt (1999a) proposes five experience genres: sense, feel, think, act, and relate. The sense experience includes sensory qualities and aesthetics features and creates aesthetical pleasure, excitement, satisfaction, and sense of beauty. They are related to the sensation component of the mind. The feel experience is about moods, emotions, and feelings and has to do with the affect component. The think experience is composed of convergent/analytical (problem solving) and divergent/imaginative thinking

(creativity) and are related to the cognition component. The act experience refers to motor actions and behavioral experiences and is created by one's affirmation to certain value and belief systems through adoption of a life style and behaviors. Hence, they are apparently identical to the individual actions that psychologists and sociologists proposed. Finally, the relate experience refers to social experiences, such as relating to a reference group (experience in Disneyland park, which enables the person to be a part of a special community) and it is more about relation experiences (Brakus *et al*., 2009; Gentile *et al*., 2007; Schmitt, 1999a).

Brakus *et al*. (2009) propose their five experience dimensions that they built based on the experience genres of Schmitt (1999): sensory, affective, intellectual, behavioral, and social. They claim that companies evoke these dimensions with their brand-related stimuli by using determinants like colors, shapes, typefaces, designs, slogans, mascots, and brand characters. In their research, by surveying a group of students, they investigate if these dimensions offered are consistent with the understanding of the consumers. The findings of their research prove that consumers' conceptions of experience are also similar to their conceptualization of experience (see Appendix 1).

Chang and Chieng (2006) divide Schmitt's (1999) five modules into two categories as individual and shared experiences. They consider sense, feel, and think as individual experiences while shared experiences are regarded as act and relate experiences. In their research, which looked into a cross-cultural experiential view, the authors found out that both individual and shared experiences have a significant effect on consumer-brand relationship. However, shared experiences influence this relationship less than individual ones. Furthermore, they indicate that the effect of both shared experiences and individual experiences may change according to the characteristic of the society that the experiences are targeted. In their study, they suggest that the reason why experiences have higher effects on the brand-consumer relationship for Chinese consumers comparing to Taiwanese consumers is that Chinese consumers have more collectivist senses than Taiwanese ones do.

Gentile *et al*. (2007: 398) conceptualize the customer experience as "*a multidimensional structure composed by elementary components*". They identify six, which exist in the experience context: sensorial, emotional, cognitive, pragmatic,
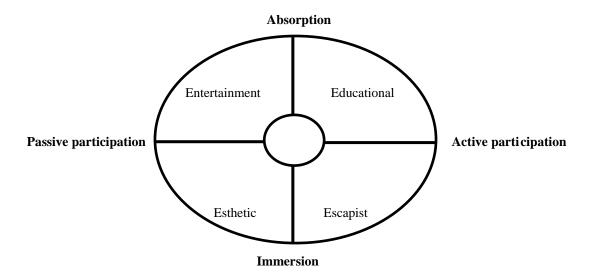
lifestyle, relational. Sensorial (sense, sensory), emotional (feel, affective), cognitive (think, intellectual) lifestyle (act, behavioral), and relational (relate, social) components are also similar to Schmitt's (1999) and Brakus *et al*.'s (2009) experience dimensions. Different from Schmitt (1999a) and Brakus *et al*. (2009), Gentile *et al*. (2007) add "*pragmatic*" component to their conceptualization. They define pragmatic experiences as acts, which are generated by the practicality and usability of doing something.

Kim *et al*., (2011) in their Consumer Experience Index (CEI), propose that customer experience is affected by the dimensions such as environment, benefits, convenience, accessibility, utility, incentive, and trust. Having done a factor analysis, they find out how much each of these dimensions affects the experience. The results show that "*benefits*" are at the top with the highest score. Benefits have to do with Maslow's hierarchy, the consistency of delivery, and the customization for consumers. "*Accessibility*" follows benefits in the hierarchy and they relate to distribution channels, cost, delivery, and availability of the service. "*Convenience*" takes its place in the third order and is generally time-based and about the ease of the interaction. "*Incentives*" are the fourth factor. They are about both monetary and non-monetary inducements. The fifth factor is "*utility*", which relates to the practical or functional nature of the experience. "*Trust*" is the sixth dimension and it refers to the trust between experience provider and consumers. Finally, "*environment*" is the last factor and refers to the physical context, in which the interactions take place and appeal to five senses.

Pine and Gilmore (1998: 102) sort experiences into four categories as educational, entertainment, escapism, and aesthetic (see Figure 2). They classify experiences according to the participation of consumers as rather active or passive and to the engagement of consumers as absorption and immersion. They claim that educational experiences (taking a course or a ski lesson) need more active participation comparing to entertainment activities (watching a show on the television or listening to music in a concert). These two kinds of experiences are accepted to be at absorption level while aesthetic activities (viewing the Grand Canyon) and further escaping experiences (descending in the Great Canyon) are greatly immersive. Brigham (2007) gives example of behind-the-scene tours for

immersive experiences, claiming that these tours immerse visitors in hidden spaces, including movie studios and automobile factories.

Figure 2: Four Realms of Experiences

Absorption

Entertainment   Educational

Passive participation   **Active participation**

Esthetic   Escapist

Immersion

Source: Pine and Gilmore, 1998: 102.

Brakus *et al*. (2009) criticize these four categories to be limited to the retail sector. Therefore they adopt three of these dimensions into their own broader conceptualization and consider them as sensory/aesthetic, intellectual / educational, and emotional / entertaining. Addis (2005) mix up educational and entertainment experiences and proposes the concept of "*edutainment*". According to Addis (2005) edutainment can be considered as an innovative interpretation of cultural consumption, during which consumer can enjoy and learn at the same time. Addis (2005) further adds that edutainment may offer distinct experiences as it is possible now, with the aid of technology, to transform messages in a way that they will appeal more than one sense, and to create more complex contents without making it too heavy and difficult but in an entertaining way.

1.4.EXPERIENTIAL MARKETING

Gentile *et al.*, (2007) claim that in the contemporary market area, which is highly pressured by the globalization, competition between companies has become increasingly fierce. Crosby and Johnson (2007) indicate that recently, product categories, offerings, promises and even organization styles are quickly copied by competitors and quality differences cannot be recognized easily by average consumers. Furthermore today's consumers are not very easy to satisfy. As discussed in Section 1.1, the consumers in postmodernity are looking for symbolic attachments rather than material ones (Fırat *et al.*, 1995). "*In an increasingly competitive and global economic climate, profitability, and perhaps even survival, requires more than good products and good service*" (Kim *et al.*, 2011: 114). Therefore, Morgan and Watson (2007) suggest marketers to go beyond product and service orientations and to avoid the trap of price-led commoditization in order to gain competitive advantage. Gentile *et al.* (2007) propose to create long lasting competitive advantages for companies in order to survive in this competitive environment. Moreover, Crosby and Johnson, (2007) indicate that offering a unique value to the consumer is the key factor of success. Eventually, today managers are aware that creating value for their customers in the form of experiences is a must (Berry *et al.*, 2002). Schmitt (2003: 77) recommends offering experiences to differentiate from competitors in the following statement: "*Unless you want to cheapen your brand and settle for "price differentiation", the only choice is to create an alternative: a different and more desirable experience*". Peter Teague, Former Deputy Chief Executive and MD Consumer Publishing of BBC Worldwide Limited, states:

> *I think there's no doubt that the battle ground is changing. The differentiator used to be product quality or functionality. It then became difficult to differentiate your products and we saw a switch to differentiating on price. It then moved onto service and delivery. Now it's getting increasingly difficult to differentiate on service. With all these gone the only differentiators left are the emotional attachment built with a brand and the customer experience* (Shaw and Ivens, 2002: 3).

In order to create unique value for consumers through marketing initiatives, efforts should be shifted from marketing products or services focusing on features and benefits to marketing experiences (Joy and Sherry, 2003; Schmitt, 1999a) because "*offering experiences seems to be a way for producers to survive in the ever more competitive future*" (Binkhorst and Dekker, 2009: 312). Today, knowing the unprecedented thirst of consumers for experiences, marketers are seeking for novel ways and new ingredients to make their product offerings experiential (Poulsson and Kale, 2004: 69). More and more businesses are responding to these issues by explicitly designing and promoting experiences (Pine and Gilmore, 1998). To state it in numbers, Shaw and Ivens (2002) report by their research findings that 85% of the senior managers believe that traditional elements such as product, price and quality are not enough to differentiate and to have a competitive advantage. They basically admit that customer experience is the next battleground.

In the light of the existing literature, it can be seen that the experiential component of consumption is the new core element of marketing activities (Holbrook and Hirschman, 1982, Fırat *et al.*, 1995). According to Pine and Gilmore (1999), in the experience economy, the employees of a business should correspond to the cast in a theatrical game and take dramatic roles (responsibilities). Furthermore, they resemble the strategy of a company to the drama in a theatrical game and discuss that success of implementing its drama (strategy) for a company depends on how appropriate of the companies cast (employees) is for playing the desired roles. Moreover, the authors propose a five-step experience staging framework (see Section 1.2.5.2.).

Schmitt (1999a), in his book, "*Experiential Marketing: How to Get Customers to Sense, Feel, Think, Act, Relate to Your Company and Brands*", introduces the term of experiential marketing. The author proposes his Strategic Experiential Modules (SEMs) and Experience Providers (ExPros), which are the marketing tools to apply in order to activate consumer through SEMs (see Section 1.2.5.1.). According to the author, companies should create experiences in a way that they somehow transcend consumers' lives and provide enjoyment and value.

Following the publications of Pine and Gilmore (1999) and Schmitt (1999a), a great diffusion in the literature on consumer experience has been witnessed (Berry

et al., 2002; Brakus *et al*., 2009; Clatworthy, 2012; Teixeira *et al.*, 2012; Gentile *et al*., 2007; Joseph, 2010; Joy and Sherry, 2003; Kim *et al*., 2011; McCole, 2004; Poulsson and Kale, 2004; Shaw and Ivens, 2002; Smilansky, 2009; Verhoef *et al*., 2009). Some of the authors made their research on the nature of consumer experience (Brakus *et al*., 2009; Teixeira *et al.*, 2012; Gentile *et al*., 2007; Kim *et al.*, 2011; Verhoef et al, 2009) to make managers well informed as to managing customer experiences in an effective way, while some of them proposed frameworks (Clatworthy, 2012; Joseph, 2010; Nijs, 2010; Schmitt, 2003; Shaw and Ivens, 2002; Smilansky, 2009) as to how companies should organize vis-à-vis the experience economy.

Not surprisingly, companies, too, have started focusing more and more on the customer philosophies. Customer Relationship Management (CRM) has gained more and more importance (Gentile *et al*., 2007). Schmitt (2003), however, criticizes that the existing CRM applications are not effective enough to respond to the expectations of customers because its main aim is to gain insights for the company itself rather than satisfying customers' needs. He reproaches CRM applications of purely recording of monetary transactions and of considering only customers' spending pattern by utilizing high-technology-software applications. Hence, although CRM consists of "*relationship*" in its title, it apparently fails to build relationships. Schmitt (2003) goes even so far as to claim that companies have spent about $50 million on CRM applications in a few years, and as a result they have been often dissatisfied because the results have not been detailed enough to build a customer focus and to help companies differentiate their products.

In order to fill this gap within the business area, Schmitt (2003) proposes of his own experience management concept: Customer Experience Management (CEM). Gentile *et al*. (2007) identify CEM with its continuous relationship attitude with the consumer as opposed to CRM, which jams in collecting transaction-based insights. Schmitt (2003: 18) claims that: "*CEM connects with the customer at every touch point and calls for the integration of different elements of the customer experience*" (see Section 1.2.5.1.).

Most authors (Pine and Gilmore, 1998; Schmitt, 1999a; Bryman, 2004; Teo, 2003; Lynch, 2010; Hansen, 2007) who investigated experiential issues, indeed, give

examples from Disney Company and mention the fact that the company is the pioneer in this context and have exemplified many applications for other enterprises (see Section 1.2.3.4). These authors basically relate Walt Disney's and his company's success to the entertainment sector where the Disney Company runs its business. Hence, it is believed that most companies in a varied range of industries can study Disney's work principals so that they will be successful in the experience economy by utilizing primarily the entertainment factor.

Contradictoraly to these discussions, Berry *et al.* (2002) remark that a simple initiative for providing entertainment or being engagingly creative is not enough to create experiential value for the consumer. According to these authors, managers should be able to orchestrate all the clues in the experience in order to manage experiences effectively. This calls for understanding the "*consumer journey*". Consumer journey briefly refers to the total experience perceived by the consumer starting with the expectations before the consumption and lasting till the assessment process after the consumption. Additionally, Teixeira *et al.* (2012), indicate that a consumer journey is composed of physical artifacts, technology-enabled systems, and the actors involved in each activity. In their work, which they explored designing service experiences, they suggest understanding the holistic nature of experiences by considering all the elements in the consumer journey.

Verhoef *et al.* (2009) further state that the customer experience has a holistic nature and influences customers at various levels such as cognitive, affective, emotional, social and physical. Similarly, they pronounce "*the total experience*", which consists of various phases of experience such as search, purchase, consumption, and after-sale. Clatworthy (2012: 108) suggests that "*brand specifications for services should increasingly focus upon desired customer experiences, service touch-points and touch-point behaviors rather than the current focus upon visual identity*". The author basically advocates that all the touchpoints (clues) should be operated appropriately in order to align customer experience with the brand identity because touchpoints play a crucial role in the minds of consumers while evaluating the brand personality. Similarly, Crosby and Johnson (2007: 21) claim that touchpoints are crucial in creating an experience because they affect customers' understanding of, evaluation of, and feelings about the brand. Therefore,

they stress the importance of the name, identity, and all the accompanying signs, symbols, sayings, and promises related to the brand since all these are the elements that customers develop loyalty toward.

McCole (2004: 535) states that in experiential marketing specialist do not focus only one-off experience or they do not only think about customer satisfaction rather they strive for finding ways to make consumers emotionally attached to the product or service. According to McCole (2004: 535), an ongoing emotional attachment between a brand and consumer is the ultimate aim of the experiential marketing and companies make this attachment by bringing the essence of their brand to the life in the form of an event, experience or interaction.

Joseph (2010: 90) argues that many marketers often forget the emotional side. However, what vital for the companies is to "*know how to communicate with and take care of the customers, and add value to their lives*". Joseph (2010: 90) summarizes the importance of emotional engagement as following:

Marketers almost always include the rational facts, but not always the emotional benefits of the brand. It's a shame because it's the emotional side that really makes the difference. The rational component is often the reason a consumer will initially look for a product—to fulfill a rational need. The consumer needs to get something done... The emotional component, however, is why the consumer connects with the brand over time and why the brand fits into his or her life. It's why the consumer wants the brand, above and beyond why he or she needs the product and why the consumer will pay more money for a specific brand versus another one. It's also why a consumer will tell friends about the brand, and even convince them to buy it or use it too.

Tetrault (2011) gives the example of clothing industry. He indicates that the clothing itself is now less important than the clothing brand and lifestyle experiences that the corresponding clothing style brings the one along. In this context, Diesel Jeans' owner Renzo Rosso states that Diesel Company does not actually sell a product; but a style of life. He speaks of a movement that the Diesel Company has started. According to this movement, The Diesel concept is everything: a life and wear style, and the center of every activity in the daily life (Klein, 2000). Moreover,

Schmitt (2003: 103) states that "*Puma makes products designed to facilitate the individual achievements that evoke the most passionate responses*".

Starbucks is one of the companies, which recognize the significance of experiences to affect people and therefore utilizes experiential marketing in a most proper way (Pine and Gilmore, 2004: 50). It is a well known fact that consumers voluntarily pay extra dollars for a cup of coffee in the Starbucks that otherwise would cost them relatively much lower. However, the factor, which leads consumers to this behavior, is their desire to join the culinary and aesthetic experience of Starbucks stores (Poulsson and Kale, 2004: 270). Scott Bedbury, Starbucks' former Vice President of Marketing admit that they are aware of the fact that consumers do not find truly a huge difference between Starbucks products and the other products in the market and indicate that Starbucks' aim is to establish emotional ties with the customers through "*the Starbucks Experience*". Similarly, CEO Howard Shultz claims that it is not just the Starbucks' coffee, which makes people line up in front of the stores; but it is the romance of the coffee experience, the feeling of warmth and the satisfaction of being a member of the Starbucks community (Klein, 2000). Klein (2000) suggests that companies should craft images rather than only producing products. Products, however, should be utilized to represent the image as Nike recently does. Nike now can be said to be in the business of crafting images rather than selling shoes (Klein, 2000).

1.4.1. Value Creation and Experiential Marketing

Schneider and Barsoux (2003) define culture as a complex structure that is composed of socially shared dimensions such as values, beliefs, attitudes, and perceptions. Hover (2010) indicates that values are more important than needs. According to her, values are more stable and less superficial than needs -i.e. friendship versus cell phone- ; and emotional attachments can be created by appealing to values. For this reason, creating values has been usually a critical aspect for the human kind, thus for the businesses. Throughout the history, businesses have run their strategies in order to create values.

Accordingly, value creation concept has been an important discussion in the existing literature (Vargo *et al.*, 2008; Roser *et al.* 2013; Prahalad and Ramaswamy, 2004; Ramaswamy, 2009). The literature indicates that traditional marketing approach focused dominantly on "*value-in-exchange*". Vargo *et al.* (2008) define value-in-exchange as goods-dominant logic of value creation. In this logic, the activities of both the company and customer are distinct: the company provides goods to customer and take money in return. What leads the transactions is the company providing the customer with value by supplying tangible goods. For instance, the company produces car from tangible things, and the car, which is tangible itself, is distributed in the market as a value of transportation. Simply explaining, in this logic, the activity is transforming raw materials into something customers want.

In experiential marketing, value is defined as the utility "*deriving from the intensity of the experience and feelings of enchantment associated with the experience*" (Poulsson and Kale, 2004: 270). What the authors who investigated experiential marketing suggest is that the aim in value creation should not be only to meet the consumers' wants and needs as it is in the example of transportation. Rather, consumers should be given special moments by the purposefully organized events in order to create experiences appealing to the consumers at various levels such as sensorial, emotional, social, and affective (Schmitt, 1999a). Furthermore, companies should provide costumers (guests) with the memorabilia of the experience in order to make these experiences personal for them (Pine and Gilmore, 1999). For instance, recently many global companies including British Airways and The Home Depot offer customers experiential values such as learning and helping others during the consumption process (Crosby and Johnson, 2007: 24).

Experiential marketing philosophy basically suggests that the entreprise logic should be shifted from the exchange value embedded in goods to the co-creation of values and relationships (Nijs, 2010; Roser *et al.*, 2013). Ramaswamy (2009: 11) defines co-creation as a "*process, by which products, services, and experiences are developed jointly by companies and their stakeholders, opening up a whole new world of value*". According to Ramaswamy (2009: 11) "*firms must stop thinking of individuals as mere passive recipients of value, to whom they have traditionally*

delivered goods, services, and experiences. Instead, firms must seek to engage people as active co-creators of value everywhere in the system". According to this logic, businesses should involve customers into the value creation process and let them have their own experiences so that they will be committed to the organization (Nijs, 2010, Schmitt, 1999a, Ramaswamy, 2009).

Nijs explains the difference between the value-in-exchange and value co-creation logic. According to her, in the sequential economy, which is dominated by the value-in exchange logic, products lose value when they are used –i.e. second hand car- . In a co-creation economy, however, products increase in value when they are used -i.e. Facebook, Twitter, Hyves, Trip Advisor, E-bay, The Red Hat Society, Wiki-pedia, Couch-surfing, Weekend-desk - (Delvaux, 2010). Nijs (2010) explains this transformation from value-in-exchange to value co-creation as business transformation from industrial age to imagination age. According to Ramaswamy (2009), this transformation resulted in a transition from activities to interactions in the system; from the competence base of the firm and its suppliers to networks and communities of individuals (customers and all other stakeholders outside and inside the firm); from products and services to environments of human experiences; from assets and activities to engagement platforms. Furthermore, this transformation has resulted in changes in the attitudes toward the market concept: from target logic to forum logic (Prahalad and Ramaswamy, 2004) (see Appendix 2).

Today, many companies seek to utilize from the benefits that the co-creation applications can bring about themselves. For instance, companies can reduce advertising costs through word-of-mouth marketing, which will occur as the result of co-creation environment (Ramaswamy, 2009). Moreover, "*…co-creation is also a sustainable growth engine that enhances strategic capital, increases returns, and expands market opportunities in new ways*" (Ramaswamy, 2009: 17).

1.4.2. Advertising and Experiential Marketing

Pine and Gilmore (2002: 4) claim that companies, which are aware of the experience economy, now do very little or even manage to forego traditional advertising completely. Instead, they have started staging experiences since

experiences are the best way of generating demand for any offering (Pine and Gilmore, 2004: 50). Crosby and Johnson (2007: 24) report that companies such as Starbucks, Peet's Coffee, The Body Shop, Costco, IKEA, Southwest Airlines, REI, Amazon, Whole Foods, and eBay succeeded to build strong brand images with very little mass media advertising. According to these authors, success of these companies depends on focusing intensively on the quality of experiences in order to make a unique value proposition to their customers. Pine and Gilmore (2004: 50) further ask "*so why does Starbucks - on as great a growth trajectory as any company in the past 15 years - do virtually no advertising?*" and reply "*because the distinctive experience of actually interacting with the company in its outlets generates more than enough demand all by itself*".

Relatedly, Nicole Bardsley, Head of Brand and Acquisition at Virgin Mobile Australia, states about their experiential campaign "*Fair Go Bro*" that their premier aim is to interact and engage consumers with the campaign at every phase of the process:

> *Our strategy is to start with a great idea, create intrigue and engagement around the idea, drive organic conversation in social media and PR and then amplify and extend the message with traditional media…TV ads are still important, but in the case of Fair Go Bro, experiential marketing was key to providing consumers with a way to interact and engage with the campaign at every stage* (Clark, 2012: 20).

Product placement, event marketing, sponsorships (Schmitt, 1999a) (see Section 1.2.5.1.3.), co-creation of experiences (Ramaswamy, 2009), and social media spheres (Clark, 2012) can also be considered as effective experiential marketing tools in the context of advertisement.

1.4.3. Brand Management and Experiential Marketing

Schmitt (1999b) claims that the fact that big brands -i.e. Ralph Lauren, DKNY, Calvin Klein, Paul Smith, Gucci- dive into supplying the unrelated products -i.e. paint, bottled water, popcorn boxes toothpaste, dog carriers- implies that

products are recently used as means of customer experience provision. He sees this fact as a factor that enabled the arrival of the experiential movement.

Today, it is not a big secret that Nike sells $20 sports shoes for $100 by supplying customers a brand experience (Pine and Gilmore, 1999). Pine and Gilmore (1999) indicates that the most successful company in providing customers with the brand experience by offering products through a holistic experience brand is probably Harley Davidson as they stress the fact that even company's logo is tattooed on its customers' arms.

Crosby and Johnson (2007) indicate that traditional approach to the brand management, which does not stress the importance of experiences, is most likely to fail. Klein (2000) reports that a number of companies are aware of this fact and started up a renaissance by transforming themselves from product producers to "*meaning brokers*". Klein (2000) explicitly suggests that brand managers should focus on the spiritual component concerning the brand so that the product takes its place in the back stage. Relatively, Kat Thomas from One Green Bean states:

> *Consumers no longer see brands as faceless corporations. They are building relationships with these brands. And those doing a great job on the social sphere are able to capitalize on that…Consumers will expect to have open dialogue and relationships with the brands in their lives. Brands will have to evolve to meet the expectation. For the right brand, that extends into a friendship* (Clark, 2012: 20).

Nowadays, companies seek to have brand personalities in order create great experiences. Brand personality is one of the dimensions, which affect the quality of the experience between a brand and a customer (Chang and Chieng, 2006). Aaker (1997) defines brand personality as human characteristics associated with a brand and classifies five brand personality components including excitement, sincerity, competence, sophistication, and ruggedness. Schmitt and Simonson (1997) give brand examples for the all types of brand personality. In their classification, Kodak stands for sincerity while the brands including Porsche, Benetton, and Absolut create the perception of excitement. Competence is reflected by companies such as American Express, CNN, and IBM. Moreover, Lexus and Mercedes trigger the

perception of sophistication as ruggedness is perceived by the brands including Levi's, Marlboro, and Nike.

Furthermore, according to consumers, some of the experiential brands includes companies such as Apple, Nike, Whole Foods, BMW, Sony , Jet- Blue, Tiffany, Virgin , Target, McDonald's, Coca-Cola, Abercrombie & Fitch, Reebok, W Hotels, Barnes & Noble, American Express, The Body Shop, Crest, Disney, Google, HBO, Home Depot, MasterCard, Washington Mutual, and Williams-Sonoma (Brakus *et al*, 2009: 57).

1.4.4. Disneyland as Founder of Experiential Marketing

Pine and Gilmore (1998), while suggesting their experience economy concept, admit that Disney Imagineering is the pioneer and still the greatest player of the experience economy. Therefore, they suggest that companies can learn how to stage experiences by looking at the characteristics of experiences and the design principles of Disney and the Disney-like pioneer experience stagers. They believe that experiences, which have been always at the heart of the entertainment business that Walt Disney have creatively exploited, should be the focus point for today's business world.

In his book, "*Disneyization of Society*", Bryman (2004: 4) suggests the term "*Disneyization*" to refer to the principles exemplified by Disney Company. He defines Disneyization as a process born as a reaction to the "*McDonaldization*" concept that is the same kindness and standard way of implementing procedures. He claims that Disneyization is about increasing the appeal of goods and services, and motivating consumers to consume by providing ever changing experiences. According to Bryman (2004), both Disneyization and Mcdonaldization are concerned with consumption. However, while McDonaldization is related to rationalization and its associations with Fordism, scientific management and bureaucracy, Disneyization has to do with a post-Fordist world of variety and consumer choice.

Walt Disney thought that traditional amusement parks were dirty, seedy, and tawdry and contained dull and unimaginative rides; thus making them unattractive

for adults (Bryman, 2004). For this reason, he attempted to create his own theme park and revolutionized amusement parks forever with the opening of Disneyland in Anaheim, California (Hansen, 2007: 2). Theming the parks with the American narrative, his first aim was to establish a place, in which the older generation can remember the nostalgia of days gone by, and the younger generation can enjoy the challenge of the future (Bryman, 2004). Furthermore, Walt Disney aimed to enable the visitor to get out of the ordinary day-to-day cares (Hansen, 2007: 28). Today, in the Disneyland theme parks, the visitors are immersed in another world (Bryman, 2004). Teo (2003: 556) sees the ambience of Disneyland as a big differentiator: "*Disneyland's success is a carnival-like ambience, which serves to remove the consumer from the drudgery of everyday life*". Lynch (2010), similarly, indicates that Disneyland creates a world of pleasant experiences and fantasy. Pine and Gilmore (1999) define Disney theme parks as the places where people find happiness and knowledge. Moreover, what a visitor in her 50's states concerning his visit to EPCOT, one of the most famous theme parks of Disneyland, clarifies the Disney effect:

> *Every day I have been (here) I have been thrilled, excited, and everybody is so happy here. This is a happy place, I mean everybody is just so happy to be here, they are so courteous, they are so nice* (Fırat and Ulusoy, 2011: 197).

Disneyland's originality lies in the combination of the transformation of themed attractions into one of themed environments with the transformation of the world's fair/exposition concept into a permanent site (Bryman, 2004). Hansen (2007: 6) reports that: "*In comparison to other similar theme parks, Disney still draws more attention from the buying public. Collectively, Disney theme parks in the U.S. are heavily attended, outpacing the annual attendance at other theme parks by as much as 3 to 1 guests*".

Consequently, this way of marketing, which is composed of creating themed spaces, narratives, appealing to people's minds, emotions, and personalities through ever changing experiences, has inspired many other establishments and similar procedures, not necessarily as being physically but contextually, has spread along

with various business domains including amusement parks, hotels, restaurants, malls, museums, casinos, cruise ships, and more interestingly even health care centers, health clubs, university accommodations and real estate properties (Bryman, 2004; Lukas 2007; Pickles *et al*, 2008; Pine and Gilmore, 1998; Schmitt, 1999a).

1.4.4.1. Dimensions of Disneyization

Bryman (2004) indicates that the principles of the Disney theme parks have inspired more and more sectors of the American society as well as the rest of the world. He classifies four dimension of Dizneyisation as; theming, hybrid consumption, merchandising, and performative labour in order to show how the Disney theme parks operate.

1.4.4.2. Theming

Lukas (2007) defines theming as the utilization of a persuasive theme to establish a merging and absolute idea throughout a space in order to create a holistic and integrated consumer venue. According to Bryman (2004: 15) theming refers to the usage of a narrative within institutions or locations in order to provide a veneer of meaning and symbolism. In other words, theming is basically a physical representation, in which meaningful connections are made among unifying ideas, symbols, or discourses (Lukas, 2007). Thus, by creating meaning, theming transcends objects, to which it is applied, from what they actually are to something more attractive and interesting (Bryman, 2004) and allow consumers to get out of everyday life and to be transported to another time and place that they would not have the opportunity to experience otherwise (Wood and Muñoz, 2007).

In a competitive environment where leisure times and disposal incomes are targeted, it is crucial to offer consumers a way to get out of everyday life realities (Morgan and Watson, 2007: 1). Therefore, in the experience economy, in which people are in search of memorable and personal experiences provided in an entertaining and immersive way (Pine and Gilmore, 1998), and in which people do not consume only on the use value, theming emerges to be an outstanding tool for

managers to resort to since it enables to differentiate homogenized business practices and offer consumers the engaging context to be entertained and to enjoy novel experiences (Bryman, 2004). Similarly, Lukas (2007) indicates that theming may give opportunity to the companies in a competitive consumer market to be novel and more shocking in a saturated consumer space. For this reason, theming has become a necessity since themed spaces influence people's minds with the usage of architecture and associated (performative) service (Lukas, 2007).

Lukas (2007) states that the success of the major theme parks like Disney lies into the ability of physically pulling customers to the places. For instance, the Disney World represents the ultimate usage of theming in a way that it makes people feel that they enter a fantasy world by bringing narratives to life from different books and films (Lynch, 2010). Disneyland succeeds to have its extraordinary atmosphere by immersing customers with the theme of celebrating America with its history and achievements and as a magical place where people can forget about the harsh realities of the real life. Disney, however, is not the first company, which used theming as a differentiation tool, but it is the first company, which used the theming in the most effective way and, therefore, exemplified other companies in this context (Bryman, 2004).

Businesses understand the powerful value that theming offers in the competitive world of retail, entertainment, and service (Lukas, 2007). Accordingly, the use of themed space as a marketing devise has increased in recent years (Lynch, 2010). Amusement parks, restaurants, casinos, hotels, medical clinics, malls, zoos, towns, museums, cruise ships, universities are now using theming in order to differentiate themselves from the competitors (Bryman, 2004). Today, usage of theming has spread even through local businesses. Some companies even specialize in creating themed displays for themed events or conventions (Lukas, 2007). Besides the entertainment-based applications, Fırat *et al.* (2011) mention that theming is enjoyed to enhance consumer attention in the places where educational goals dominate such as historical sites, museums, and memorial spaces.

Las Vegas, especially with its famous Strip, now is the place, which uses theming in a very effective way. Pine and Gilmore (1999) mention the remarkable success of the Forum Shops, which were created by the Simon DeBartolo Group in

Las Vegas. In 1997, with the successful application of Ancient Rome theme- ensured by the ambience with the impeccable usage of marble floors, stark white pillars, outdoor cafés, living trees, and flowing fountains- the mall succeeded to reach the sales amount of more than $1,000 per square foot while this amount is less than $300 in a typical mall (Pine and Gilmore, 1999). Furthermore, on the usage of theming in Las Vegas, Fırat and Ulusoy (2011: 193) states:

Many hotels in Las Vegas now support a theme, such as ancient Egypt at the Luxor Hotel, the city and culture of Venice at the Venetian Hotel, ancient Rome at the Caesar's Palace Hotel, and natural wonders of the world at the Mirage Hotel, among others. To reinforce the themes at each hotel, a spectacle is often created. At the Treasure Island Hotel, people can witness a pirate ship battling a ship from the British Armada. At the Mirage Hotel, a volcano erupts every 20 minutes after sundown. At the Bellagio Hotel, which thematizes the rich Italian Renaissance lifestyle, an impressive dancing waters show accompanies Italian opera arias or Frank Sinatra tunes. Large crowds of people of all ages gather around these spectacles. It is not just children who are there. As a matter of fact, the very large majority of visitors are adults, and all appear to have a great time.

Lukas (2007) suggests that theming should not be utilized only with the aim of creating aesthetics designs. Moreover, according to Berry *et al.* (2002) objects used for theming should be part of a well-organized and comprehensive experiential strategy in order for companies to receive desired customer responses. For instance, a restaurant presenting photographs of movie stars on their walls or a retailer that hangs motorcycles from their ceilings are likely to fail in receiving good customer responses if they fall into trap of using theming exclusively and unconnectedly from the corporate strategy. How theming should be applied has been an important discussion in the literature (see Appendix 3).

Lukas (2007) claims that an application of aesthetic, cognitive, and cultural frames to the natural environment is identical for the humankind history. Mentioning that our ancestors made symbolically-ordered caves and dwellings years ago, Lukas (2007) indicates that today's people, too, recently enjoy the very nature of theming

by utilizing it as a means of personalizing their own living spaces. Many homeowners organize their bedrooms, offices and bathrooms, according to a particular theme. Consequently, Lukas (2007) concludes that a movement of theming into a more personalized realm emerges. Bryman (2004) states that, as a tool to touch consumer's identity and lifestyle projects, the nature of the themed environment plays a big role on the connection between the product or service and the consumer. Brigham (2007) mentions the mutable, personal and meaningful nature of a themed place, which makes it allow managers to tell consumers powerful messages about themselves. Voase (2008: 162) indicates that "*an interpretive approach, which enables the visitor to add to and extend the narratives, by which they make sense of themselves and the world around them, is likely to enhance the experience, and hence make that person more likely to visit the attraction*".

Voase (2008: 161), concluding from his research findings on a cathedral's visitors, further reports that:

The nature of the visitor experience at the cathedral, as desired by the visitor, had little to do with architecture and history. In contrast, the visitor sought to make sense of the building - an investment of human labor over two to three centuries of construction - in terms of their relationship to the human aspiration, effort and commitment, which inspired it.

Using the natural aspects is another application enjoyed in the themed places. Lynch (2010), giving the examples of some contemporary shopping malls themed with trees, walkways, carousels and carefully crafted displays, claims that companies aim to appeal to emotions and senses by providing customers with the illusion of a natural environment or a structured, monitored and safe reality space.

Life styles of well-known personalities or important events of the history can also be used in the themed environments. Looking at The Holy Land Experience, it can be seen how effectively historical, religious characters and events from the Bible can be brought to life by telling a story or performing in theatrical manner (Lynch, 2010) According to Lukas (2007), the way The Holy Land Experience engages consumers suggests that establishing connections between the material aspects of

theming and the immaterial features of consumer's culture and self will be a future trend of theming.

Companies adopt theming applications in their consumption venues by using various kinds of sources. Therefore, many authors looked into the theming source genres and made various identifications (see Appendix 4).

1.4.4.3. Performative Labor

Disney Company represents a very good example of a performative environment. Pine and Gilmore (1999) indicates that the employees (casts in Disney language) in Disney theme parks are strictly committed to their tasks (roles) and never act inconsistently to these tasks. Bryman (2004) mentions the philosophy in the parks: workers should always be smiling and seem to be having fun rather than working. Lynch (2010) explains Disney theme parks as a space where the employees (actors) strive for luring people to spend money through themed applications of transportation (people movers), structured waiting lines (staging areas), performers, and settings. In Disney Theme parks employees are called as actors who play the roles given (Pine and Gilmore, 1999). Bryman (2004) claims that the usage of words such as "*cast members*", "*auditioning*", "*onstage*", and "*backstage*" implies the metaphor of an application of a kind of theatrical performance in the Disney theme parks.

Bryman (2004) indicates that the performative paradigm in the Disney theme parks is ensured through emotional labor. He basically defines emotional labor as a group of workers who are highly committed and emotionally tied to the firm, organization and their colleagues. He states that emotional labor is not a new concept and that some professionals including nurses, doctors, midwives involved in medical services had already realized the need to engage in emotional labor; however, Disney made the novelty in this context by officially prescribing the nature of the expression of emotions as a part of organizational duties. He sees performative and emotional labor as a source of differentiation for the companies. He gives the example of fast-food restaurants where the products in all places are more or less the same. He

indicates that customer will want to return if the quality of the transaction and service is a memorable one.

Groth *et al.* (2006) suggest that giving trainings to the employees can help organizations acquire emotional labor. Moreover, Brown (2008) suggests that empowering employees to take roles as to find solutions to the problems existing in their work area provides new idea contributions for companies, valuable experiences for customers, and job satisfaction and productivity for employees. To indicate this kind of an application, Harris *et al.*'s "*Theatrical Service Experience Model*" (2003) seems to be a good example. The authors claim that theatrical applications could be appropriate to any kind of company since dramatic scripts are relevant to human interactions in whatever setting they take place. In their model, they basically propose to reconsider the critical incidents, which employees encountered in the past by identifying dramas and replaying them as dramas in the workshops before the eyes of employees in order for employees to take lessons from the faults and to find solutions for problems. The model basically suggests applying theatrical procedures to the service/retailer sector. It includes two phases: the first stage involves developing and analyzing the dramatic script as the second stage suggests implementing the intended theatrical experience (the experiential goal) via "*humanics*" with the application of Human Resources Management (HRM) and the "*mechanics*" under supervision of an appropriate operations management (OM) (see Appendix 5).

Great customer experiences are reached through an organization-wide approach (Crosby and Johnson, 2007), inspirational leadership, empowering culture and empathetic staff who are happy, fulfilled (Shaw and Ivens, 2002), well-chosen, trained, motivated (Morgan and Watson, 2007), and committed and act in a consistent way to the experiential objectives to enhance and reinforce the product image, look, feel, and all brand communications (Schmitt, 2003). Eventually, the businesses, which understand the characteristics and consequences of emotional labor are most likely to succeed to manage their employee's emotional demands and therefore to create better experiences for their customers (Groth *et al.*, 2006).

1.4.4.4. Hybrid Consumption

Hybrid consumption refers to blending various experiences-i.e. shopping; visiting a theme park; eating in a restaurant; staying at a hotel; visiting a museum; going to the cinema; playing and / or watching sports; and gambling in a casino- in a new and often imaginative ways. In providing hybrid consumption, the main aim of the companies is to make people pass more time in the places (Bryman, 2004).

Pine and Gilmore (1999) suggests that managers should provide multi-experiences for the consumers while offering a product. According to them, several experiential possibilities can be added to even regular products. For example, in the clothing industry, managers should be able to think about enhancing the experience of wearing, cleaning, even hanging and putting in the shelf.

Hansen (2007) claims that Disney Company heavily utilized hybrid consumption, by accessing several venues and recreation choices within the boundaries of a resort with over-abundance of merchandise, to maximize product appeal. On the other hand, Wal Mart and Target did the same by offering a variety of services and products at one location. However, Hansen (2007) indicates that these applications carry the risk of consumer fatigue and product cannibalism. She even claims that the disappointing revenues of the past decade in Disney theme parks could be occurred due to the inappropriate hybrid consumption practices.

Bryman (2004) claims that Abbey National, a chain of banks in UK, builds coffee shops in the branches; and malls include restaurants, snack bars, and coffee shops. Pine and Gilmore (1999) mentions how Barney & Noble, a chain of book stores, inspired other book stores with pioneering of adding inside cafés to the stores. Today, hybrid consumption approaches are obviously spreading. Bryman (2004) sees hybrid consumption as an effective differentiator for companies and claims that the companies creating unusual interesting combinations will draw more attentions than common unsophisticated places. In other words: "*The use of theming and unusual blends of forms of consumption helps to create extraordinariness where otherwise ordinariness reigns* (Bryman, 2004: 76).

1.4.4.5. Merchandising

Merchandising is defined as the promotion of goods in the form of copyright images and logos. It includes all the products made under the same license such as t-shirts and mugs bearing logos and models of proprietary characters (Bryman, 2004). According to Bryman (2004), merchandising can be hugely profitable.

Pine and Gilmore (1999) mention how organizations enjoy the revenues generated by the sale of memorabilia of the experiences that they provided to customers. As Pine and Gilmore (1999) acknowledge, people are ready to pay premiums for the memorabilia since they valorize, in fact, the memory gained by the experience. Similarly, Bryman (2004) states that the items that cost very little to produce can be sold for significant amounts by adding a logo or image or by manufacturing a doll or toy into a well-known and noticeable form such as Mickey Mouse or Darth Vader. Moreover, Hansen (2007: 8) claim that the voluntariness to pay premium for souvenirs, items, food, etc. sold at Disney theme parks may depend on the uniqueness of the products since there is no substitution outside of the parks that customers can make comparison.

Wyatt, (1994) in his book, "*High Concept: Movies and Marketing in Hollywood*", articulates how Hollywood Filmmakers succeeded to make millions of dollars with the usage of high concept after realizing the commercial potential of the movies. The high concept simply helped filmmakers to earn money not only from the sales of the films but also tie-ins and related advertisements (for the definition of High Concept see Section 1.2.5.4.). The Disney's success more or less depends on the same understanding. Just after the creation of Oswald the Lucky Rabbit, one of the first well-known characters of Disney, Walt Disney realized the importance of merchandising and the significance of the role it could play in the company. Relatedly, he made his first initiative to guard his rights on this character. In 1929, he transformed the Walt Disney Productions into four separate companies, one of which dealt with merchandising and licensing (Bryman, 2004). In these success stories, however, the quality of the experiences that these organizations provided for customers is the key factor. Pine and Gilmore (1998: 101), in this context, claim that:

Disney generates significant profits from parking, food, and other service fees at its theme parks as well as from the sale of memorabilia. But without the staged experiences of the company's theme parks, cartoons, movies, and TV shows, customers would have nothing to remember - and Disney would have no characters to exploit.

Bryman (2004) resembles merchandising to a form of franchising since it can enable additional uses of the marketable products owe to the value out of existing well-known images. For instance, tourist attendance is not the only revenue mechanism for amusement parks. Amusement parks can earn from merchandising that will also advertise the company and the theme park as Walt Disney Company theme parks exemplified (Hansen, 2007). Moreover, Disney Company utilized promotional tie-ins of its animated films as one of the major merchandising vehicles. For example, for the first Toy Story, $125 million was spent on such tie-ins by firms including Burger King, Nestlé, Frito-Lay, Minute Maid, and Payless ShoeSource. Burger King alone spent $45 million in order to be able to boost sales of its food by giving away Toy Story figures and selling Toy Story puppets for $1.99 (Bryman, 2004).

1.5. CUSTOMER EXPERIENCE CONCEPTUALIZATION MODELS

Teixeira *et al.* (2012) claim that customer experience is a complex structure; therefore, a clear and manageable abstraction is needed. For this reason, they propose the "*Customer Experience Modeling*" (CEMO) to help managers schematize and characterize the nature of customer experience in order to support the efforts in service design. Teixeira *et al.* (2012: 363) defines the CEMO as "*a method for capturing the rich and complex elements that shape an experience*" (see Appendix 6).

As Verhoef *et al.* (2009) discuss that customer experience is holistic in nature, Teixeira *et al.*'s (2012) CEMO supports the holistic nature of customer experience, and portraits it as an integrated view of activities, actors, artifacts, and technological systems, which exist throughout a customer journey. Verhoef *et al.* (2009) conceptualize customer experience as a holistic and complex system, which is

originated by the constructs such as the social environment, the service interface, the retail atmosphere, the assortment, the retail brand, the alternative channels (the experience on the internet affects the experience in the store or vice versa), old experiences (old experience affects the new experience) and, the price and promotions (see Appendix 7).

Teixeira *et al.* (2012) claim that experiences can not be under control of the organization since experiences are uniquely co-created by each customer through the interactions with the service provider across different touchpoints. Therefore, they add the customer experience requirements (customers' desired qualities) into the CEMO model (see Appendix 6). Verhoef *et al.* (2009) identifies two moderators as consumer moderators and situation moderators. Consumer moderators are similar to the customer experience requirements in the CEMO. Consumer moderators basically constitute the goals (experiential or task oriented goals, which are shaped by factors such as socio-demographics and consumer attitudes) of the customers while shopping. Situational moderators include the type of store (i.e. discount versus full service, specialty versus general), channel (i.e. store versus Internet), location (i.e. mall vs. city center), culture (i.e. masculinity, individualism), season (i.e. regular vs. holiday), economic climate (i.e. recession vs. expansion), and competitive intensity (see Appendix 7).

1.6. CUSTOMER EXPERIENCE MANAGEMENT FRAMEWORKS

1.6.1. Customer Experience Management

Schmitt (2003) suggests that companies should analyze the nature of customer experiences, then develop an experience-focused strategy, and finally add value through experiential based interactions in order to ensure growth and profitability throughout the business cycle. He proposes his CEM framework in order to clarify how to achieve an effective experience management. The CEM framework consists of five steps: Analyzing the experiential world of the customer; building the experiential platform; designing the brand experience; structuring the customer interface; and engaging in continuous innovation (see Appendix 8).

1.6.1.1. Analyzing Experiential World of Customer

Teixeira *et al*. (2012), in their CEMO, speak of customer's desired qualities or customer experience requirements of an experience as one important element of customer experiences. Gentile *et al*. (2007) claim that as customers are considered to be at the center of business strategies, business professionals have started to resort to customer philosophies in order to gain deep insights about the customers. However, Schmitt (2003) criticizes CRM by claiming that CRM applications regard only the interactions and buying behaviors of customers. For this reason, Nijs (2010) indicates that an experiential approach, which will enable to have a good understanding of the experiential word of the customer, emerges in order to learn about postmodern customers who are in search of experiences. Schmitt (2003) claims that his CEM proposes specific ways to gain valuable insights about the customers' experiential needs and wants. Furthermore, Schmitt (2003) suggests that, once having acquired these customer inputs, companies should utilize them while designing brand experience, interfacing customers, and launching new products.

According to Schmitt (2003), customer loyalty and rate of usage can be analyzed since they summarize the intensity, richness and variety of the experience. Rate of usage is a useful indicator to deal with in order to know which feature should be added to the product. For instance, safety seems to be most important factor for a first time motorcycle buyer since a fifth time motorcycle buyer is most likely to be interested with speed and performance. Loyal customers are important as they are less likely to desire fast or much change in the product.

Schmitt (2003) suggests considering the experiential world based on certain contexts including socio-cultural; usage and consumption situation; product category experience, experience of the product or brand. According to Schmitt (2003), the start point is to analyze the situation based on the experience of the product or brand. Relatively, Gentile *et al*., (2007) stress the importance of enhancing the functional features of the commercial offer, thus creating a sustainable competitive advantage among the competitors because the utilitarian value is one of the important factors that affect customer's perception and evaluation of a new product.

Usage and consumption situation is another important context to deal with. Pine and Gilmore (1999) claim that managers can and should find creative ways to enhance the experience of the customer by analyzing the usage and consumption situation. For instance, they mention the baseball manufacturers who added an apparatus into the ball to measure the speed of the ball because they realized that it was very important for baseball players to know the speed of the ball; therefore, they were spending significant amounts of money for the radar machine to measure the speed externally.

The socio-cultural context is another important aspect. As mentioned above, today's customers do not consume only with rational motivations; but also with emotional motivation (Shaw and Ivens, 2002; Crosby and Johnson, 2007; Joseph, 2010). Schmitt (2003) claims that the socio-cultural context of the target customers is crucial to take into account so that companies can reach deeper insights about the experiential needs, wants, and lifestyle of the customers. In this context, Schmitt (2003) gives the example of pharmaceutical industry. He acknowledges that when companies launch lifestyle drugs like Viagra (targets impotence), Xenical (controls weight), and Botox (diminishes the appearance of facial lines and wrinkles) they have to consider not only functional features and benefits of the products but also the patient's values, self-concept, workstyle, and lifestyle. He suggests that focuses in this light should be on analyzing the perceptions of consumers on sexuality, body image and aging. Related to Fırat *et al.*'s (1995) object-subject discussion on consumers, Schmitt (2003) suggests, in this process, that patients should be considered as consumers (subject) who involve into value creation phase rather than considered as regular patients as the target (object) of the pharmaceutical companies or doctors. Other products, which can be added values by analyzing the socio-cultural context of the consumers, may include clothes, cosmetics, music, film, cars, appliances, furniture, architecture, travel, food (Fırat *et al.*, 1995).

Meyer and Schwager (2007) claim that there are two kinds of contacts that occurs between a company and customer: direct and indirect contact. Direct contact occurs when customers intend to purchase and use a product, or receive a service from a brand. On the other hand, indirect contacts may occur by unplanned encounters with a company's representatives. Accordingly, Schmitt (2003) suggests

tracking the overall experience along the touch points; therefore, analyzing customer decision making process at each stage: need recognition, information search, information processing, choice, purchase, use, and dispose. Schmitt (2003) claims that, by tracking the overall experience along the touch points in an appropriate way, Blyth Industries, a candle manufacturer, has grown from $2 million US sales to over $500 million global sales.

Recently, companies apply specific research techniques for understanding the experiential world of consumers. To understand the experiential world, Schmitt (2003) indicates that it is necessary to conduct primary research with customers. According to him, traditional research techniques-focus groups, one-on-one interviews and telephone surveys-are failing unless they are adapted by an experiential approach because they lack realism, originality and depth of information. Therefore, Schmitt (2003) suggests conducting research in natural consumption environments while consumers immerse themselves in the experience. Relatedly, to understand customers' emotional states in various situations, Berry *et al.* (2002) propose to do an "*experience audit*", which is realized by watching every behavior- facial expressions, gestures and body language- of the customer while the experience is being occurred. Moreover, Schmitt (2003) suggests using realistic stimuli -i.e. three-dimensional, multisensory, and multimedia displays and mock-up environments- in order to elicit relevant customer responses if the experience has not created yet and it is not possible to take consumers to the natural environments.

Recently, companies need to examine the future. Schmitt (2003) suggests collaborating with diverse group of experts to examine the future.

1.6.1.2. Building Experiential Platform

Schmitt (2003) defines experiential platform as a consumer-oriented and dynamic concept, which is used as the connection instrument between the collected insights about the experiential world of consumer and implementation steps such as brand experience, customer interface, and innovation. Experiential platform consists of three strategy components: experiential positioning, experiential value promise and overall implementation them

1.6.1.2.1. Experiential Positioning

According to Schmitt (2003), experiential positioning is identical to positioning concept of rational marketing and management but it is done by more insightful, multisensory strategy, which is imagery and relevant to the user of the brand. With Schmitt's (2003: 99) words experiential positioning strategy refers to the *"image-driven depiction of the experience that the brand stands for"*. Schmitt (2003) claims that experiential positioning may need to be localized and changed under some conditions such as entering a new market or encountering dramatic changes in the world of consumers -i.e. 11th September incidents-. It requires costumer commitment, and technology and human resources delivery in a consistent way.

While launching a new product in a new market or entering a new market, in order to localize or adapt the offering into the environment, customers can be involved in the value creation process as Prahalad and Ramaswamy (2004) and Nijs (2010) advocate. Hema, a popular retailer in Holland, in this context, applies value co-creation as a useful tool to create valuable experiences for the consumers. The company lately made this initiative when it wanted to appeal more to the Arabian community that is the second ethnicity in number after the Dutch in Holland. They basically co-worked with the cultural center Mediamatic in order to organize design competitions to find out what an Arabian Hema look like. Eventually, Hema obtained appreciated design propositions such as halal sausage, shirts with Hema logo in Arabian and Arabian Jack and Jill. Having taken into consideration some of the design opportunities, Hema have lately opened Arabian Hemas with its Arabian Logo in some cities in Holland (Huisjes, 2009a: 23). To this end, Nijs (2010) claims that Hema, in a sense, achieve an intercultural exploration, by linking a Dutch cultural retail icon to the Arab culture.

Once having chosen an experiential positioning, Schmitt (2003) suggests testing the possible results by conducting research -i.e. conceptual analysis, empirical research- with a number of consumers.

1.6.1.2.2. Experiential Value Promise

"*Experiential Value Promise*" (EVP) corresponds to the functional value proposition of traditional marketing. However, it has to do with what the consumers will get from the company as an experience as on one side it identifies the special value that customer expects in experiential terms from the brand (Schmitt, 2003). Schmitt gives Nike's EVP as an example: "*superior performance*". However, EVP can be about social values and lifestyles, too. For example Harley Davidson is all about a lifestyle (Pine and Gilmore, 1999). Moreover, the aim of Puma is to be "*the brand that mixes the influences of sports, lifestyle, and fashion*" (Schmitt, 2003: 103).

While specifying EVP, it is important to think in terms of Schmitt's (1999a) experience types –sense, feel, think, act, relate-, which were mentioned above. Managers should firstly specify an EVP and then test how much value each type of experience- sense, feel, think, act, relate- provide with measurement scales. Schmitt (1999a) proposes marketing types in order to deal with each type of experiences:

"*Sense marketing*" aims to appeal to the senses through sight, sound, touch, taste and smell to create sensory experiences. Sense marketing helps differentiate companies and products, motivate customers, and add value to products through aesthetics or excitement. Surface of a building, brand logos or packaging of a product may be used to create sense impacts (Schmitt, 1999a). Pine and Gilmore (1999) claim that managers can make any product sensorial, but not only the products such as toys, candies, videos, CD's, cigars, wine whose nature already create sensorial experiences for consumers. To do this, Pine and Gilmore (1999) suggest analyzing which senses affect customers at most, focusing on specific senses and sensations, and then designing the products consistently according to the findings.

"*Feel marketing*" aims to appeal to customers' inner feelings and emotions. It seeks for adding value to a product by creating positive moods, joy, and pride that are linked to a brand. For this marketing type to work out, perspective taking and empathy may be applied as useful tools by marketers to find out what stimuli can activate certain emotions (Schmitt, 1999a).

"*Think marketing*" is about experiences requiring puzzle-solving and creative thinking. It aims to make consumer think about a brand or product by giving a certain stimuli (Schmitt, 1999a).

"*Act marketing*" is more about bodily experiences, life styles and interactions. It requires motivating people to change their life styles and attract them to take new actions. For this purpose companies strategically use movie stars and famous athletes (Schmitt, 1999a).

"*Relate marketing*" is about providing social-identity experiences for customers. The efforts are made to involve person to a broader social system. By doing this, it can be said that companies appeal to the higher levels of the Maslow's Pyramid of Hierarchy since they touch people's individuals' desires in order to provide self- improvement and their ideal selves (Schmitt, 1999a).

According to Schmitt (1999a), companies should seek for engaging customers by creating one or more of these experiences. Experiential hybrids are important. As Schmitt (2003) reports, one of the best examples of experiential hybrids were witnessed when Kraft introduced the Life Savers by providing a holistic experience. The campaign focused on candy-flavor personalities –i.e. Ms. Popularity for cherry; the Runner-Up for orange; the Old Timer for butter rum; the Quiet Type for pineapple-. The campaign had sensory appeal, made consumers feel good and engaged their thinking. Moreover, the candy personalities had life style and relational appeal.

1.6.1.2.3. Overall Implementation Theme

As discussed above, theming is a critical tool to apply for companies in the experience economy. Schmitt (2003) claim that, to attract consumers' attention, theming is needed for companies while launching a new brand in an existing market or entering a new market with an existing product. Therefore, Schmitt (2003), in this framework, devote a special section for theming under the title "*the overall implementation theme*". According to Schmitt (2003), the overall implementation theme shapes the content and core messages, with which the company will treat customers through brand experience, customer interface and innovations steps.

Creating an overall implementation theme requires analytical thinking and creativity. Managers should see the theme as a potential viable option for the interface and innovations (Schmitt, 2003).

Schmitt (2003: 109) summarizes how Red Bull's experiential platform is conducted:

Red Bull's experiential positioning is "energy in a bottle"; and its EVP is "strengthening the heart, accelerating the metabolism, and fighting stress". The implementation theme is centered on staying fit for all sorts of social fun activities: for the clubbing crowd worldwide, drinking Red Bull is like injecting a dose of energy and stamina that helps them move faster and faster to the escalating beats of electronic and trance music.

Schmitt indicates that, to enhance the customer experience, Red Bull conducted experiential teams and clubs such as The Red Bull Music Academy, the Red Bull Acro team, and the Red Bull Yamaha and Junior teams.

According to Schmitt (2003), the experiential platform should be communicated through verbal and visual imagery associated with the company and its brands. For instance, an experience video can be used to communicate the overall implementation theme to the internal community of the organization and external firms that work with the firm. So, having done the analytical, strategic, and creative work of this step, the next step is to implement the experience in brand communications and the relevant interface, and to use the platform to drive innovation (Schmitt, 2003).

1.6.1.3. Designing Brand Experience

Joseph (2010: 2) states that "…*at the crux of good marketing is the conscious and methodical process of determining exactly the kind of brand to offer consumers and exactly the kind of experience to create for them…*" To create valuable experiences, Schmitt (1999a) proposes his experience ExPros, which are strategic tools of experiential marketing, including communications, visual/verbal identity and

signage, product presence, co-branding, spatial environments, websites and electronic media and people.

In designing the brand experience, five of the ExPros-communications, visual/verbal identity and signage, product presence, co-branding, spatial environments- can be used. On the other hand, the other two ExPros-websites, electronic media and people- are more likely to be used while interfacing the customer. According to Schmitt (2003) customer interface experiences are dynamic and interactive since they may occur during a service encounter or a telephone interaction, a sales call, or through an interactive encounter on the Web. However, the brand experience designing elements are neither dynamic nor customized but static. These brand experience elements may include architectural/interior design, store decorations, ad panels, the looks of bottles, containers, boxes, or other forms of packaging, brochures, print and TV advertising, and Web design. Brakus *et al.* (2009: 53) claim that these "*brand-related stimulus constitute the major source of subjective, internal consumer responses*", thus creating the brand experience.

According to Schmitt (2003), three key aspects of the brand experience are the product experience, the look and feel, and experiential communications. The product experience includes the functional attributes of the product such as aesthetics. The aesthetics of the product (design, color, shapes) should be given remarkable importance since it is the compatible part of an experience as well as experiential features. Schmitt (2003: 127) puts this in words as following: "*By considering the experience in entirety, all the product's aspects should come together to make it a pearl of engineering*". Looking at the ExPros of the Schmitt (1999a), in order to further enhance the product experience, the ExPro *product presence* may be used. *Product presence* includes product design, packaging and product display and brand characters that are used as part of packaging and point of sale materials. For instance, the managers who displayed the Starwars triology videos in a life-size card board Dart Vader display exampled a good utilization in product presence context (Schmitt, 1999a).

The look and feel refers to customer perceptions about a brand in a store or on the Internet. This may include the visual identity-name, logo, signage-, packaging, the store design, merchandising, and the graphic design elements on a Web site.

Schmitt (2003) claims that the experiential positioning should be communicated as much as possible trough the look and feel elements (Schmitt, 2003). Schmitt's (1999) ExPro, Visual/verbal identity is utilized in this context. Visual/verbal identity basically consists of names, logos, and signage. Schmitt claims that the ones who are in charge of visual/verbal identity in companies are corporate identity consultants. He criticizes that most industrial companies mostly prefer the names of the initial owner, acronyms or descriptive, functional names for their companies instead of enjoying this instrument as an experience provider. Moreover, he speaks out a few creative exceptions such as Teligent, Reality Fusion, Autonomy, Check Point Software, Efusion, and Dragon Systems. Furthermore Nickeledeon can be a good example in terms of creative use of logos and signage as the company let everyone in society create their own shapes and designs ranging from animal shapes to footprints to spaceships to exploding fire crackers (Schmitt, 1999a).

The last aspect of a brand experience is experiential communications. *Communications* include advertising and, external and internal communications such as magalogs, brochures and newsletters, annual reports and well branded public relation campaigns (Schmitt, 1999a). In this context, Schmitt (2003: 133) states: "*Advertising has to provide value; it must inform and entertain. Otherwise, the customer will not allow the message through". Furthermore, in planning and designing the brand experience phase, the overall implementation theme should be used as the base* (Schmitt, 2003).

The other ExPros "*co-branding" and "spatial environments"* can also be used in brand experience designing phase. Co-branding includes event marketing, sponsorships alliances and partnerships, licensing, product placements in movies and co-op campaigns and other types of cooperative arrangements. Hackley and Tiwsakul (2006: 64) claim that "*product placement inserts the brand into the consumer's experience with an intimacy that conventional promotion cannot match".* They stress the different cognitive and emotional engagements with entertainment than with conventional advertising. As they acknowledge, consumers do not feel disturbed while a product placement exists because the entertainment factor camouflage the persuasive message that the marketers desired to indoctrine with the brand exposure. Encountering an advertisement, however, they know that it is a

paid-for promotion designed for persuading them to engage in a commercial transaction. Schmitt (1999a) indicates that, following the release of the movie Men in Black, Ray-Ban tripled sales of the sunglasses model, which was tied in the movie. On the other hand, the wine brand Jacob's Creek has sponsored the television show Friends, so consumers who feel affection for the characters or belonging for the lifestyle portrayed in Friends might consume the brand as a representation of symbolically signifying their sense of self-concept (Hackley and Tiwsakul, 2006: 69)

Schmitt (1999a) suggest that event marketing allows creating an emotional and memorable connection with consumers in their daily life, work, and play areas. Schmitt (1999a) claims that while media advertising is resulted by awareness it rarely results in an increase in purchase intention. Therefore, more marketers now prefer event marketing to create an impact. For example, Guinness organizes events with the theme of "*Irish Village*" in New York, San Francisco and Chicago where beer samples are given away for free (Schmitt, 1999a).

Sponsorships are also important tools in experiential marketing. Schmitt (1999a) reports that Coca Cola Company succeeded to make an estimated 500 million press media impressions and sold 3 million cokes during the sponsorship of Atlanta Olympics.

Spatial environments include buildings, offices and factory spaces, retail and public spaces and trade booths. It is one of the sources used by imagineers. Companies like Starbucks, Niketown and theme stores and restaurants enjoy this resource (Schmitt, 1999a). Hershey's Chocolate World in Pennsylvania and Volkswagen's Autostad may be given as good examples (Pine and Gilmore, 1999). For such places to work, it is crucial that the experiences you create be treated as distinct economic offerings - not as a marketing exercise alone - that engage your customers and create memories within them(Pine and Gilmore, 2004: 50,51).

Schmitt (2003) claims that many companies hire strategic consultants and branding experts to manage brand strategy. Then, the strategy is implemented by the design engineers, the packaging designers, the Web designers, the advertising agency, the store architects, and so on. However, they rarely get together or have regular contact with one another. Schmitt (2003) criticizes this situation and suggests

that all the professionals who are responsible from branding should work as an entire body.

1.6.1.4. Structuring Customer Interface

In experiential marketing, how a company provide the customer interface is a crucial point. According to Schmitt (2003) customer interfaces are dynamic and customized and refer to the exchange of information and service between experience providers and consumers.

Berry *et al.* (2002) classify emotional clues as the mechanics and the humanics. Similarly, Harris *et al*. (2003) claim that an experience is generated by "humanics" with the application of human resources management and the "mechanics" provided by an appropriate operations management. Crosby and Johnson (2007) name these touchpoints as human and automated touchpoints. Relatedly, Schmitt (1999a) proposes two ExPros: Websites and electronic media and people. *"Websites and electronic media"* corresponds to mechanic clues. For this Expro, Schmitt (1999a) gives the example of the Club Med's experiential website, which allows its customers to have a customized realistic experience that customers can experience virtual villages by the page village vibes before they book their vacations. Shani Langi, Managing Director at Play, stresses the importance of digital platforms in the following statement: "*Even though only 2,000 people might get to take part in an experience, another two million might watch it online… Digital is absolutely essential for experiential marketing moving forward. In the last three years, we have not done an experiential campaign without digital*" (Clark, 2012: 19).

On the other hand, *"people"* corresponds to the humanic clues. The Expro *people* includes sales people, company representatives, service providers, customer service providers and anybody else who could be associated with the company (Schmitt, 1999a; Schmitt 1999b). Therefore, Schmitt (2003) suggests that everybody working for the company, with no exception (the in-house engineers and designers, the external design houses, and the outsourced communication provider), needs to be customer-oriented.

1.6.1.5. Engaging in Continuous Innovation

Innovation constitutes the significant part of the contemporary businesses. Refreshing the experiences can help companies differentiate among the competitors (Binkhorst and Dekker, 2009; Brown, 2008; Clatworthy, 2011; Hansen, 2007; Roser *et al.*, 2013). Pine and Gilmore (1999) claim that people prefer to encounter surprising and novel experiences rather than experiences that they already tried before. Therefore, experience providers need to keep the experience fresh by frequently adding exciting and novel elements and changing the experience in a way that it will worth revisiting. Otherwise, the value of the experience decreases. Accordingly, Schmitt (2003: 166) states that: "*To live up to the promise in its experiential platform, a company using CEM must engage in continuous innovation to enhance the customer experience and keep up with competition*".

1.6.2. Five Experience Design Principles

Pine and Gilmore (1999) basically advocate that companies should stage experiences as unique economic offerings (Pine and Gilmore, 1999) as with NikeParks, which seem to be the amateur, walk-in World Cups where people pass by, register, and make teams to join in competitions and various games around the world(Schmitt, 2003). According to Pine and Gilmore (1999), successful experience stagers firstly identify the list of impressions that they want the customers to experience and then harvest creative ideas related to different themes and narratives, which will combine these impressions into a consistent expression. Later, they strive for reducing these impressions into a reasonable number to deal with. They choose the best options among the impressions, which will be able to reflect the most engaging themes. Then, they try to stress the positive sides of the impressions while removing the negative sides. They portrait the possible impacts of each impression on each senses-taste, smell, sound, sight, touch- by avoiding from bothering customers with too much sensorial deployment. Finally, they add memorabilia to the offering and extent the durability of the experience. Consequently, Pine and Gilmore (1998) proposes five critical steps for managers: theme experience; harmonize

impressions with positive cues; eliminate negative cues; mix in memorabilia; engage all five senses.

1.6.2.1. Theme Experience

Joel Bergman, a well-known architecture from Las Vegas, suggests that the theming should not necessarily be applied intensely. According to this architecture, companies should implement theming by combining all the elements properly in a way that it will tell a story to the consumer (Stooksbury Guier, 1999). Pine and Gilmore (1998) considers theming more or less in the same context. According to Pine and Gilmore (1999) theming should be concise but compelling. Furthermore, similar to the Schmitt's (2003) CEM, to wholly captivate the customer, theming should lead all the interactions through a unified story line during designing and staging the experiences (Pine and Gilmore, 1999).

According to Pine and Gilmore (1999), the key point of realizing an efficacious theming is to identify what really attractive and fanciful for the consumers. They propose five critical aspects for managers to deal with in order to achieve such kind of a theme (see Appendix 9).

1.6.2.2. Harmonize Impressions with Positive Cues

In the moments of the relations between a company and a consumer, "*the choice and design of touch-points, particularly touch-point behaviors are central to delivering the customer experience*" (Clatworthy, 2011: 111). Pine and Gilmore (1999) choose the term of "*cue*" in order to address the same issue. In their understanding, experiences are originated by impressions; and impressions are composed of cues. Hence, cues are very important in creating the experience on consumers' mind. Berry *et al.* (2002) suggest that all the cues in an interaction between a brand and customer should be orchestrated in order to provide satisfactory experiences for customers. Similarly, Pine and Gilmore (1999) suggest that every single cue should be consistent to the theme and provide remarkable impressions.

As discussed before, cues have two dimensions such as human and mechanic. Giving examples from Disneyland, one of the most important cues for Disney is the hygiene within the environments. To indoctrinate the hygiene impression on consumers' minds, Disney uses the ultimate amount of garbage bins (mechanics) and staff (humanics) who is responsible from collecting all the waste always with a big smile on their face (Pine and Gilmore, 1999).

Furthermore, Pine and Gilmore (1999) suggest creating cues with a focus on the unique quality of the experience to provide memorable experiences for the customers. For instance, the top management of East Jefferson General Hospital in Louisiana intends to mirror three key impressions for the customers: warmness, caring, and formality. For this objective, every staff member has a badge, on which his/her name and job position are written and knock the door before entering any room. Moreover, the staff of the East Jefferson General Hospital succeeds to have a unique "*EJ Look*", which enables customers to know the staff -even out of the hospital-by the special professional impression represented (Pine and Gilmore, 1999).

1.6.2.3. Eliminate Negative Cues

As mentioned in Section 1.1 people seek for valuable experiences; however, how these experiences are provided is crucial because customers pay for them (Csikszentmihalyi, 2000). Therefore, Pine and Gilmore (1999) suggests that providing positive cues is no longer enough to ensure the integrity of the customer experience. Experience stagers should remove all factors that reduce, oppose and divert the absorbtion of the theme (Pine and Gilmore, 1999: 55) because even a nuance can ruin the entire experience. Furthermore, Pine and Gilmore (1999) criticize some service/experience providers who over-serve the customers to satisfy them. For instance, in a plane, customer may want to read, talk, or nap; however, if the pilot interrupted them to announce every place where they pass off, it would not most probably create a desired experience even though the pilot made it to engage customers.

1.6.2.4. Mix in Memorabilia

As in the previous model, Pine and Gilmore (1999), too, see the refreshment of experiences as an important aspect in staging experiences. They suggest utilizing from memorabilia for this reason. It is very usual that people pay premium for a regular good because of the memories they convey. While buying such memorabilia, the value the consumer attaches to the memory conveyed matters more than the cost-price counting (Bryman, 2004; Pine and Gilmore, 1999). Pine and Gilmore (1999) claim that people now pay a premium for an official Rolling Stones t-shirt, on which the date and place of the concert are written, or for a Hard Rock Café t-shirt, on which the place of the visited store is written.

According to Pine and Gilmore (1999), the companies from different fields such as airlines, banks, grocery stores, and insurance companies could utilize from the benefit of memorabilia. For instance, the special agents of the Geek Squad, a computer repairer company, succeed to sell T-shirts and lapel pins from the company's Web site. Pine and Gilmore (1999), however, indicates that the quality of the experience provided to the customer during the consumprion process matters in determining whether the memorabilia worth to purchase or not.

1.6.2.5. Engage all Five Senses

Pine and Gilmore (1998) suggest that the theme of the company should be supported and enhanced by employing sensory stimulants because the usage of sensory stimulants is important for the effectiveness, attractiveness and memorabilia of the experience. Pine and Gilmore (1999) claim that the easiest way to provide a sensory stimulant is offering food and beverage to the customers in order to appeal to the taste sense. Barney & Noble, a chain of book stores, successfully found out that the existence of a café where customers can drink and smell coffee can engage customers to pass longer time in a book store (Pine and Gilmore, 1999).

Rainforest Café is one of the successful companies, which achieve to appeal to all the five senses. The fog in the café welcomes customers with a mystery sound; then faces customers by arising behind the rocks; cover the customers' skin with a

soft and icy touch; provide customer with a tropical smell; and finally allow customers to taste its vivid air (Pine and Gilmore, 1999). Eventually, Pine and Gilmore (1999) foretell that companies will require "*sense specialists*" in the future in order to engage people effectively by sensory stimulants.

1.6.3. Imagineering

Nijs (2010) believes that a new design thinking process for organizational structure, as well as marketing applications, of businesses emerges within the postmodern economy. To this end, she suggests that her "*Imagineering*" concept emerges to be a must in the new creative economy (Nijs 2012). Nijs (2010) defines imagineering as a "*process, by which an imaginative artefact is brought into existence in order to orient, to animate and to stimulate the imagination of stakeholders in processes of value creation*". Blass (2010: 18) defines the goal of imagineering with the following words: "*The goal (of imaginering) is to create a durable emotional commitment of employees and customers*". According to NHTV Imagineering Academy (2010), imagineering enables not only seducing people but keeping them emotionally committed to the company.

Imagineering is taken into consideration as an experiential marketing genre in this research due to the fact that it has a co-creation perspective and seeks for emotional labour and engaged customers in order to enable customers to stay longer in the consumption areas. Nijs' (2010) imagineering framework is composed of four steps including inspiration, creation, exploration and organization.

1.6.3.1. Inspiration

Imagineering concept focuses on shareholder value rather than stakeholder value. Hover (2010) states that the goal of imagineering is to create a sustainable emotional involvement of stakeholders. For this reason, Nijs (2010) suggests starting up the imagineering process by analyzing all the stakeholders with an intense focus onto supply side, demand side, and overall environment of the possible co-creation. Blass (2004: 85), in this phase, suggests doing a SWOT-Analysis in order to have

more insights about consumer, competitors and possible co-operations. She further advises to use qualitative methods such as interviews and observation instead of quantitative methods since qualitative methods provide more reliable insights than the quantitative ones in this context.

Having done with collecting insights about the stakeholders, the next step is to interpret these insights. Nijs (2010) claims that the problems we face recently can not be solved by applying traditional approaches. Accordingly, Nijs (2010) indicates that businesses should have creativity and imaginative power so that new questions can be raised to regard old problems from a new angle in order to achieve new possibilities. Nijs (2010) submits that it is crucial for companies to be able to imagine as corporate identities because "*when we are imagining alone it is just a thought; but when we are imagining with others it is the beginning of reality*" (Camara) and "*smart minds in collaboration generate creative solutions even the smartest minds alone may not find*" (Ramaswamy, 2009: 17).

Consequently, Nijs (2010) suggests that companies should brainstorm the results derived from the stakeholder analysis as a corporate body. To realize a successful brainstorming, Nijs (2010) advises to apply "*design thinking*" as design thinking is the "*human-centered, creative, iterative, and practical approach to finding the best ideas and ultimate solutions*" (Brown, 2008: 92). Brown (2008: 86) further defines design thinking as "*a discipline that uses the designer's sensibility and methods to match people's needs with what is technologically feasible and what a viable business strategy can convert into customer value and market opportunity*".

Shimano represented an effective example of design thinking when they created the "*coasting bikes*" after analyzing why 90% of American adults do not ride bikes. Having observed the cycling behavior of adults and the reasons why they are not willing to ride bikes with a close human contact with the consumers, the design thinking team members were informed that the complexity and cost of bikes; the design in the retailers-which reflects the idea that riding requires a good performance and only athletes bike- ; the danger of biking; and the maintenance required for the sophisticated bikes constitute the essence of the unwillingness to ride bikes. Moreover, interestingly, they found out that almost most of the consumers rode bikes in their childhood. Therefore, the team decided to design a simpler bike (Coasting),

which has almost no accessory but an onboard computer to control the gears in order to reduce the complexity, with a back-pedaling function allowing applying brakes in order to revitalize the nostalgia of old days. Additionally, the team developed a perception that the coasting bikes are more for pleasure than for sport and a way to enjoy the life. As a result, one year later after the launch of Coasting, ten manufacturers had already started producing this special design created by Shimano design thinking team (Brown, 2008). Brown (2008: 88) relates this success to the fact that the desing thinking encourage flexibility: design thinking is held by using "*the systems of spaces rather than a predefined series of orderly steps*" because "*the spaces demarcate different sorts of related activities that together form the continuum of innovation*".

As in Schmitt's CEM framework, Nijs also suggests that doing collaborations with artists and specialists can be useful in this inspiration phase (see Appendix 10).

1.6.3.2. Creation

Once having inspired, the intended story has to be communicated to the consumer. As mentioned above, authors including Pine and Gilmore (1999); Bryman (2004); Schmitt (2003); and Lukas (2007) propose to employ a theme in order to enrich this objective. However, Nijs (2010) suggests creating an artefact and a High Involvement Experience Concept (HIEC). Nijs (2010) indicates that "*imagineering is creating and using an imaginative artefact to initiate and direct a transformative dialogue*". Thus, the first thing to do in the creation phase is creating a vision (Nijs, 2010) because it is necessary to have a strong vision first in order to develop an original, powerful concept (Hover, 2010)

According to Ouwens (2010), the process basically continues as following: Set a vision, acquire a concept and create the product by theming. Nijs (2010) proposes to create the vision to a story, and then to create a HIEC and artefacts. According to Nijs (2010), a vision should be the best thing the company can offer to the society. Ouwens (2010) claims that visions give direction; provide cohesion, meaning, relevance, and truth; inspire; convince; contain opinions, views, and insights; distinguish from competitors; be appealing; create involvement; relate to a

long-term time span; and connect subjects. Possible creative visions, for example, could be statements such as: "*cake is about expression; bread is about culture; bread is about health*" for a bakery (Nijs, 2010); "*nature needs to be protected world wide*" for WWF; "*toys should stimulate imagination and creativity*" for Lego Company; "*every woman is beautiful*" for Dove (Ouwens, 2010).

Having set a vision, the next step is to communicate the vision as an inspiring story to stakeholders and to ask them to tell what they hear, think and feel vis-à-vis the story until the story becomes an artifact or HIEC that people like to participate (Nijs, 2010). According to Hover (2010), "*a concept is a creative idea, which is the leading factor for all decisions… is the obvious link between all elements… is the intangible 'it', which appeals to people… and is based on the imagined overall experience rather than on the experiential product*". Hover and Ouwens (2010) state that "*concepts are born out of the vision after creative sessions or simply an aha moment*". Nijs (2010) defines High Concept as a short narrative, which is easy to communicate and joins the aesthetic and the commercial potential. The HIEC of the Nijs (2010) is basically created based on the high concept term, which was used in the Hollywood filmmaking industry (see Section 1.6.3.3.).

Nijs (2010) suggests that managers should utilize imaginative artefacts in their businesses. According to Nijs (2010), an imaginative artifact can be a word or sign of symbol, which orients by directing the actions, animates by stimulating participation and stimulates the imagination of participants. She indicates that imagineers resort to tools like "*word-smith*" to create imaginative words and "*sign-production*" to obtain an imaginative sign. She reports that imagineers enjoy the value creating power of words during word-smith process. In this context, she gives the example of following word combinations: Homeless people vs. Homeseeking people. Evidently, she claims that these two concepts are used to refer the same thing, however, the latter one seems to be solution-oriented and animate stakeholders to help the people and maybe to come up with their own possible solutions for these kinds of problems, while the former one is the regular usage to refer this situation and never make people reflect on the sad situation.

1.6.3.3. Exploration

As mentioned, the management of touchpoints by giving impressions related to the overall theme of the organization is an important aspect. Nijs' (2010) imagineering concept, too, considers the importance of it. However, Nijs (2010) proposes the usage of a HIEC instead of a theme. She suggests designing the business model to explore the HIEC in such an effective way that people get intensely engaged through their inner emotional world. While proposing theming applications in their frameworks, Pine and Gilmore (1999) and Schmitt (2003) frequently refer to the applications pioneered by the Disney Company. They basically claim that the postmodern economy calls for companies operating with a Disney-like logic. On the other hand, Nijs' (2010) reference in building her HIEC is Hollywood filmmaking industry. Her HIEC term is created by the frank influence of "*High Concept*" used in Hollywood filmmaking industry. Wyatt (1994) defines high concept as a commercial narrative, which possesses an effective aesthetical and marketable core. Wyatt (1994) claims that Hollywood filmmakers succeeded to grow by implementing these high concepts in the movies since the usage of the high concepts enable filmmakers to sell a movie even with a short phrase. Hence, Hollywood filmmakers' high concept enables them to easily sell the movies or gain significant amounts of money by tie-in products and advertisements (Wyatt, 1994). Wyatt's (1994) indicates that these concepts include the principles such as the look (the aesthetic quality), the hook (the marketability nature), and the book (the reduced narrative). Relatedly, Nijs (2010) proposes that HIEC of a company should combine the look, the hook, and the book principles in a creative manner to persuade people to participate in the experience platform (Nijs, 2010).

The co-branded attraction, Panda Droom, which was initiated with the corporation between the Efteling, the most well-known theme park in Holland, and WWF, (Pieter, 2010) represents a good example of imagineering (Heus and Ouwens, 2010). The vision of WWF is: "*Nature needs to be protected world wide*". Nevertheless, WWF faced struggles in collecting attention to the problems existed in the natural habitat for a long time. The launching of this attraction, Panda Droom, however, enabled WWF to attract remarkable attentions as the main character Panda

of WWF tells stories about the nature and stress the problems while people are impeccably immersed into natural environments within a high-quality digital environment (Pieter, 2010; Heus and Ouwens, 2010). In her Imagineering framework, Nijs proposes for managers to realize these kinds of co-brandings.

Furthermore, in this phase, too, Nijs (2010) suggests that managers can utilize from value co-creation and design thinking concepts in order to explore their experiences succesfully.

1.6.3.4. Organization

Imagineering concept is usually pronounced with terms such as innovation, invention, and entrepreneurship (Wentzel, 2006). Therefore, these processes are required to apply in order to acquire effective imagineering strategies. Thus, Nijs (2010) proposes to find out what is needed to keep the concept alive, sustainable and innovative. For this reason, as Clatworthy (2011) also indicates, Nijs suggests forming an interdepartmental team, which will be responsible from realizing refreshing activities. Ramaswamy (2009:17) claims that co-creation is a very effective tool to make innovations:

> *Co-creation enables accelerated learning and enlightened decision making for firms and among all involved individuals, through engagement, interactions, and experiences. Co-creation is the most efficient and productive paradigm for any organization to strengthen its current practices; innovate new ones; and translate those practices into enduring value.*

Accordingly, Nijs suggest utilizing co-creation to realize successful innovations.

CHAPTER TWO
RESEARCH METHODOLOGY

2.1. VALUE AND ORIGINALITY OF RESEARCH

Following an extensive desk research, it can be argued that the experiential marketing concept has not received much attention from the Turkish scholars. For this reason, it is believed that a research initiative on this concept will fulfill the gap in the Turkish literature and provide valuable insights about the current applications and practices in the country. Furthermore, it is believed that this study will enhance the understanding of the experiential marketing concept for business professionals, especially those in Turkey, as the study aims to provide a clear and flexible customer experience management framework built on the insights gained from the existing literature and the results of the case study.

The literature review of this study proves that the United States-based establishments, such as Holywood film making industry and Disneyland, are the pivotal examples with regard to the successful use of experiential marketing. Both practitioners and scholars have made arguments about and worked on the principles, which these successful organizations use when executing experiential marketing strategies. As mentioned above, Disney's principles have been broadly discussed by such authors as Bryman (2004), Pine and Gilmore (1999), Schmitt (1999), and Nijs (2010). Nijs (2010) has also investigated the high concept principle applied by Hollywood filmmaking industry. An analysis of these organizations' success indicates that providing great customer experiences should be the core aim to be achieved. The fact that Disney is the company, which pioneered the usage of the word "*guest*" for clients while Holywood's high concept requires an intensive customer orientation to embody the look, the book, and the hook principles as a holistic structure approves the significance of customer experiences for these organizations. Hence, it can be said that understanding the experiential aspects arousing in the interaction moments between customers and brands has been one of the crucial success determinants for the survival in the intense competition of today. For these reasons, this study attempts to propose a strategic customer experience

management framework, which is believed to be the "*survival kit*" for the organizations in postmodernity.

2.2. CONTEXT OF RESEARCH

In this research, case study method is executed in order to explore whether the critical steps and actions suggested by the authors who looked into experiential marketing (Berry *et al.*, 2002; Blass, 2004; Brown, 2011; Bryman, 2004; Harris *et al*., 2003; Nijs, 2010; Pine and Gilmore, 1999; Ramaswamy, 2009; Schmitt, 1999a; Schmitt, 2003; Wyatt, 1994) are implemented and to what extend the companies operate consistently to the experiential marketing principles in Turkey. After the analysis of the case study results, an emerging customer experience framework, which can be a guide for companies willing to be successful in today's world of consumption where experiences reign, is proposed in order to enhance the understanding of experiential marketing concept.

2.3. METHOD OF RESEARCH

Fielding and Fielding (1986) suggests using both qualitative and quantitative methods because that enables the researcher to obtain more perspectives on the phenomenon. In the present research, however, only qualitative approach was preferred to apply due to time constraints. Furthermore, the case study method is chosen as the research method since our research content include basically a "*how*" question about a contemporary set of events, over which no control is possessed (Yin, 1994). A case study is "*an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly defined*" (Yin, 1994: 13). The following statements of Zainal (2009: 1) further clarify why a qualitative approach and case study were chosen to execute this research:

> *One of the reasons for the recognition of case study as a research method is that researchers were becoming more concerned about the limitations of quantitative methods in providing holistic and in-depth explanations of the*

social and behavioral problems in question. Through case study methods, a researcher is able to go beyond the quantitative statistical results and understand the behavioral conditions through the actor's perspective.

The interviews, which is a key element of data collection method in case studies (Gillham, 2010), are conducted with three companies in İzmir. The interviews were designed as semi-structured and indepth each including eight main questions and a few props to ask when needed. The question form can be seen in the Appendix 11. The permissions of the interviewees were asked to take voice records in order to eliminate any recall bias (Yin, 1994). However, only one voice record could be registered because two interviewees refused to make her voice registered as she thought that she could not answer the questions comfortably. During those two interviews, various notes were taken in order not to forget the answers obtained. Then, all the notes and the voice recordings were transmitted to a document in a written format. Because the interviews conducted in Turkish, the trancripts of recordings were translated into English and it was made sure that the translations were cross-checked by professional translators.

2.4. RESEARCH SAMPLE

Three service sector companies in İzmir are under investigation in this research. The reason why these companies were chosen from the service sector is that it was thought that the companies from the service sector would be more appropriate for a research on a topic mostly related to the customer experiences. However, these companies were not chosen because they are applying experiential strategies, but they are chosen because it is believed that the wrong or unsuccessful marketing applications applied by these companies would help make recommendations as to what they can do to acquire better customer experience management. These three companies consist of a 5-star international hotel chain's branch, an exclusive sport complex and a private university. These three companies were chosen from different domains of the service sector because it was expected that the differences of product types and service application that they adopt could provide significantly detailed information. For instance, whereas university students

and sport complex member are expected to conduct longer relationships with the entreprises, hotel guests' stays in the hotels last relatively much shorter. The hotel is a branch of a well-known international hotel chain while the sport complex, which belongs to a popular national-based holding company, is a leader company in its field. The private university, which belongs to a local well-known holding in Turkey, is eager to be considered as an international city university. Hence, it is hoped that the results would lead into a cross comparison of the companies.

Three interviews were conducted with the practitioners from these companies. Amongst all, only the interview with the General Manager (GM) of the hotel can be counted elite interview. Elite interviews are the interviews, which are realized with the interviewees who are fespecially expert and capable of giving detailed and valuable answers to the subject under investigation (Gillham, 2010: 63). The first interview was conducted with the Public Relations manager of the sport complex in her office in the facility in 20th April 2013. The second interview was realized with the Public Relations agent of the private university in her office in 10th May 2013. Finally, the last interview was made with the GM of the hotel in the lobby of the hotel in 16th May 2013.

2.5. DATA COLLECTION AND ANALYSIS

The largest proportion of the data of this research was collected through interviews because interviews are considered as the fundamental data sources to collect qualitative data (DiCicco-Bloom and Crabtree, 2006) for social science investigations (Roulston *et al*., 2003). Gillham (2010: 65) states that the semi-structured interview is "*the most important form of interviewing in case study research. Well done, it can be the richest single source of data*". Therefore, semi-structured in-dept interviews were used in this research. Semi-structured in-dept interviews are formed with a number of prearranged questions with other questions, which emerge during the conservations between the interviewer and interviewee (DiCicco-Bloom and Crabtree, 2006). The interview questions have been formed after an intense desk research on experiential marketing in order to find out to what

extend the companies respect to the procedures suggested by the authors who looked into experiential marketing.

The interviews have lasted between 30 and 60 minutes.The questions, however, were preferred to be asked in an implicit way rather than asking obviously about the concepts. The reason of doing so is that it was thought that the interviewees could be unaware of the concepts. The pronounciation of the concepts, on the other hand, could lead to misguidance for the answers given. For this reason, the questions were organized in such a way that the findings can be attained from the content of the answers without pronouncing the concepts. After the data collection process is completed, the findings were analyzed according to the experiential marketing principles.

In this research, coding system, which basically allows separating the data into classes, is used. Accordingly, the findings obtained from the three interviews are, firstly, classed as codes according to the contexts, thus generating the titles of the third chapter.

Jacelon and O'Dell (2005) states that: "*Once the data are sorted into manageable chunks through coding, the process of interpretation begins*". Relatedly, in Conclusions section of this research, the findings are interpreted deeply by comparing the case study companies to each other and the other companies, which apply experiential marketing applications.

2.6. LIMITATIONS OF RESEARCH

One of the disadvantages of a case study as a research method is argued to be that a case study is usually held by investigating a small number of subjects; thus providing very little basis for scientific generalization (Zainal, 2009). Therefore, as discussed in Section 2.4., the fact that the research was executed by conducting interviews with only three companies makes this research limited to a small portion of service sector companies in Izmir.

Another limitation in this research is that only the interview realized with the GM of the hotel was an elite interview. If the the other interviewees were also more

specialized on the overall marketing principles applied in their businesses, they could provide more detailed and appreciated information as the GM of the hotel did.

A future research, which would include more companies from various cities of Turkey, would provide broader insights about the experiential marketing applications in Turkey. On the other hand, the context of the research extended by enlarging the sample with companies from various industries and sub-fields would enable a valuable comparison across the companies.

CHAPTER THREE
EXPERIENTIAL MARKETING APPLICATIONS UTILIZED BY BUSINESSES IN İZMİR, TURKEY

Three interviews have been conducted with the practitioners from a hotel, a sport complex, and a private university. The findings obtained from the interviews are presented under various titles in a comparative way in the first section of this chapter. The presentation of the findings is mostly done by the citations from the interviews. To avoid any bias, the cases are numerated as; Case 1 (hotel); Case 2 (sport complex); and Case 3 (private university). Gillham (2010: 64) suggests that an elite interview should be reported very fully in the research because *it is "key" of central importance vis-a-vis other elements of your pattern of evidence*. Therefore, The citations from Case 1constitued the largest portion of this chapter as it is the only elite interview in this study.

3.1. EXPERIENTIAL NEEDS AND WANTS OF CUSTOMERS

In the interviews the procedures followed to collect information about the needs and wants of the customers are asked to the interviewees in order to obtain findings about the principles that these companies apply in the analysis and inspiration process. The findings obtained reveal that the direct contact with the customer in this process is the most common application utilized. In addition to the direct contact with the customer principle, companies enjoy the contribution of their employees and specialists when analyzing customers' needs and wants.

The findings attained from the interviews indicate that the sport complex and the Hotel contact directly customers in order to collect information about their wants and needs. Customers can inform both of these companies about their needs and wants by the recommendation and suggestion forms. The interviewee from the hotel mentions the usage of the forms as followings:

We send a form to our guests to fill out during the reservation. By the responds given to the questions of this form we collect many details about the customers. The questions we ask in this form include questions about the favorite

newspaper; the type of bed and pillow preferred; special requests for breakfast, food and drinks liked; and so on. The guests can inform us about their wants and needs by these forms.

<div align="right">Case 1</div>

The findings prove that these companies provide co-creation possibilities for their customers through the use of forms. In addition to the forms, these companies have other contact platforms with the customers, as well. For instance, customers can contact directly the managers to inform them about their needs, wants, and complaints at the sport complex. This fact is put into words by the interviewee in the statement below:

Our members can contact directly to us about their wants and complaints because the offices of managers are located in an accessible position to the area where our members do sport and our members know most of the managers personally including me (PR manager), facility manager, and colleagues who registered them to our facility.

<div align="right">Case 2</div>

The fact that the offices are located within the sport area where people exercise reveals that the organization has used the principles of effective physical planning to enable customers to contact personel. On the other hand, at the hotel, the opera program, which allows the hotel to keep the information about the special needs, wants, likes, and dislikes, is used as an additional procedure besides the forms. The GM summarizes how and why they use this program with the following words:

We collect details of our repeat guests such as their likes and dislikes in the Opera program… All the information about the guests is registered on the Opera program… Now most 5-star hotels utilize from this program to collect details of their guests. It is a great opportunity for companies to grasp. So, I cannot imagine any company, which will not utilize this special opportunity of knowing the needs and wants of the customers. For the hotel industry, it is a very effective aspect to be able to call all of your guests with their names. In

<div align="right">68</div>

addition to it if you are able to know their preferences, then you can create a
perfect impression in the minds… What we do in our hotel is touching people in
a sense. And, we do this systematically by using the Opera program… I want
the employees to report every comment or complaint to their supervisors. The
employees from all departments including housekeeping, food and beverage,
and front desk report the incidents to the supervisor of the related department.
The supervisor takes notes about the room number, check-in date, check-out
date, the comment made, the action represented, and the issue, which should be
considered. Every morning in the meetings, I and the supervisor managers read
the notes from the previous day. All the data in these notes are registered into
Opera. It enables us to provide feedback to the guests about the issue.

<div align="right">Case 1</div>

In the hotel, the Opera system is given importance more than the forms and considered as the key information collection tool. The answers given to this question also provides clues about how these companies benefit from the data collected on customers' needs and wants:

We collect details of our repeat guests such as their likes and dislikes in the
Opera program. Therefore, we can start to make our preparations to meet the
needs and wants of the customers as soon as they make reservation. For
example, one guest may like only banana rather than mixed fruit plate so we
serve him only banana plate. If a guest prefers orthopedic pillow we provide
him orthopedic pillow. Some people may be sensitive to noise so we give them a
room far from the elevator and the noise of the traffic out. Some guests can
inform us about their fear of height and we give them rooms from lower floors.

<div align="right">Case 1</div>

We have recommendation and suggestion forms. Our customers can make
recommendations to us by these forms and we provide feedbacks to them. We
try to find solutions… The wants of our members are important for us. Even if
one person tells us about his want we take it into account. We try to make
necessary changes and adjustments according to their wish... All the
information is stored and reported in the PR department. Then, we try to find
solutions. We follow the actions of the related departments. Of course, we

cannot find solutions to every problem but at least we try... Our approach to the problems depends on the incident as we have about 4500 members and 1000-1500 visitors a day. Therefore we can face very weird complaints and recommendations.

<div align="right">Case 2</div>

Considering the answers given by the interviewee from the private university, no clue about contacting directly to the customers is found. However, all the three companies stress the important role played by the employees in collecting feedback from customers. The interviewees indicate this importance in the following statements:

All the information about the guests is registered on the Opera program. I see the Opera as a strategic gun. And, for every gun, it requires bullets. If there is no bullet, the gun is not useful. For the Opera gun, the bullets are the information collected. And, the ones who collect these bullets are employees. Therefore, the employees are crucial. If they do not collect information, the Opera program alone means nothing... We now give incentives to the employee who brings information in the highest amount or the department, which supplies information in the highest amount. If the employees do not understand these principles, the system does not work well.

<div align="right">Case 1</div>

The comments of the employees are important for us because they are those who are in the first touch with the customers. If a problem occurs in the facility, the first thing we do is contacting and asking information from the employee. For example, we contact the pool attendant if we received a complaint concerning an incident happened around the pool. We ask him questions such as what happened; how he tried to solve the problem; why the member made this complaint; and so on...The contribution of the staff in this process is very important.

<div align="right">Case 2</div>

We collect feedback from our professors and employees. When they have an idea, they can report it to the general secretary.

<div align="right">Case 3</div>

The private university and the hotel make also collaborations with the specialists. The interviewee from the private university states that they get in touch with the guidance counselors from high schools since their target market is composed of the students from high schools. On the other hand, the interviewee from the hotel indicates that they receive a service called mystery shopping. In the interview, the meaning of mystery shopping and the importance of this service for the hotel is explained with the following words:

We outsource some services. For example, there are companies who realize a service called mystery shopping. These companies send mystery shoppers to our hotel twice a year without informing us and these shoppers stay in our hotel and observe our service and report their experience gained in our hotel in detail. It is a kind of taking a photo of our service because every photo possesses a reality in its nature.

<div align="right">Case 1</div>

No clue has been found out about collaboration with specialists at the sport complex during the interviews.

Schmitt (2003) claims that it would be useful to consider the customer experiences by the contexts concerning the consumption of the experience including socio-cultural; usage and consumption situation; product category experience, experience of the product or brand. As the companies, with which the interviews were conducted, are from the service industry, however, an investigation for the existences of applications concerning the contexts including, in particular, usage and consumption situation and product category experience is obviously difficult. However, some applications of the hotel prove that experiences can be analyzed by considering the contexts for the companies from service industry, too. For example, the GM of the hotel states that they customize the whole service including pillows, food and beverage, breakfast. Hence, it shows that they make investigation on the

corresponding products, which means they consider the contexts such as usage and consumption situation and product category experience. Furthermore, all the companies consider socio-cultural aspects of the customers as important elements during the analyzing and inspiration process. The following phrases indicate this fact:

We are living in a globalized world. When you open the door of your business, it is very possible to have people coming from different parts of the world. Therefore, you should adopt yourself vis-à-vis this situation. In our hotel, if we know that we will have guests from India, we prepare vegetarian or no-beef menus for them because we know that most Indians do not eat beef... For example, we have arrows, which show the prayer direction to Mecca in every drawer in this hotel because most Turkish people are Muslim. Furthermore, we provide prayer carpet if asked. You cannot survive in this globalized world unless you respect or take into consideration different cultures and beliefs. Even McDonald's have done something against their existence mission and opened their first vegetarian restaurant in India to make its presence in India.

Case 1

Cultural values, beliefs, and attitudes of the customers are, of course, important as well as their recommendations and complaints. We see all these as an entire complex structure. Our employees belong to the different segments of the society. So do our customers. There are doctors, teachers, strangers, and people who lived for a long time on abroad and live in Turkey now. Therefore the segments that they belong to and the cultural attributes that they possess are important aspects for us to deal. We consider all these issues including the needs, wants, and cultural attributes of the customers as an entity while managing our operations.

Case 2

Cultural values, beliefs, and attitudes are of course important for us because we have a wide range of international students, in particular, from the Near East.

Case 3

3.2. DESIGNING EXPERIENTIAL BUSINESS STRATEGIES

To collect information on the strategy designing process of the companies, the interviewees have been asked questions without pronouncing the words mission and vision. The reason why these words have not been used is that it was believed that more detailed findings could be obtained if the interviewees were not lead to being limited to declaring the written vision and mission statements of the company. Doing so, more detailed expressions have been provided as expected. Firstly, the interviewees have been asked what they want to make their customers perceive when they encounter their services or products. To this question, the interviewees have provided the following answers:

We want them to perceive that we care and esteem them. We want to create a real guest-host relation between us and guests rather than only an "I came- I stayed- I returned" situation.

Case 1

We want our customers to consider the sport as a life style. We do not want them to join our facility for 5-6 days or 6 days and then quit doing exercise. However we want them to do sport regularly and see it as their life style. And we want them to be happy.

Case 2

We want our customers to be content. Contentment is important for us.

Case 3

The findings obtained from the question above depict that these companies are aware of the importance of the emotional relationship with customers. It can be obviously implied from the presence of the notions such as care, esteem, relationship, life style, happiness, and contentment. However, when the interviewees are asked how they position their company in the market and why they think they are different than competitors, the interviewees from the sport complex and the private university are more likely to emphasize functional attributes they provide:

We are one of the best sport centers in Turkey. There are 6 [branches of the company] in total in Ankara, İstanbul, İzmir, and Mersin. We are owned by a [Turkish holding group]. We are a great corporate company. We appeal mostly to the high-income earner segment. Our products are luxury and high quality products.

<div align="right">Case 2</div>

We have distinct majors to offer our students. It is one of the aspects, which distinguish us as an education center. Second, our campus has a cool visual and esthetical structure. Third, our exchange opportunities are very varied.

<div align="right">Case 3</div>

Differently from the statements of these two interviewees the interviewee from the hotel still talks about a positioning, which seeks for an emotional relationship:

We have turned to the core of the hospitality sector. In this sector, our job is not only to provide lodging for people but to combine the lodging service with the hospitality. Everything can be fine with your room, but if it is not combined with a kind manner of hospitality it does not mean anything. We claim that the people who come to our hotel are our guests and we make them feel at home by our actions. And it is what distinguishes us from our competitors.

<div align="right">Case 1</div>

However, the interviewees from the private university and the sport complex mention the nonfunctional attributes of their services, as well. As the interviewee from the public university indicates that they organize social events, which gather people around, the interviewee from sport complex put the nonfunctional attributes in words as following:

We offer our members nonfunctional values such as having quality time, doing sport together, competitiveness, and joy as well as functional values such as doing exercise and staying fit and healthy. Nowadays, people see the sport as

an escape from the materiality of life. They feel liberated when they run, swim,
and do sport.

<div align="right">Case 2</div>

Recently, it is witnessed that some companies try to appeal to the five senses and minds of the customers by theming and storytelling applications in their business environments. Analyzing the findings derived form the interviews, it can be concluded that none of the companies admit that they have particular themes and stories even though there are some clues proving that some of them utilizes from theme-like applications. The interviewee from the private university says that they want to create in people's mind the perception that they are a smoking-free, 7/24 living, international city university. The interviewee from the sport complex intentionally uses the word "*slogan*" rather than theme and says that their slogan is "*Sport is a life style*". The GM of the hotel is the only one who speaks of the concept "*theme*". He claims that they do not have any theme but rather they have some specific principles, with which they want to be remembered. He indicates that they want to be remembered as an international upscale hotel, which serves delicious food and is famous with its warm and sincere hospitality. Furthermore, he claims that themes can be applied by the companies like Disney but they are not appropriate for the large sized hotels:

> *Theme is maybe a necessity for the businesses such as Disneyland. But, it is not*
> *very common for hotels… we do not have something called theming. Theming*
> *can exist maybe in small-sized boutique hotels. There are some hotels with 15*
> *rooms and they may construct their rooms on some themes. They can design one*
> *room in a baroque architecture design and the other room in ultra-modern*
> *design. The themes can be romance, vividness, and adventure. However, it is*
> *difficult to implement these kinds of applications for international hotel chains.*

<div align="right">Case 1</div>

Even though the interviewees did not use the words theme and theming explicitly, it has been seen that the private university and the hotel adopt theming-like applications. Following paragraphs depict some clues about this issue:

Speaking of physical attributes, our hotels do not have specific rules. Each hotel has different shapes and architectures. For example, the façade of our hotel is glass while that of in Lausanne is stone. We do not have any common theme. However, we want the buildings of our hotels to appeal to the eye. The theme or the ambiance that we want to create in this hotel is a small but warm environment. You can feel the warmness as soon as you enter the door and see colors and furniture used. Our lobby is small and all the colors applied are the elements, which will reflect warmness.

<div align="right">Case 1</div>

We want to make our customers perceive that we are an international city university. Internationality is important for us. On the other hand we want to create an impression that our campus as a 7/24 living campus. After 6 o'clock, the end of the courses, the campus is open. The library and sport center are always open. Besides, we call our campus as smoke-free campus. It is forbidden to smoke anywhere in the campus... Aesthetics is an important thing for us. We have created a city university image with garden, herbs, flowers, and ornamental pool in our campus so that we can make people feel comfortable. Furthermore, we wanted our campus to look warm and lovely as if it is a summer holiday place. Our aim in doing so is enabling our students to feel that they are taken to a relaxing place so that they can get out of the mood caused by the dull, dreary and tiring classes... You can hear a nice, relaxing music everywhere in the campus. We prefer art music, classical music, and jazz music because we believe that these genres of music have relaxing effects. By the music, we aim to put people in a different mood.

<div align="right">Case 3</div>

While the private university enjoys the effects of the music to put its students in a different mood, it has been seen interesting that the GM of the hotel is opposed to the usage of specific colors, signs, symbols, music, taste, or design principles to create a specific perception. He basically thinks that the usage of these kinds of applications results in standardization and causes failure in local context. He puts in words what he believes in this issue as following:

No, we do not have them. I know that some hotels utilize these kinds of principles. For example, they try to create a specific smell or music unique to their brand and use it in the lobbies of each hotel worldwide. I am opposed to these kinds of standardizations in the hotels. Recently, hotels are globalized. Therefore, if you are globalized, you have to reflect cultural aspects of the place where you are settled. I think that every hotel should have its independence and flexibility. Standardization would be restricting and make you keep yourself away from the local richness. If you are from India, you would like to hear Indian tunes not the same tune played in a New York hotel. Sheraton-Starwood Hotels apply these principles. They use a set of principles, which will appeal to the five senses. You can smell the same smell (the Sheraton smell) and in the all Sheraton hotels worldwide. They want to make people remember Sheraton when they encounter this smell and music. And, this is what I am opposed to.

Case 1

Nowadays, determining company's name and logo constitutes a large portion of importance for the companies resorting to experiential marketing applications. It can be said that some companies strive for impressing customers by the effective usage of esthetics, design, and specific colors while some try to trigger think experience component by applying these sensorial elements-logos and names. The findings derived from this research suggest that the sport complex and hotel chose independent special words for their company to name whereas the private university was named after its founder. The interviewee from the private university states that:

Our logo is designed by the usage of the first letter of our name and a grain ear on it. We used the grain ear rising up over the letter on our logo refers to evoke the perception that we are rising and improving students.

Case 3

What the GM of the hotel tells about the logo of the company and his personal opinions about logo usage provides some clues in experiential context.

I do not know how it is created but our emblem resembles a bird. On my opinion, it is a chic emblem. I, myself, do not like very obvious things. For

example, I mean I do not like when a fishery company uses a swordfish head as logo or when a Chinese restaurant uses Chinese hand fans or Chinese ladders as logo. On the contrary, I like the things creating simple and elegant associations. Our logo resembles a bird; but you cannot surely say it is a bird at the first sight. In fact, it is a bird; it is a seagull. Personally, I like the things leading people to thinking.

<div align="right">Case 1</div>

Looking at the names of these companies, it is seen that the private university was named after its founder while the hotel and sport complex chose different name from those of their founders. As the name of the hotel means, in fact, nothing, it leads people to curiosity and sounds simply interesting. On the other hand, the name of the sport complex provides explicit information about the business field of the company.

All of the subject companies have corporate colors. While the corporate colors of the sport complex are green and blue, the preferred colors of the others are indicated as following:

Our hotel is already a world-wide-known company and people can make associations when they see our name and logo designed as a black platform with our name in maroon. These colors are chic colors and easy to remember.

<div align="right">Case 1</div>

Our corporate color is navy blue. Our logo is displayed in navy blue on a white platform or in white on a navy blue platform.

<div align="right">Case 3</div>

3.3. MERCHANDISING AND HYBRID CONSUMPTION

Companies of today make a lot of initiatives to increase their revenue. Some of them aim to commercialize their offerings by the merchandising principles such as licensing and franchising. On the other hand, some companies resort to enhancing

the number of consumption venues in order to increase the time and the amount of money costumers spend in their business area.

In the interviews conducted in İzmir, the interviewees were inquired as to how they benefit from the commercial potential of their products by licensing, franchising, property rights, patents in order to collect information on the marketing hooks they perform. All of the interviewees indicated that their companies are great enough. Therefore, they prefer to manage all the business themselves instead of giving franchisings. Although all the companies have commercial products different than their main offerings they do not adopt any licensing, property rights, and patents applications to make profit out of these products. Only the sport complex has an interest in related issues, however, they have not yet put their ideas into action. The interviewees state about these issues as following:

We do not have any licensed products. We have cups on which our name is written. However, we fill them with chocolate and give it as a gift to the guests who have their birthdays. We sell it if the guests would like, but we do not have any commercial or marketing initiatives for these products.

Case 1

Recently, we are working on licensing bag and perfume. However, now, we only produce goods such as t-shirt, bag, and perfume as give away gifts.

Case 2

We produce a variety of products for our customers. However, these products are not produced by commercial reasons. They all are given to our customer as memorabilia for reminding and advertising reasons.

Case 3

The interviewees were further questioned if their companies offer extra venues of consumption different than their main products or services to their customer in order to find out whether they consider the hybrid consumption principle. The answers points out that they provide accession to different patterns of consumptions within their places; however, they prefer to leave the management of

these services to other professional companies instead of generating revenue themselves. The main reason of providing these services, as the interviewees stated, is to meet the needs and therefore to make the customers happy. The following statements clarify how and why these companies implement hybrid consumption applications:

We have coiffeur, sauna, spa, and massage center in our hotel. However, that is not something, which is done only by our hotel; that is obligatory for all 5-Stars hotels.

<div align="right">Case 1</div>

Our specialty area is sport sector. However, we have a coiffeur, a car washing company, a massage center, a restaurant, and a café. These stores are managed by professional companies in the relative industries and we obtain rent income from these companies. The aim of doing so is to meet the need of the member and therefore to make him happy. For instance, our members can have their hair cut after doing sport or they can have their car washed while doing sport. So, I think that these are very crucial things as, in our day, the time is so precious.

<div align="right">Case 2</div>

In our campus, there are two cafés, one restaurant, and one shop. All of these places are managed by professional companies. Our aim of doing this is that we want to meet our students' needs so that we can make them happy.

<div align="right">Case 3</div>

3.4. HUMAN RESOURCES MANAGEMENT

As discussed earlier, companies strive for having emotional and performative labor in order to provide their customers with high quality experiences. Therefore, HRM is considered as one of the most important concepts of the experiential marketing.

During the interviews, the interviewees were asked how important the satisfaction of the employees is in order to make the customers happy and what they

do to enhance the satisfaction of the employees. The answers clarifies that all the companies are aware of the need of satisfying their employees in order to ensure good impressions on the customers' minds. This situation is pointed out in the following statements:

It (employee satisfaction) is the key point. How can an unhappy person make the other people happy? How can unhappy person offer hospitality, warmness, and sincerity? …We organize breakfast with the staff who works during nights. At these meetings, which we join as the management board, we want to give the staff the message that we do not see you but you are still in our minds and you are the part of this team, too. There is a meeting we call "coffee with the general manager". Each department chooses a representative for the department and I speak with each of them about their own department in a chatting manner. All of these are the initiatives in order to increase communication platforms and prove the staff that I am not unreachable and they can tell me about everything without any hesitation… We take the new staff members, who complete the training process successfully and deserve to start working with us, to Kordon. I also join these celebrations. I make chatting, drink tea with them and ask them about their observations and comments.

<div align="right">Case 1</div>

Of course, it is important. For instance, we ask our students to fill out a satisfaction survey about their professors before the exams. It is very important for us that our students are happy with their professors.

<div align="right">Case 2</div>

Of course it (employee satisfaction) is important. They are at the first contact with the members. Our central management attaches too much importance to this issue. They regularly conduct employee satisfaction surveys. They try to meet the wants and solve the problems. On the other hand, our human resources department organizes various events such as dinners and social events. Furthermore, when the employees have a problem, they can share it with me or other managers… From time to time, we organize meetings Bringing managers and employees together.

In the interviews, the question on training given to the employees has provided different answers. The interviewees from the hotel and the sport complex assert that they give practical trainings while the interviewee from the private university states that they do not give any training because the staff already knows how to treat each other and students. In addition, the interviewee from the hotel indicates his opposite opinion to behavioral trainings with these words:

> *When you give training, you cannot teach hospitality. It is something you have to decide during the recruitment process. You have to decide if the person is the right person or if the person has the qualities such as being empathetic, warm-hearted, and peaceful in order to perform the intended level of hospitality. If you see these qualities then you hire him. This cannot be taught… Identifying principles of how to behave is similar to creating a cult. It is like saying "behave like others if you are a member of this religion". I have been always opposed to the systems that deprive people of deciding and acting individually. Some businesses have principles like "smile". We also say "smile". However, it should not be compulsory or in a standard manner. We ask our employees if they are happy when somebody smiles to them and if so then we say "you smile, too, and the others will be happy". Or we say "why do not you smile as you have such a beautiful smile". However, I am opposed to turn it into a cult. It should be natural and you have to create the environment for it.*

<div align="right">Case 1</div>

Another question about the HRM applications was asked to the interviewees in order to clarify whether the employees are empowered to take responsibility when needed. The interviewee from the private university suggests that there is a strong hierarchy in their university; therefore, employees can only provide their opinions to the general secretary instead of taking responsibility and acting themselves. The interviewee basically states that:

> *We have a hierarchical management structure. Therefore everybody is responsible for his own field. If they see a problem and have an idea as to how*

to solve that problem, they can report their opinions to the general secretary. Then, it is general secretary who will decide whether or not to take into account these opinions.

<div align="right">Case 2</div>

On the other hand, the other interviewees mention that they do not have strong hierarchical structures in the company so the employees can take responsibilities when needed. The interviewee from the hotel even explains why it is important.

Our employees can try to solve it themselves when they see a problem. We empower them to take responsibility at such times. There is not a certain hierarchical structure in our facility. From time to time, we organize meetings including managers and employees.

<div align="right">Case 2</div>

It is a sine qua non…Unless you can provide him (the employee) with the sense that he is an important and intelligent individual and has the capacity to solve a problem, you cannot solve problems. Even though the problems are solved, it does not happen in a proper way that will satisfy guests. Assume that you are not happy with the tea and tell a service clerk about your unhappiness. The clerk tells you that he will ask his supervisor about it. The supervisor asks his manager about it and then they tell you "ok do not pay for the tea". Here, the problem is solved and the final response is good. But, is the guest satisfied? On the other hand, assume that the service clerk instantly tells you "Sir, I am sorry, really sorry. I'll take it and bring another one and will not charge you for anything".

<div align="right">Case 1</div>

In addition, this anecdote that the interviewee from the hotel tells during the interview shows to what extent the management empowers the employees to take responsibility and how it results:

I will tell you a story. And you can decide yourself if it can be taught or not. It is one of the stories that impressed me much. It is about one of our guests who stayed in our hotel more than 32 times. One day, one of our housekeepers enters his room and sees the photographs of a woman and a dog. And, he thinks that the woman is his wife. And the following day in his lunch break, he goes to a supermarket and buys frames with its own money. He goes back to the hotel and puts the photographs in the frames. And then he adorns the frames with rose petals. On my opinion, you can do nothing better than this to touch his heart. And as a result I cannot explain you how much appreciated he was. It is a story that impressed me much. However, there is no training for it. We do not tell anybody to buy frames and put the photographs in when they encounter such a situation. It is something that the person decides himself.

<div align="right">Case 1</div>

3.5. MANAGING COMMUNICATIONS

The interviewees were inquired about the communication principles. The obtained about the communication principles are as followings:

We prefer to communicate with our guests in a personal way and face to face in the hotel. The research on hotels shows that with increasing interaction, customer satisfaction increases too. Our strategy is to talk with the guests as much as it is possible. The staff asks them about their days, their plans, or their satisfaction about the hotel. All of these things are occasions, and if you can enjoy these occasions, then you can end up with a graceful communication. As I said our principle is to catch the guest in the hotel. If not, communicate on the phone. And lastly, if not, communicate via e-mail…We periodically use newspaper and magazine ads to celebrate special days such as Valentine's Day, Christmas, and Ramadan… We have bulletins, by which we inform or communicate with people about the promotions, which will exist in our hotel for the following three months... We have a PR department. This department deals with relations with the people and media. One colleague deals only with the issues concerning public relations.

<div align="right">Case 1</div>

We have brochures. We give print ads for the bus stops. We announce organized events on our website. We have monthly magazines and spread them to our members from the reception. These magazines are published only with prestige purposes. We have activity boards in our facility. Our instructors participate in some television programs on sports. On these programs, for example, they instruct zumba or pilates or talk about trekking. However, we do not give TV ads… We have public relations department. PR department organize indoor and outdoor events and manage relations with members.

<div align="right">Case 2</div>

We send SMS messages to all of our students to inform them about anything. We use social media actively. We make announcements for our events on the billboards and digital screens in the campus. We publish our advertisements on the bus stops around the entire city. We publish advertisements on the newspapers. Our professors participate in the television programs concerning the university education… We have an application for smart phones. We use this app to spread news to the users. Our primary aim in using this app is to inform people and to make advertisement… We have a public relations department. Our public relations department organizes social responsibility events.

<div align="right">Case 3</div>

Analyzing the findings, it can be argued that the private university and the sport complex communicate with their customers by using similar communication tools while the hotel prefers mostly face to face communication in the hotel. Sport complex and the private university, similarly, utilize the billboards within their places and ads on the bus stops in order to conduct communication with their customers. Furthermore, both the private university and sport complex encourage their employees to participate in the television programs to create an awareness of their companies. The television ads are used by the private university and hotel. The hotel celebrates the customers' special days through television ads as the private university resort to them only during the registration process. Not surprisingly, the internet communication constitutes large portion of the communication for all three companies. They all contact their customers via their web pages, Facebook pages,

and Twitter pages. An interesting finding about the internet applications of the companies is the fact that all these pages are managed by separated bodies. These pages are managed by the executive center for the hotel, while the management of those of sport complex is run by an independent agency, which is specialized on the internet issues. Moreover, for the private university, a special department called "*Chamber of Information Center*" was founded to deal with internet issues. The interviewees were further questioned why and how they use the internet applications and what they think about the contributions of these applications to their company. Their answers simply point out that they believe that it is easy and useful to contact the customers via internet. The answers in more detail are as follows:

> *Visual aspects are very important for a website because every consumer wants to see the hotel with their eyes before going in order to have an idea on where to go. I think that the more visual elements are, the more the trust that consumer has to that website. If there are pictures taken from various corners of the room or there is a 360 degree camera system, these kinds of things give the people the image on what they are buying. They should not be tricky. For example, there are some real estates who publish tricky sea-viewed- pictures of the houses on sale. And, there are too many hotel pictures taken like this. For me, these ads should be honest because consumers of today are conscious. When they arrive at the hotel, they expect what they saw in the pictures.*

Case 1

> *We have a website… We have Facebook and Twitter pages. We use these pages to inform customers and stay in touch with them. On social media, we celebrate the special days (Father's Day, Mother's Day) and national festivals (Children's Festival, Youth's Festival). We share pictures on Facebook from the events we organize. For example, now we announce about a photograph contest on Facebook. The members can join this contest with the photographs that they took in our facility. Eventually, members will vote the picture they like most and the owner of the picture, which receives the votes in largest amount, will gain a surprise gift from us.*

Case 2

Recently, internet is a very important communication channel…Our students can reach to any kind of information via internet. And, the high school students who are in our target segment can collect information about our university. They can reach to any kind of detail of our university such as photos, movies, clips, and articles. Because students in our target segment are the ones who come from different cities and even overseas, our webpage is a great tool for us to communicate… We use Twitter and Facebook very effectively. The body who manages our social media relations is Chamber of Information Center. However, the content is prepared by the Public Relations department. We use social media to share photos from events, spread the news, and communicate with our students.

<div align="right">Case 3</div>

The interviewees were asked about the values that they emphasize while they communicate with their customers. The findings obtained reveal that all the three companies try to stress on the emotional values as well as the functional values. The statements of the interviewees on this issue are as follows:

We mostly try to stress on the emotional relationship. For example, on mother's day, we firstly want to appeal to the emotions of the women by the artifact used, then attract attention, and then try to make our point by the written text… I do not like obvious messages on these kinds of things. I will give you an example from my own experiences that I gained in the hotel, which I managed before this hotel. There, from time to time, we used to make promotions on seafood. What would they usually do when they want to promote seafood campaigns? They may use lobster limbs, shrimp heads, or fish heads. However, what I used there was only a green lemon, which leaks its drop. I mean, it is to make people think about it. For me, the message should create a perception and association with what we do. And it should attract attention while looking nice and joyful. For example, a green lemon is an elating object… For example in Ramadan, we used the picture of the tulumba desert leaking its syrup on a fog, but not meals or other elements related to the Ramadan. It was a beautiful picture.

<div align="right">Case 1</div>

In our advertisements we stress on the nonfunctional values such as having quality time, doing sports together, competitiveness, and joy as well as functional values such as doing exercise and staying fit and healthy. For example, we have slogans such as "You have happiness, energy, health, and power if you have sports in your life"; "You have positive energy if you have sport in your life"; "Be inside the life, be strong for the life"… You can see the slogan "You are special to us" on every print ad.

<div align="right">Case 2</div>

We stress on our quality, uniqueness and opportunities we offer to the students… Aesthetics are crucial. Using the corporate colors (white and navy blue) is very important in this process. On the other hand, we try to trigger the city university theme as well as the vividness and youth theme. For example, we use photographs with the students with big smiles on their faces in our campus.

<div align="right">Case 3</div>

In experiential marketing, events and sponsorships are considered to be useful advertisement tools since these practices help touch people's senses. Analyzing the findings obtained from the interviews, it has been seen that all the three companies organize events and do sponsorships. The interviewees explain with what purposes they realize these with following words:

We organize mostly social events. The event we organized lastly was the fifth year prom of the LÖSEV. It was completely organized by our sponsorship. We grant them money and blood. We built a breakfast room for a kindergarten in Karşıyaka and library for two schools and gave laptops. All of them are the things we did for social purposes. We organize tournaments for our staff. We organize the hygiene event in Agora, which we gather people to do cleaning. We organize tree planting events. All these events including the events of LÖSEV are to gather people together.

<div align="right">Case 1</div>

We organize indoor events. These can consist of all the activities existing in our facility such as ping-pong and basketball. We have outdoor activities, too such

as bicycle tour and trekking. Apart from these we also organize topical events such as 80's dance party. By these events, we aim to gather our members and to have quality time together. Furthermore, we organize indoor events in special days and festivals. For example, we organize zumba tomic event for children in our facility on 23th April, the Children's Festival. For example, we organize mother-child pilates event and spinning for mothers event on Mother's Day… We are the sponsor of some athletes. Besides, we do sponsorships for various events.

<div align="right">Case 2</div>

We organize a variety of events for the candidate students including job introduction meetings, shadow trainings, and seminars. The aim of organizing these events is to make awareness of our logo while making a contribution to the students by meeting their needs. On the other hand we organize concerts, seminars, and conferences, which are open to the public. We organize these events with socialization and entertainment aims. For our own students, we organize spring festivals and chamber orchestra concerts… We do sponsorship for high school graduation proms by supplying land. Similarly, we do land sponsorship for some youth organizations such as AIESEC. In addition, some high schools are sponsored by our university to support some excursions and meals.

<div align="right">Case 3</div>

The paragraps above indicate that the sport complex mostly organize events for their customers as the hotel usually emphasizes on social responsibility events, which are realized by the attendance of the whole public. The private university organizes various events for their own students, the whole public and the target markets. The sport complex organizes topical events on the special days. The private university organizes events such as concerts, seminars, and trainings, which engage people into the processes. They also organize some educational events to make a contribution to the society by fulfilling a gap. On the other hand, the events, as well as sponsorships, organized by the hotel are more likely to be regular social responsibility initiatives than customer oriented activities. Nevertheless, the private

university and sport complex plan the events and sponsorships with an intense customer orientation.

3.6. COLLABORATION AND PARTNERSHIPS

Collaborations usually provide companies with a bunch of benefits. Companies sometimes also work with other professionals in the industry. The findings of this research points out that the sport complex and hotel do some collaboration although all three companies claim that they do not have any business partners because their companies are already big enough. The sport complex works with an advertisement agency for its advertisements and internet communications while the hotel makes collaborations with local wine producers and an olive oil producer and outsources service from the mystery shopping agencies. The findings attained have provided no clue about the collaborative issues for the private university.

3.7. INNOVATIONS AND MEMORABILIA

Innovation is considered as an important issue for experiential marketing since it enables refreshing products or services and therefore enhances the quality of the customer experience. The interviewees were questioned about innovations they realize. The findings indicate that the sport complex approaches to the innovation concept from functional perspective while the interviewee from the hotel mentions mostly service innovations. The following statements are examples to such quotes:

When somebody says innovation, it makes me think about the high advanced technology. I do not know if it counts to be an innovation but I can give examples from our innovative service applications. For example, in the hotels they give families with children a child bed. We do not only give a bed. We want the child to be happy. We offer them teddy bear and kid socks, on which the kid's name is written. Additionally, we provide them bathrobe, shampoo, and care set. All of these appeal to the sense of the parents, too. The children may not understand exactly what we are doing for them, but we show the parents

that we care for their children. On the other hand, we have two baskets one of which is for girls and the other for boys. These consist of toys for boys and girls. During the check-in we show the toys and let the kids chose what they want. We could choose one toy randomly, but then it would not create the same impression. What important here is to give the child the right to choose. We offer the bathrobes with the names on for the guests who stay long or so often in our hotel.

Case 1

Innovation is very important in the sport sector because every day a new product is launched. Sport sector is always in a fast progress. In addition to that, people's needs and wants constantly change. In our day, graduation ceremonies are organized even after nursery school. For this reason, it is very difficult to satisfy people. Therefore, we have to apply innovations…The machines can get damaged. New machines are launched. Therefore, we realize innovations as the advancements take place.

Case 2

Furthermore, the interviewees were inquired how they manage innovations. The findings clarify that none of the companies work with specialists to realize innovations. The hotel considers its employees as the most important reference source while the interviewee from sport complex claims that their management deals with these issues because it is difficult to follow advancements in sport sector for the customers. About innovation in their companies, the interviewees state that:

We have a program called "I have an idea". This program encourages the staff to tell their supervisors about their ideas. Most of the innovations took place in our hotel is already made by the ideas of the employees. Innovativeness depends on the character of the person. Some does not want to intervene anything while some wants to change the environment around him. Here, it is important not to break their enthusiasm. If somebody came with ideas for three times and we do not apply these ideas for some reason, we try to explain the reasons why we cannot apply them. However, if you do not give him feedback and so leave him

with the impression that nobody cares about him, then it turns out to be dangerous. We do not have any budget devoted for industry specialists.

<div align="right">Case 1</div>

Our managers join constantly to the international fairs. We follow the technological advancements in the sport sector… Our members sometimes inform us about the innovations that they have seen in another place. However, it is not possible that our members follow advancements actively because the sport sector is an enormous and fast growing sector. Instead of collaborations, as I said, we prefer to join the international fairs.

<div align="right">Case 2</div>

Companies give away memorabilia to their customers in order to ensure the awareness of their company and enhance the customer satisfaction. The interviewees have been asked about memorabilia. The findings show that all the companies have give away memorabilia for their customers. The following paragraphs depict what kind of memorabilia the companies provide for their customers and with what reasons they do that:

We have these cups, on which our name is written… The cups have only our logo and name. We also provide some little giveaways such as hangers and table calendars… It is about perception, reminding the guests ourselves, triggering their memories gained in our hotel, and creating a sense of belonging and togetherness.

<div align="right">Case 1</div>

We give away bags, perfumes, T-shirts, and tracksuits during the tournaments and events… Our company logo and name are on all the memorabilia. The name of the activity is added to them on some memorabilia… The fact that our logo and name are on these products creates an awareness of our brand. Therefore, it is a good advertisement for us. The member feels happy by these gifts and dives into a sense of belonging. So, it is important for us.

<div align="right">Case 2</div>

We offer some goods to our customers as a memorabilia. These goods include stationery equipment, mouse pads, calendars, block notes, agendas, key chains, mac, USBs and tie… They are produced to remind of our name. All of these products have our logo and slogans on them… As it can be easily realized, these products are mostly before-the-eye and under-the-hand products. Therefore, these products work very well in reminding and making awareness of our brand name. On the other hand, one important issue concerning these products is that we make sure that these products have high quality so that people happen to think that we take care of them.

Case 3

The hotel procures cups, hangers, and table calendars to give as gifts to their customers while the sport complex gives aways bags, perfumes, T-shirts, and tracksuits during the tournaments and events. On the other hand, the private university's memorabilia portfolio include stationery equipment, mouse pads, block notes, agendas, key chains, mac, calendars, USBs and ties. Considering the type of memorabilia, it can be argued that the products depend on the business field. While the university's products include mostly office equipment, the sport complex's portfolio consists of mostly sportive products. Moreover, the fact that the aim of giving away memorabilia is to remind the company or the memories gained in the company is approved by all the three interviewees.

CONCLUSIONS

In this research, having conducted an intense desk research on experiential marketing, three service sector companies in İzmir were investigated to find out to what extent these companies apply experiential marketing principles. Finally, an emerging customer experience management called SCEMF is proposed at the very end of this research with the adaptation of findings obtained by the case studies and the broad information on the experiential marketing principles gained after the desk research.

It can be argued that the most interesting conclusion, which can be derived from this research, is that the companies and business professionals in Izmir are not so much aware of experiential marketing. Only the interviewee from the hotel has some knowledge about basic issues concerning experiential marketing. However, it is also an important conclusion that the companies perform some actions consistent with experiential context although they do that with no strategic planning. Considering that all three companies have been chosen from the service sector, it is not a great surprise that these companies apply some principles in order to manage, maintain, and enhance the quality of the customer experiences. Before getting started with the interviews, it was assumed that the most consistent findings would be gathered from the hotel since the tourism sector is arguably more likely to encounter the experiential marketing applications. Eventually, the results have been as expected although it has been witnessed that the hotel performs irrelevantly according to the experiential marketing principles in some cases. On the other hand, the findings, which were provided by the private university and the sport complex, have proved that these companies, too, realize some marketing activities, which fit into the experiential context.

The findings demonstrate that companies mostly resort to the direct communication with the customer principle when analyzing the experiential needs and wants of the customers. The hotel and the sport complex collect customer feedback through surveys and questionnaires. It can be argued that companies involve their customers into the value creation process by allowing customers to decide on services and products that they want to encounter throughout their

experiences within the companies. The findings indicate that the hotel reaches to the information about the very basic needs and wants –i.e. foods, drinks, and pillow preferred- of customers at their arrival to the hotel. It can be discussed that the hotel has the chance of providing customers with very valuable experiences since they can succeed to offer strictly customized experiences for their customers. Considering a similar perspective, Starbucks has succeeded to enhance the quality of customer experience with "*MyStarbucksIdea.com*" initiative the company was confronted with the competition against the other coffee houses including Peet's Coffee and Caribou coffee. The company designed the MyStarbucksIdea.com and invited its customer to this site to co-shape the future of Starbucks experience. With this initiative, Starbucks has aimed to collect ideas as to how the comoany can enhance the quality of the customer experience. Moreover, the company has allowed its customers to vote eachothers' propositions. Eventually, the mostly voted ones have been included in Starbucks' various business processes –i.e. product development, store design, customer experience-. The most outstanding idea was the proposition of creating a customer card, which allows enrolling the preferred order of an individual. This card is now under use and is unquestionably creating customer satisfaction (Ramaswamy, 2009). Accordingly, it can be argued that this co-creation application of the hotel is very likely to be successful if the customers can be persuaded to provide more detailed information and if the hotel responds well to the demands.

Moreover, the physical structure of the facility of the sport complex, which allows members to communicate with the managers whenever they want because the offices are next to the places where members do exercise, seems to provide a co-creation platform. Therefore, it seems to be a successful application in the context of co-creation. No clue about co-creation issues concerning the customers of the private university has been found out. Nevertheless, studying successful co-creation applications adopted by the companies such as Nike, Starbucks, and Hema may inspire all the other companies to create different kinds of co-creation platforms in order to collect information about the needs and wants of the students; thus enhancing the satisfaction of the customers at the same time. The Nike Company has represented an effective application of the participatory paradigm with the launch of its "*Nike+ Experience Kit*". The kit, which basically transmits the speed and distance

while running by a sensor equipped in the Nike running shoe to an Ipod-touch or a special wrist-band, makes it possible for runners to interact with others through the website (nikeplus.com) that allow them to track their running performances, set their personal running targets, share the running results of the day, and set challenges with others (Ramaswamy, 2009). As discussed earlier, Hema has created co-creation platforms in order to get inspiried as to what the Arabian Hema could look like (Huisjes, 2009a: 23).

Use of outsider specialists is also an important application, which can be realized in the analyzing and inspiration process. The findings of this study indicates that the private university collaborates with the guidance counselors from high schools in order to get informed about the needs and wants of high school students under their guidance. The reason why they collaborate with the guidance counselors instead of getting in direct contact with the students can be the fact that the guidance counselors are well informed about the both side of the relationship-students and education. Therefore, the guidance counselors, as specialists, seem to be the right actors to collaborate with. These kinds of collaborations with the specialists, who know well about both the customers and the field in, which the business operate, are suggested for any company in need of knowing about its customers' needs and wants because even large companies such as Nike and Puma do similar collaborations. For instance, Nike employs sports specialists who work closely with athletes and coaches to provide top-quality athletic footwear and thus perfecting the relative experience. Puma has realized collaboration with Aerospace, German fashion designer Jil Sander, and Japanese designer Yasuhiro Mihara to provide lifestyle and fitness-inspired shoes (Schmitt, 2003). The mystery shopping service that the interviewee from the hotel talks about represents another good example of collaboration with the specialists. The fact that the mystery shopper stays in the hotel and then reports the results of his experiences enables the hotel to get informed about the detailed experience of a customer. For this reason, it can be considered as a valuable experiential tool although the mystery shopping service can be solely seen as an inspection of the service quality.

Employees are one of the crucial sources for companies to collect information about the customers since they are in the first contact with the customers. Although

all three companies are aware of this fact, their approaches to this issue differ. Amongst the three companies, the hotel seems to be the most conscious company in terms of the importance given to the employees in this process. The fact that they give incentives to the employees who provides information about the wants of the customers proves this situation. In the private university, although the interviewee claims that they are open to the contribution of the professors and employees, it has been noted that the information collection process is mostly managed by the General Secretary. On the other hand, the sport complex presents a good example since employees feel free to communicate with the managers because there is no strict hierarchy. Nevertheless, they can also build an incentive system as it is in the the hotel. The same suggestion can be made for the private university, as well.

Some authors suggest managers to audit every single behavior of customers just in the place where the experience occurs. It is believed that this process would be quite useful because all the behavior, perception, attitude, satisfaction of customer can be investigated while they consume products or services. The experience audit process is realized only by the hotel among the three companies. The hotel does it with the opera program. The opera program is basically based on the registration of all the details of customers stayed in the hotel. This program is further stressed by the GM of the hotel, who calls the program a strategic business gun. He further adds that they use this program to touch people's senses. However, this program is not typical only to their hotel. It is used by most 5-star hotels. Hence, it leads to the conclusion that the hotel sector is so much keen on enhancing the quality of customer experience.

It is a successful application that all three companies see cultural values, and beliefs, attitudes of their customers as important. Since today's world is shrinking due to the globalization, collecting information about the socio-cultural aspects of customer provides companies with a great competitive advantage. On the other hand, analyzing customers by considering fewer contexts – i.e. socio-cultural; usage and consumption situation; product category experience, experience of the product or brand- as the hotel does, would certainly help enhancing the quality of the customer experiences. The hotel's considerations on the types of pillows, food and beverage,

and breakfast can be inspiring examples for the sport complex and the private university as well as other companies seeking for great customer experiences.

The findings show that all three companies possess visions, which can be adapted to be experiential despite that they do not have proper experiential visions. The fact that the answers given to the concerned questions include the words such as care, esteem, relationship, life style, happiness, competitiveness, joy and contentment indicate the company's unintentional use of experiential marketing principles. The interviewee from the hotel stresses that the warmness and sincere hospitality are the key elements of their business while the building, the rooms, and other material objects constitute only minor details. Therefore, the hotel seems to be the most concious company in this context, too, comparing to the other two companies. On the other hand, the private university's intention to create a smoking-free, 7/24 living, international city university and the sport complex's initiative to make the company a life style make it possible for these companies to adopt experiential marketing strategies.

The findings regarding the theming principle indicate that the hotel applies a visual theming by the furniture and colors in the lobby. Although the GM denies using the word theming he states that they try to trigger the sense of warmness by the usage of specific colors and furniture. However, they do not apply any principle to appeal to the touch, hear, smell, and taste senses. It can be argued that the private university, too, implement some theming principles although the interviewee does not use the word theming. The interviewee states that they intentionally created a warm, cool, summer-holiday-place-looking campus with the garden, herbs, flowers, and ornamental pool to make people feel relaxed in their place. The interviewee further states that they utilize relaxing effects of the music in the campus. The interviewee from the sport complex mentions that they collaborated with the specialists while constructing the architecture and visual elements in their building. Although no information was obtained from the interviewee's statements, it was observed that they respected some visual principles while building the facility. First of all, the building's facade is surrounded by the corporate colors, blue and green. Second, the indoor area where the members do sports is environed mostly in orange. As a conclusion, the private university has been found the most successful about

theming principles comparing to other companies. As the hotel's theming in the lobby and sport complex's usage of corporate colors on the surface of the building can be considered successful, they are only limited applications. All three companies should further work on the theming of their business environments and and hire sense specialists if needed.

Companies do not create perceptions by only the usage of principles, which appeal to the senses as theming does. However, they can also use the principles appealing directly to the minds. As discussed earlier, storytelling is considered as one of the successful tools appealing to the minds. Examining the existence of any storytelling within the companies, some appropriate applications are found out despite the fact that none of the interviewees talked about storytelling. In the private university, they keep their campus constantly open to give the message that they have a 7/24 living campus. Moreover, they prohibited smoking in the entire campus to give the message that they have a smoking-free business area. So, these applications can be considered as storytelling, by which the company wants to create an image that they are a unique city university. As they are not very obvious, it can also be said that the hotel implement some consistent storytelling applications. The fact that the hotel seeks for a strict customization helps communicate the message that the company cares for and esteems its customers. All the related applications to trigger this message including asking questions about the favorite drinks and foods before the arrival, giving the right to chose toys to the children at the arrival, and providing the pillows and bathrobes, on which the customer's name is written can be considered as part of the storytelling, with which the company aims to create the perception of warmness and sincere hospitality. The sport complex, too, performs some examples in this context. The position of the offices of managers, which enables an easy communication platform for the relationship between members and managers and organizing special events in the facility to celebrate special days, which concern directly the customers (Mother's Day, Father's Day) can be counted as storytelling applications. Considering that with these applications they want their customers to feel that their company is a life style, these applications seem to be successful. Furthermore, it is suggested for managers to study the storytelling

applications of Disneyland and "*books*" principle of high concept of Hollywood in order to collect information about successful examples of storytelling.

The finding derived from the interviews suggests that the companies perform some experiential marketing activities about the names and logos although they do not have special initiatives to create experiential effects. The fact that the private university was named after its founder indicates that there is no application realized on the name usage. On the other hand, it seems that the sport complex' name was chosen to make people aware, even at first impression, that it is a sport complex. For this reason, it can be said that it is a successful usage even though it has a simple name. On the other hand, the interviewee from the hotel states that their company name means nothing and he does not know why this name was chosen. However, it may lead to a mind-challenge about its meaning when encountered. Therefore, this mind challenging effect of the name can lead to activating the think component, which is one of the useful experience components of the experiential marketing literature. Additionally, it is an interesting finding that the GM of the hotel is aware of the importance of the mind-challenging applications. He states that the logo of the company resembles to a bird; however it is not obvious that it is a bird; therefore it leads to a mind-challenge. Consequently, he finds the logo of the company successful. The name and logo usage of the hotel can be counted as good applications in experiential context. Looking at the sport complex's logo, it can be understood that it was designed simply by the usage of the name and the corporate colors-blue and green. However, it can be argued that better usages are possible for a sport center whose aim is to become a life style. An interesting logo usage can be encountered looking at the private university's logo. As an education organization, the usage of a grain ear in the logo creates impressive messages on people's minds. Similar to the hotel's logo, it possibly possesses mind-challenging attributes. Therefore, it can be considered as a successful application in the experiential context.

The study findings depicts that companies do not practice merchandising. They produce or procure some products to give away to their customers; however, they do not make any profit out of these products. Amongst all, only the sport complex seems to be aware of the importance of the licensing issues since the interviewee states that they are currently working on licensing bag and perfume.

Nevertheless, the other case study interviews do not mention any plan about licensing and franchising. Doing so, these companies miss the great chance of using their specialty in their own field and their prestige on their own customers to generate extra revenues from the products related to their own business field. Companies applying good experiential marketing strategies make remarkable revenues by merchandising applications. Therefore, considering the contribution of these applications can be useful for any kind of company.

The case study companies provide different consumption patterns for their customers; however, they leave the management of these services to the professional companies in the related fields. These applications are successful in nature because creating hybrid consumption opportunities results in customer satisfaction and enables motivating the customer to stay longer in the business areas. However, the companies implementing experiential marketing strategies mostly manage these services themselves. The interviewee from the sport complex stresses on the limitedness of time in our day while speaking about the hybrid consumption principles. In this study it is suggested that companies should try to create more hybrid consumption platforms, which will shorten the time spent on the different activities for the customers while increasing the time spent in their business area.

The interviews reveal that the companies in İzmir are aware of the great importance of the HRM. The hotel and the sport complex seem to perform more successfully comparing to the private university in terms of HRM applications. According to the findings, a strict hierarchy exists in the private university while the hotel and the sport complex offer relaxer and more flexible working environments for their employees. The hotel and the sport complex organize meetings, which gather the employees and managers together. Consequently, it can be argued that these applications can result in having emotional labor that is very loyal and committed for these companies. It can be suggested that empowering employees to take responsibilities could be a good beginning step for the private university, which has no empowerment. None of these companies give behavioral training, which is one of the most important applications to create performative labor, to their employees. The private university gives no trainings while the hotel and the sport complex basically provide practical trainings. Yet, it is known that the Disney

Company succeeded to have performative labor by giving its employees behavioral trainings. On this issue, the GM of the hotel claims that no training can teach an employee how to serve the hospitality; therefore, companies should find right people possessing necessary skills in the recruitment process. The statements of the GM, to a certain degree, seem to be right. Hiring right people at the very beginning would be a successful strategy to enhance the quality of customer experience. However, it does not indicate that no behavioral trainings are necessary. Hence, the applications such as closer relationships with the employees, behavioral trainings and more responsibilities for employees are suggested to realize more successful HRM strategies and therefore higher quality customer experiences.

The way the company conducts its communications is one of the significant determinants of how successful it performs according to experiential marketing. The interviews demonstrate that some applications consistent to the experiential marketing discipline are realized by the companies. The product placement, which is considered as one of the most effective advertisement tool, is not applied by any company. However, the ads given on the bus stops by the private university and the sport complex can be considered as effective applications because the companies can create awareness during the daily routines of their customers. Since the product placements aims to touch people without interrupting the customers as TV commercials, the bus stop ads can be said to carry out a similar mission. On the other hand, the fact that the private university and the sport complex send their employees to TV programs is another interesting finding. Sending the employees to the TV programs related to the business field of the company seems to be an effective application since that enables to create the awareness of the company while making a contribution to the public watching the TV program. Therefore, since that helps touch people's emotions, as the experiential marketing philosophy aims, these kinds of applications are suggested to resort to for managers.

Moreover, it is not surprising that all the companies have web and social media pages. They communicate with their customers on these pages by realizing the usual applications as informing customers about the events or celebrating the customers' special days. However, it is an interesting finding that the online communications of these companies are managed by independent bodies. The

management of online communications by the private agency for the sport complex and by the center for the hotel enables these companies to have professionally managed communications. However, managing communications by an organization, which does not play a concrete role in the experience creation process, may lead to deviations in the messages that are aimed to be given to the outer world even though the content is provided by the ones who perform the experiences. Therefore, devoting a specific department within the company for the management of online communications as the private university does may be the most appropriate example as it enables an effective professional management by the ones who exist within the creation of the experiences.

The statement, which the GM of the hotel made about the 360-degree camera system in the interview, seems to be interesting. As he indicates, this attribute enables company to gain the trust of customers while allowing customers to experience the company's environment before coming to the company. The more images in 360-degree camera system companies provide the better experiences they can create for their customers. Therefore, this system is considered as an effective implementation that companies can add to their websites to enhance the overall customer experience.

Another finding is that all three companies organize events and do sponsorships. It has been found out that the companies organize events gathering people together. Nevertheless, the best examples in the context of events come from the sport complex. Organizing events in the facility to celebrate members' special days seems to be very effective business action because it touches the members' emotions. On the other hand, it can be argued that the private university performs successful actions considering that they organize educational events to fill a gap in the society. That obviously implies that this organization cares for the society, in which it functions and results in a good impression in people's minds. The events organized by the hotel are mostly done with social responsibility purposes. CRM applications have not received much attention in the existing experiential marketing literature although they may generate good perceptions in minds. As known, CRM activities are usually presented to enhance the prestige of the company. However, it can be argued that these applications neither directly affect decisions of the

customers nor touch customers' emotions. As a conclusion, it can be suggested that organizing events to make a contribution to the society or gathering present or possible future customers together under interesting topics are good examples, which can be applied for companies.

Similarly to events, the sponsorships, that the hotel does CRM aimed initiatives. On the contrary, the sport complex and private university mostly do sponsorships for their current and target customers. The private university makes a lot of impressions and touches basically the emotions of the students by sponsoring the graduation balls of high schools. Additionally, the same effect is possible to exist considering the sponsorship for the AIESEC. The sport complex possibly evokes the same perception by sponsoring athletes. Therefore, what the sport complex and the private university do in this context can be considered more successful application with regard to the experiential marketing philosophy. It is believed that the hotel can also apply the same principles. Considering their largest target customers are business people, the hotel can basically sponsor the stays of some business people or organize business events. In conclusion, these kinds of events and sponsorships realized mostly for the people in the experience circle can be applied for any company. These applications may provide good results since they create valuable impressions.

The emotional engagement is definitely one of the most important issues for the contemporary companies. Companies try to create an emotional engagement with customers by realizing a variety of actions. Furthermore, in experiential marketing, as already mentioned, it is the key concept, for which all the other initiatives are realized. The interviews conducted in İzmir indicate that the companies apply some emotional content while organizing their communications. The sport complex interviewee mentioned words such as; including quality time; doing sports together; competitiveness; happiness; energy; positive energy; and joy in their communication tools. Since they claim that their objective is to make their company a life style, the use these kinds of words, which appeal to the emotions seems to be a successful application. In addition to these words, the sport complex adds the slogan "*you are special to us*" on all printed or digital communication tools. It can also be considered as a useful action as it may provide emotional engagement. On the other hand, the

fact that they organize photograph contests aiming to reward the best photograph taken in the facility by the votes of members is also a successful application in terms of the experiential approach. By these kinds of contests, the company can create the perception that the company cares for its customers by engaging them in the selection process while emphasizing on the experience customers had in the facility by the real pictures taken in the real experience area. Therefore, the actions realized by the sport complex in this context, particularly the latest one, should be used as an example for any company seeking to enhance customer experience

The private university aims to create an emotional engagement by the pictures consisting of students smiling on the communications tools. Similarly, the GM of the hotel states that he would prefer dynamic photographs, which include facial impressions and contentment signs if he could determine what type of images to use on the communication tools. This kind of usage, which is done by presenting the experience area with the experience consumers (customers) and the experience creators (employees) in good moods, tend mostly to be successful because it enables creating a strong emotional attachment. In addition, it is crucial to attract the attention of the customers to these kinds of messages. To this end, GM of the hotel indicates that they use interesting artifacts to attract attention of the customer at the first place when they intend to make a point. Once the attention is caught, only then, he says, the next step is to make the point. While choosing the artifacts, the GM prefers mind-challenging artifacts as he does for logo and name usages. It can be also considered as a successful application since mind-challenging attributes, as well as surprising and educative attributes, create great attention.

The research indicate that only the hotel's collaboration with the mystery shopping service company may count to be within the experiential context since the hotel aims to enhance the customer experience by this activity. Collaboration of the hotel with the local producers can also be considered within the CRM context rather than experience management. Furthermore, the fact that the sport complex collaborates with an agency to have its online communications and advertisements executed, as mentioned before, could be considered as a successful example of collaboration only when the agency have a great knowledge on the experiential marketing principles. A professional agency, which is specialized on communication

with a great knowledge on experiential marketing, would be the most appropriate company to collaborate with if the company can not devote a special department for these issues.

The aesthetical attributes of products are considered as the important issues while launching a product. Recently, companies try to attract customers or trigger some emotions by using specific colors or artifacts on the packaging of products. For example, Puma has created life style based shoes by producing them in various colors –i.e. gray/camel, wine/purple, yellow/apricot, and violet/tan- life styles- (Schmitt, 2003). The interviews provided no findings in this context because all the companies under investigation are from the service sector and have no products to apply these kinds of principles. It seems that these applications are more appropriate for the companies from the retailer sector rather than the service sector.

The fact that not all the companies know what the innovation concept means can be understood looking at the interviews. However, companies adopt some successful examples. The hotel makes some service innovations with the aim of creating an impeccable hospitality manner. It is a good example that the hotel provides unique services to the families with children. As the GM states, offering children special care sets, toys, and wears, on which his/her name is written appeals to the emotions of the parents and it results in a great satisfaction. It can be argued that the same satisfaction possibly occur when the hotel offers bathrobes, on which the name of the customer is written. On the other hand, the sport complex interviewee states that they follow the technological advancements and procure the new innovations in the sport sector when needed. It is important for a sport company to follow technological advancements concerning the apparatus in the facility in order to enhance the quality of the customer experience. However, it is additionally recommended for the sport complex to realize innovations similar to those of the hotel because in the experiential marketing touching emotions are certainly more important than providing functional eases. Since the sport complex is a sport center, which have various dance and exercise classes, innovations about the classes or events can be made in order to provide customers with the differentiated experiences. Moreover, the private university can think about innovations concerning the courses

or activities in the campus because it has a variety of sources in this context as an education organization.

The findings reveal that the hotel interviewee stresses the importance of their employees when making innovations. The GM states that they even made up a program called *"I have an idea"* to encourage the staff to bring innovative and creative ideas. He suggests that most ideas attained from the staff are taken into account and put into action if possible. He further adds that they give feedbacks to the employees in order not to hurt them if they can not apply their ideas. This kind of engagement of the employees into the innovation processes should be realized by any company since the staff is the best source that can imagine the expectations of customers and knows the nature of the business by heart.

The research depicts that the three companies give away memorabilia to their customers. The sport complex, as a sport center, produces mostly sportive products while the private university, as an education organization in nature, gives away office products. However, the hotel has a limited chance of providing products related to its business field since it is a hotel and gives away products such as hangers, calendar, and coffee cups. It can be argued that the products related to the business field of a company are assumed to make better effects in terms of reminding. However, providing memorabilia, which is not related to the business field of a company, can also perform well if they carry the name or logo of the company. The memorabilia reminding of a special event that the company organized can also be considered as a successful action. The findings show that only sport complex does this amongst all three companies. Nevertheless, it could be applied by the other companies, too. For example, the private university can give away memorabilia related to the concerts and seminars. The hotel can produce T-shirts, on which the photograph of the costumers taken in the hotel and the dates of the stay is written. Moreover, since the hotels have the possibility of registering the camera records, the arrival of the customer at the hotel can be sent to the customer in a video version. In addition, the companies should think of making money from the memorabilia if they manage to create valuable customer experiences.

Having analyzed the findings, it can be concluded that none of the businesses under investigation are aware of the experiential marketing concept. Therefore, none

of them neither design experiential marketing strategies nor apply experiential marketing implementations consciously. However, some appropriate and successful applications are observed in all three companies. It can be argued that the most appropriate implementations in terms of the experiential marketing are witnessed in the hotel. As expected, the fact that the hotel is operating in the hotel sector, which is a part of the tourism sector enables it to act more consistent with the experiential marketing principles than the others. However, it is also an interesting fact that the sport complex and the private university perform better examples than the hotel in some contexts. Another interesting finding is that none of the three companies calls the people who they serve customers. The hotel's usage of the word "*guest*" is not surprising since it is identical to the entire tourism sector. However, it is remarkable that the sport complex uses the word "*member*" to call their customers as the private university prefers the word "*student*". In fact, it would not still be surprising because the people who experience the services of these companies are simply members and students but it is interesting that the interviewees insisted on using these words during the interviews although most of the questions posed contained the word "*costumer*". Once, the interviewee from the private university even indicated that she could not call their students customers. Since the Disney Company succeeded and exemplified others in a good way with the strict usage of the word "*guest*" to call its customers, these kinds of usages can be suggested to apply for any company.

In conclusion, it can be said that the companies are currently showing partly successful performances in some contexts of the experiential marketing principles. However, the companies can enhance their performance by making a good understanding of the experiential marketing concept. Being conscious of what they do in the experiential context, they will most probably achieve to create desirable customer experiences. An alternative customer experience management framework called "*Strategic Customer Experience Management Framework*" (SCEMF) was developed after the evalution of the study results.The SCEMF proposed by this research can further be a valuable guide for those who seek to enhance customer experience.

STRATEGIC CUSTOMER EXPERIENCE MANAGEMENT FRAMEWORK

The SCEMF was developed under the light of the existing experiential marketing principles (Berry et al., 2002; Blass, 2004; Brown, 2011; Bryman, 2004; Harris et al., 2003; Nijs, 2010; Pine and Gilmore, 1999; Ramaswamy, 2009; Schmitt, 1999a; Schmitt, 2003; Wyatt, 1994) by filling the gaps and adding successful applications, which were explored after analyzing the study results. It consists of three main phases; analyzing and getting inspired experientially; building the experiential strategy; implementing and organizing the experiential strategy.

Analyzing and Getting Inspired Experientially

The first step has to do with analyzing the experiential needs and wants of the society in order to get inspired as to what kind of offering would be attractive for consumers. This step is also divided into three sub-steps; analyze stakeholders; analyze the nature of experiences; collaborate with stakeholders (see Figure 3). Nijs (2010) stresses the importance of analyzing stakeholders thoroughly from an experiential perspective. Similarly, Blass (2004) recommends executing a SWOT analysis as SWOT analysis is beneficial to find out reliable insights about suppliers, customers and competitors. This is why, SWOT analysis is considered as a strategic tool in this framework. Furthermore, utilizing the traditional research methods –i.e. focus groups, one-on-one interviews and telephone surveys- in an experiential approach by realizing them in realistic platforms –i.e. three-dimensional, multisensory, and multimedia displays and mock-up environments- (Schmitt, 2003) and observing the customers in the interaction moments at the natural environments of the company (Berry *et al.*, 2002) are considered to be useful methods in order to find out customer's desired experience. Therefore, these applications are involved in the starting step of this framework under the title Experience Audit referring to Berry *et al.*' (2002) usage.

In this study, as analyzing the needs and wants of the stakeholders are considered to be crucial, involving them into the inspiration process is also found to be to be necessary as in Ramaswamy's (2009) suggestion that co-creation can be

applied in every phase of interactions within a company. As Harris *et al.* (2003) proposed, in their theatrical service experience model, employees can be involved in the process by asking them to report the critical moments that they encountered positive or negative responses of customers during their direct interactions with customers. Moreover, employees can be empowered to observe and then seek for solutions with a design thinking approach (Brown, 2011). Customers can be involved in the process by asking them to provide their ideas about desired experiences within the special co-creation environments as Nike does with the MyStarbucksIdea.com idea. Furthermore, it is useful to collaborate with specialists from corresponding fields- be from fashion or sports (Schmitt, 2003) - and artists (Huisjes, 2009b).
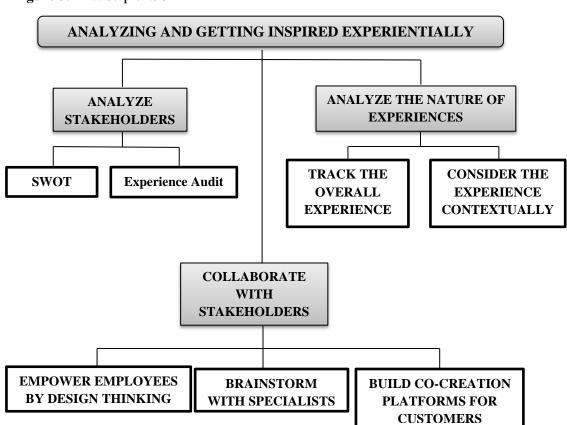
Figure 3: First Step of SCEMF

Source: Adapted from Berry *et al.*, 2002; Blass, 2004; Brown, 2011; Harris *et al.*, 2003; Nijs, 2010; Ramaswamy, 2009; Schmitt, 2003.

Moreover, in this framework, it is suggested that analyzing the nature of customer experiences may contribute to the inspiration process. Schmitt's (2003) suggestion to analyze the experiences by considering contexts such as socio-cultural; usage and consumption situation; product category experience, experience of the product or brand may be a valuable inspiring approach. Additionally, regarding the definitions and models about the creation of experiences, the overall experience process should be taken under consideration when aiming to create quality experiences. To this end, Schmitt's (2003) recommendation as to tracking the overall experience at various phases of the experience (recognition, information search, information processing, choice, purchase, use, dispose) is added to the framework under the component analyzing the nature of the experience (see Section 1.6.1.1.).

Designing the Experiential Strategy

Following an analysis of the overall environment, and consequently being inspired of it, the next phase is designing an experience based strategy. The essential prerequisity of this phase of the framework is to conduct an experiential based strategy, which allows aligning all interactions of a company to the experiential value that the company wants to offer to the outer world.

Respectively, most important task in this phase is to identify the experiential value to, which the company will respect during operating all the future interactions. Similarly, Schmitt (2003), in his CEM, underlines the importance of identifying the EVP and experiential positioning of the company (see Section 1.6.1.2.1. and 1.6.1.2.2.). Nijs' (2010) imagineering concept also emphasizes the necessity of the vision of the company. In this framework, the concept "*Experiential Vision*" is chosen to express the intended value promise, which the company aims to create. Hence, the first step in the strategy building phase is to create an experiential vision (see Figure 4).

After creating the vision, the next step is to find out the communication tool, which will be the core of company's future interactions and to recount the experiential vision to the society. Schmitt (2003) proposes the concept of "*Overall Implementation Theme*" when referring to the communication tool, which takes over

this role. Accordingly, the term "*High Involvement Experiential Concept*" (HIEC) is prefered to be used in imagineering concept (Nijs, 2010). In this framework, the term "*Experiential Soul*" is proposed to be used when referring to this tool since it is considered that this tool is in the center of the overall business strategy of the company. Similar to Nijs' (2010) HIEC, which constitutes "*the look, the book, and the hook*" principles of Hollywood filmmaking industry, in this framework, it is suggested that the experiential soul should include components such as "*the space, the story, and the marketainability*". However, there are differences between the high concept and the experiential soul proposed in this framework. As the look component of high concept is limited to the aesthetical elements of the movies, the space component used in this study refers to all the sensorial influence the company generate within the society through its real and cyber environments. Furthermore, the component "*marketainability*", which is created by mixing the words "*marketing*" and "*sustainability*", is proposed in this framework, when referrring to the marketable essence of the experiential soul. It basically corresponds to the hook principle of the high concept, which suggests that a movie should have so marketable nature that it could sell in numerous amounts even by the usage of a critical phrase from the movie to advertise itself. In addition to that, the quality of the movie should be so high that it could be marketed within various contexts such as other movies, advertisements, toys and goods in the future. Thus, the marketainability component in this framework, as it can be depicted from the title, stresses on the sustainability of the marketability of the offering.

Since the space component in this study refers to the sensorial features of the organization, the usage of theming is suggested. The theming applications realized by Disney may be a useful example for managers to get inspired because the theming is one of the important determinants of Disney's differentiation strategy. As discussed in Section 1.4.4.2., theming refers to the usage of symbolic objects to evoke emotional attachments. Therefore, in this phase, managers should try to trigger the sense experience component of Schmitt's (2003) model. The ExPro visual/verbal identity of Schmitt (1999a), which includes aspects such as name, logo and signage of the company, can be a good guide to take into consideration in this context. By using these elements practitioners can build corporate personalities, which will evoke

the experiential soul of their company. These personalities may include excitement, sincerity, competence, sophistication, and ruggedness (Aaker, 1997). Therefore, the spatial elements of the company appealing to the five senses such as signs, symbols, words, buildings, smells, sounds, artefacts, (Nijs, 2010) and the name and the logo of the company (Schmitt, 2003) should be orchestrated successfully in order to reflect the experiential soul. Pine and Gilmore (1999) claim that companies will need to hire "*sense specialists*" in the future in order to create successful sensorial impacts for their customers. Moreover Nijs (2010) speaks of the necessity of "*word-smith*" and "*sign-production*" tasks. In this framework, it is suggested that managers should consider all these issues as strategic business tasks and hire specialists in order to deal with these tasks.

Figure 4: Second Step of SCEMF

Source**:** Adapted from Bryman, 2004; Nijs, 2010; Pine and Gilmore, 1999; Schmitt, 1999a; Schmitt, 2003; Wyatt, 1994.

The spiritual core that appeals to the minds of the customers, which was dealt under the term "*book*" in the high concept, is called as "*story*" in this framework. The story should be communicated to the customers by storytelling applications. There are two types of storytelling as implicit and explicit. According to Hover (2010), explicit storytelling is basically held telling the story, which includes an intense human factor and social context, literally to the customers. The story component basically suggests this kind of storytelling since the requirements of the implicit storytelling, which is composed of the usage of materials and objects (Hover, 2010), is taken under consideration within the theming component. Furthermore, managers should try to create stories, which will trigger the feel, think, act, and relate experience components of Schmitt (2003). In this context, managers can be inspired by analyzing the storytelling at Disney theme parks (Robbins, 2011). Additionally, the collaboration with artists for the storytelling applications could be a smart maneuver since the artists possess remarkable imaginative and creative skills (Huisjes, 2009b).

The Marketainability component has to do with marketability of the offering. As mutually agreed, the raison d'etre of companies is to make money. Therefore, it is important to ensure the sustainability of revenues that the company generates. In the Hollywood filmmaking industry, the hooks principle of high concept refers to the commercial potential of movies. They make significant amount of money by producing commercially high potential movies, which regenerate money for producers by both taking place in the commercials and as tie-ins in the future (Wyatt, 1994). From the same perspective, Walt Disney realized the importance of merchandising after opening his theme parks. He found the merchandising so important that he founded a company branch to deal with only merchandising activities. In fact, Bryman (2004) identifies merchandising as one of the important principles of Disney. In this study, as depicted by the term marketainability, sustainable marketing applications are claimed to be crucial. Therefore, Disney-like merchandising is considered to be a consistent tool in order to deal in marketainability component as it basically ensures the protection and longevity of the company's rights on special characters, logos, offerings and promotions by the applications such as licensing and franchising. Furthermore, hybrid consumption,

another strategic business principle of Disney, is involved as an important procedure in this context since it provides companies with the differentiation possibilities, which motivate consumers to spend longer time in the consumption venues and therefore spend more money than ordinary places. As these principles of Disney refer directly to motivating customers to consume, this component can be related to the act and relate experience genres of Schmitt (1999a). Therefore, managers may seek to find ways to trigger act and relate experience genres.

To conclude, space, story and marketainability components of the experiential soul should be organized in such a way that every single impression of each component evokes the same message. And, it should be remembered that this phase of the framework is limited to designing the basis for the experiences. Even though the principles realized during this phase can be expected to change from time to time, the applications realized in this phase are more likely to be static.

Implementing and Organizing the Experiential Strategy

The second step of the framework explains how the fundamental design should be structured. In the third step, however, how the experience management should be realized is suggested. Similar to Harris *et al.*'s (2003) theatrical service experience model, this study considers that the experience management calls for operations management and human resources management. Schmitt (2003) takes into consideration the brand experience and the customer interfacing moments. In "*structuring the customer interface*", he deals with the issues by dividing customer interface into two parts as human and technological. In this study, customer interface moments are considered to be crucial experience generating instruments and therefore they are involved under the title "experience management". The human touchpoints is dealt under the title of Human Resources Management while technological touchpoints are considered to be related to the communications within the operations management. Since the continuity and refreshment of the offerings are also important, continuity management also added to the framework (See Figure 5).

The aesthetics of the offerings are important determinant of customer experience. Brown (2008) claims that what engages a consumer in the first place is

the emotional attachment to a product and that this is ensured primarily by aesthetics and design. Furthermore, recent research on M&M candies proves that packaging attributes influence the consumer attitude towards the product. With the Expro product presence, Schmitt (1999a) refers to the aesthetical attributes of the products such as its packaging, design and display. Similarly, the aesthetics component of operations management suggests considering the packaging, design and display of the offerings. Practitioners should seek to create aesthetics, which evokes emotions consistently according to the experiential soul.

Figure 5: Third Step of SCEMF
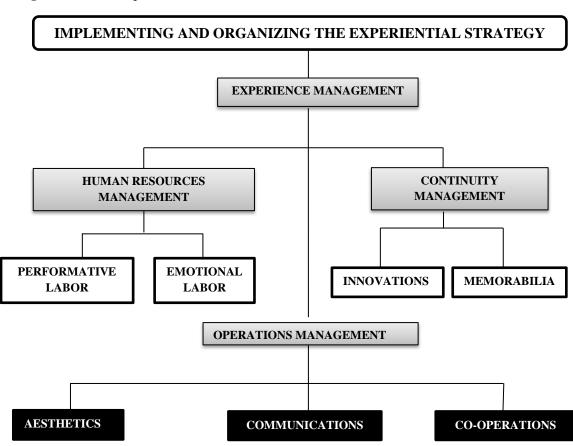

Source**:** Adapted from Brown, 2008; Bryman, 2004; Harris *et al*., 2003; Nijs, 2010; Pine and Gilmore, 1999; Ramaswamy, 2009; Schmitt, 1999a; Schmitt, 2003.

Communications constitute a big portion of a company's businesses. Thus, communications are added to the framework as a part of operations management. With the ExPro communications, Schmitt (1999) refers to a company's operations

concerning the application and usage of advertisements, magalogs, brochures, newsletters, annual reports and public relation campaigns. In this study, all of these applications are considered to be useful tools under the communications component. Additionally, the online communications and usage of web site (of which Schmitt deals under the ExPro web site & online) and Apps are also included. Especially, Apps usage and social media communications are effective communication tools for contemporary businesses. Furthermore, the advertisement types including the product placements, events, and sponsorships may be considered to be applied since these kinds of advertisements help create closer emotional relationships (Schmitt, 1999). Moreover, Ramaswamy (2009) claims that enabling consumers to take part in the co-creation processes creates a good image for companies since that often results in word-of-mouth. Therefore, co-creation can also be considered as a useful advertising tool. Additionally, it is crucial that managers consider the core of the experiential soul while applying these tools.

Collaborations with other companies or organizations can also be useful when creating and differentiating experiences. The co-branding attraction, Panda Droom, can be a good example for managers to deal with in this context. The WWF succeeded to take social attention to the necessity of preservation of the nature by telling stories with Panda Droom at the Efteling theme park in the Netherlands (Pieter, 2010). Such kinds of creative co-brandings and partnerships should be used as the co-operations component.

As discussed in previous chapters, the consensus in literature is that the experiences are originated by the touch points including human beings as well as mechanic instruments. Thus, human resources management is a crucial aspect in order to create valuable experiences. In this framework, it is proposed that managers should seek to acquire performative and emotional labor. With the performative labor concept, the employees are expected to work on performance based principles. In Disney theme parks, for example, employees basically realize a theatrical performance and never get out of their roles during their shifts (Pine and Gilmore, 1999). On the other hand, emotional labor refers to the workers who are emotionally attached and loyal to the enterprise, which they work for (Bryman, 2004). Bryman (2004) indicates that companies are eager to have emotional labor in order to create

quality experiences for their customers. To this end, managers can empower employees to apply design thinking because design thinking applications often result in employee motivation (Brown, 2008).

The refreshment of the offerings in experiential marketing has been widely discussed by authors. Both Nijs (2010) and Schmitt (2003) devote a specific chapter on how to ensure the continuous innovations and Pine and Gilmore (1999) stresses the importance of memorabilia as they propose the title "*mixing with the memorabilia*" for one of the strategic five steps in creating experiences. Making innovations is crucial for companies because it provides refreshment of the offerings. Therefore, the "*innovations*" component is added to this framework under the title "*continuity management*". For this process, the procedures suggested by the "*collaborate with stakeholders*" component in the first step can be applied in order to make valuable innovations. On the other hand, adding memorabilia to the offerings can be a useful continuity management strategy. Thus, the "*memorabilia*" is involved as the second component in the continuity management. In this phase, the memorabilia portfolio can include objects with the name and logo of the company. In addition, during the events, some objects reminding these particular events can be given away to the attendants. One important issue concerning this phase is that it should not be confused with the marketainability component in the strategy designing process. The continuity phase includes the daily strategic operations to ensure the refreshment and continuous awareness of the company while the marketainability component is considered when aiming to design the basic platform to ensure the sustainable marketable core of the company.

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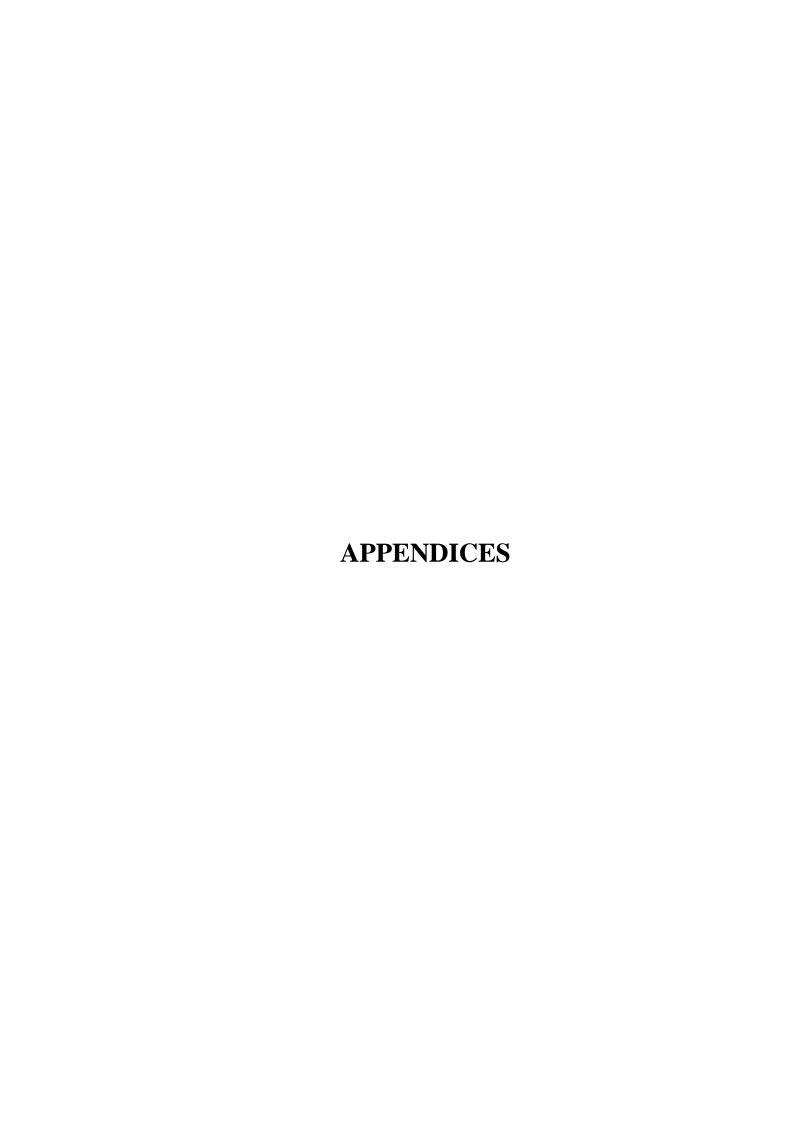
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APPENDICES

APPENDIX 1: Experience Conceptualization Testing

BRAND	COMMENT OF THE RESPONDENT	COMPONENT
Apple/iPod	"I am part of a 'smarter' community."	Social
Starbucks	"Smells nice and is visually warm."	Sensory
Williams-Sonoma	"I had a feeling of nostalgia."	Affective
Disney	"I feel like a child; I feel warm and safe; I want to discover things the brand reminds me to use my imagination."	Affective Behavioral Intellectual
Nike	"I feel inspired to start working out."	Affective
MasterCard	"I feel more youthful than using American Express or Visa."	Social
The Body Shop	"Appeals to different senses."	Sensory
Home Depot	"Provides the experience that any customer can tackle any home improvement project."	Behavioral
BMW	"I feel young; I feel stylish."	Affective

Source: Adapted from Brakus *et al*., 2009.

APPENDIX 2: Market as a Target versus Market as a Forum

THE MARKET AS A TARGET	THE MARKET AS A FORUM
The firm and the consumer are separate, with distinct predetermined roles.	The firm and the consumer converge; the relative "*roles of the moment*" cannot be predicted.
Supply and demand are matched; price is the clearing mechanism. Demand is forecast for products and services that the firm can supply.	Demand and supply are emergent and contextual. Supply is associated with facilitating a unique consumer experience on demand.
Value is created by the firm in its value chain. Products and services are exchanged with consumers.	Value is co-created at multiple points of interaction. Basis of value is co-creation experience.
Firm disseminates information to consumers.	Consumers and consumer communities can also initiate a dialogue among themselves.
Firm chooses which consumer segments to serve, and the distribution channels to use for its offerings.	Consumer chooses the nodal firm and the experience environment to interact with and co-create value. The nodal firm, its products and services, employees, multiple channels, and consumer communities come together seamlessly to constitute the experience environment for individuals to co-construct their own experiences.
Firms extract consumer surplus. Consumers are "*prey*," whether as "*groups*" or "*one-to-one*." Firms want a 360-degree view of the customer, but remain opaque to customers. Firms want to "*own*" the customer relationship and lifetime value.	Consumers can extract the firm's surplus. Value is co-extracted. Consumers expect a 360-degree view of the experience that is transparent in the consumer's language. Trust and stickiness emerge from compelling experience outcomes. Consumers are competitors in extracting value.
Companies determine, define, and sustain the brand.	The experience is the brand. The brand is co-created and evolves with experiences.

Source: Prahalad and Ramaswamy, 2004: 13.

APPENDIX 3: Successfull Theming Applications

Shapers of cultural industries have been mindful that the space around us can create moods and promote ideologies by suggesting core values through themes or stories present within the organization and design of the space. We ritually enter into these spaces and learn to enact these values, ideologies, and moods in our own lives (Lynch, 2010: 155).

Though theming uses physical properties like architecture to establish the unique symbolic potentials of a venue, it is through the project of cognition that theming is manifested, understood, and realized as significant in the patron... For a themed space to resonate with the consciousness of a customer in a meaningful way, it must weave through the channels of the mind to register a semiotic effect that is palpable and personal" (Berry et al., 2002).
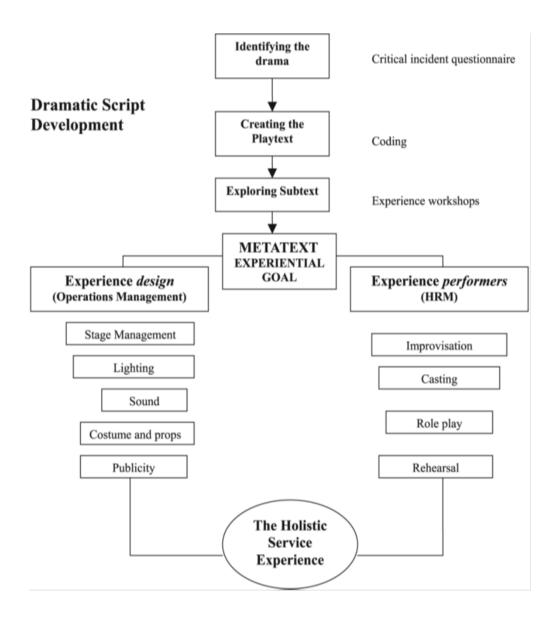
Joel Bergman, a well-known architecture from Las Vegas:

*Theming is absolutely necessary, but the theme doesn't have to be a super intense theme. What important is the theme should tell a story... In a good themed attraction, all the elements combine to create a kind of magic. It has to have that special quality that people create in their own minds. You have got to be able to open that door so people want to walk in. The little details, nuances and surprises are all part of good themed environment. What important is the mood and the flavor and the impression that people have...It seems today theming goes far beyond just applying a style. It is part of the overall experience we offer guests. Basically we have done here in Las Vegas is we have turned the architecture into part of the entertainment experience, just as we have turned food and shopping and sleeping. It's all entertainment, every last bit of it (*Stooksbury Guier, 1999: 10*).*

APPENDIX 4: Theming Source Genres

Bryman (2004) states that managers uses sources including place, time, sport, music, cinema, fashion, commodities, architecture, natural world, literature, morality or philosophy, in order to create a themed environment. Lukas (2007) indicates that managers create themed spaces by utilizing special aspects including authenticity, nation, individuals and their lives, and the realm of the mind. According to Bryman (2004), sources of theming are more likely to be external to institutions or objects, to which they are applied. However, he admits that there are also some such distinctive company brands and logos that they become themes in themselves. Bryman (2004) calls such theming applications "*reflexive theming*". Similarly, Schmitt and Simonson (1997), in their book, mention the corporate and brand themes, which they consider as the means to reflect the content, the meaning, the projected image of an identity. In order to create the brand images, these authors suggest focusing on the organization's characteristics such as mission, vision, objectives and strategies, core capabilities, legacy, corporate or brand personality, and values.
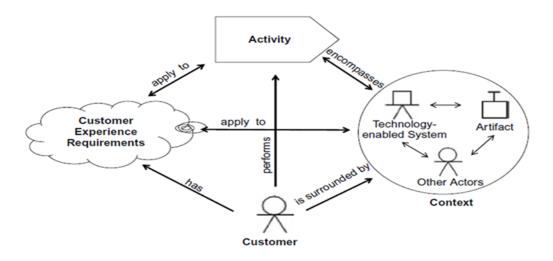
APPENDIX 5: Theatrical Service Experience Model

Dramatic Script Development

Identifying the drama → Creating the Playtext → Exploring Subtext → **METATEXT EXPERIENTIAL GOAL**

Critical incident questionnaire

Coding

Experience workshops

Experience *design* (Operations Management)

- Stage Management
- Lighting
- Sound
- Costume and props
- Publicity

Experience *performers* (HRM)

- Improvisation
- Casting
- Role play
- Rehearsal

The Holistic Service Experience

Source: Harris *et al*., 2003: 189.

APPENDIX 6: Customer Experience Modeling

Customer Experience Modeling
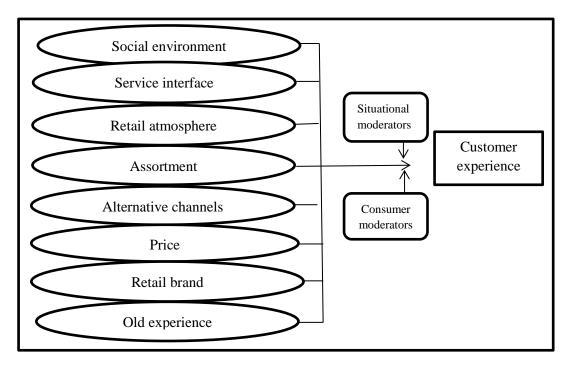
Source: Teixeira *et al.,* 2012: 367.

Descriptions of the notations in Customer Experience Modeling

Notations	Description
Artifacts	Any artifact employed within an activity
System Actor	Non-human system (software or hardware) interacting with the customer
Actor	Activity participant interacting with the customer (or the customer himself)
Customer Experience Requirement	Perceived attributes of the interaction with a service provider that contributes to satisfaction and usage of the service
Activity	Collection of actions or tasks undertaken for some purpose
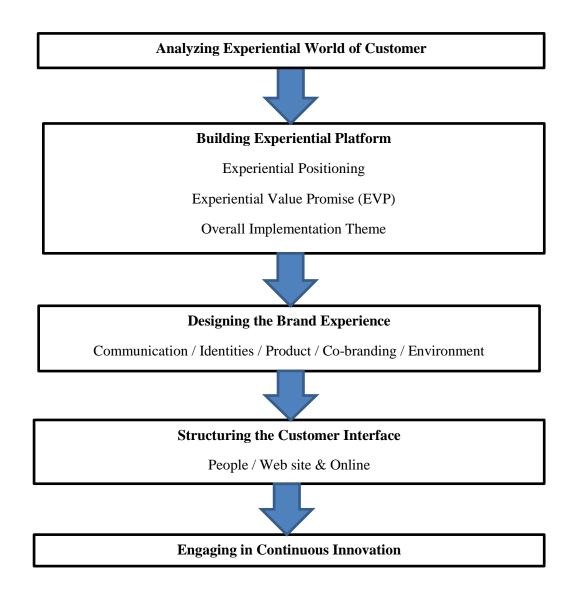
Source: Adapted from Teixeira *et al.*, 2012: 367.

APPENDIX 7: Conceptual Model of Customer Experience Creation

```
┌────────────────────────────────────────────────────────────────────────┐
│   ⬭ Social environment ⬭                                                 │
│   ⬭ Service interface ⬭            ┌──────────────┐                       │
│   ⬭ Retail atmosphere ⬭            │ Situational  │                       │
│   ⬭ Assortment ⬭                   │ moderators   │    ┌──────────────┐   │
│   ⬭ Alternative channels ⬭         └──────┬───────┘    │  Customer    │   │
│   ⬭ Price ⬭                               ▽            │  experience  │   │
│   ⬭ Retail brand ⬭                 ┌──────△───────┐    └──────────────┘   │
│   ⬭ Old experience ⬭               │  Consumer    │                       │
│                                    │  moderators  │                       │
│                                    └──────────────┘                       │
└────────────────────────────────────────────────────────────────────────┘
```

Source: Adapted from Verhoef *et al.*, 2009: 32.

APPENDIX 8: Customer Experience Management Framework

| Analyzing Experiential World of Customer |

⬇

| **Building Experiential Platform**

Experiential Positioning

Experiential Value Promise (EVP)

Overall Implementation Theme |

⬇

| **Designing the Brand Experience**

Communication / Identities / Product / Co-branding / Environment |

⬇

| **Structuring the Customer Interface**

People / Web site & Online |

⬇

| **Engaging in Continuous Innovation** |

Source**:** Adapted from Schmitt, 2003.

APPENDIX 9: Five Critical Theming Aspects by Pine and Gilmore

1. The theme should change consumers' perception of reality by staying in the border of logic but engaging the customer in a way that they get out of the everyday reality.

2. The theme should change consumers' perception of reality completely by manipulating their perception of time, place, and matter as Disneyland's Tomorrow Land transport people to another time or as Hard Rock Café take its customers back in the history.

3. The theme should combine place, time, and matter in a consistent and realistic way. To achieve this combination, managers resort to "storytelling", which is used generally by public relations specialists. Hover (2010) defines storytelling as an immersing and engaging activity, which reflects values and emotions of the customers while taking them into another world. She identifies of two kinds of storytelling as explicit and implicit. The explicit storytelling is told literally to the consumer and the story stresses on the human factor and social context. On the other hand, implicit storytelling is ensured by the usage of objects, which trigger the broad narrative (Hover, 2010). For example, in ''*Gettysburg experience*'' to stage valuable experiences, managers combine the narrative with the (explicit) storytelling and the material appeals (implicit storytelling) such as statues, markers, memorials, and museum artifacts (Chronis, 2012). According to Pine and Gilmore (1999), Lori's Diner, a small chain of restaurants in San Francisco, represents a good example of this combination as it stages an authentic 1950s diner with the impeccable use of materials from 1950s such as vintage jukeboxes, pinball machines, booths, and waiter and waitress uniforms.

4. The theme should have such special quality that they can create multiple places within a place as it is in American Wilderness Experience where the scenery change from Redwood to High Sierra to Desert to Coast to Valley along with the changing story displayed by a video and stimulated ride.

5. The theme should be consistent to the identity of an organization. One good example of this consistency is The Magnificent Mile in Chicago with the full of

stores and restaurants, as the term The Magnificent Mile refer impeccably to the shopping and eating experience staged. Moreover, Pine and Gilmore (1999) claim that an inconsistency between the identity of an organization and the theme used may result in decrease in experience's attraction although it is employed to enhance the desirability. What Pine and Gilmore (1999) indicate is not that the theme should necessarily reflect the identity of the organization or brand as Schmitt and Simonson (1997) claim. Pine and Gilmore (1999) basically suggest that the theming should not be considered as a corporate mission statement or a marketing tag line of a company.

APPENDIX 10: Collaboration between Businesses and Artists

Holland based the Heart&Society magazine has lately devoted some pages to the collaboration between artists and business world. According to the author, rather than just ordering some art works to the artists, recently companies have started to hire artists and assign them to critical positions. DSM's Marketing Director, Arthur Simonetti basically tells to the magazine that he considers this collaboration and co-creation between the artists and business professionals as "*the matching culture and economy concept*". He further clarifies this fact in the following statement:

> *These days a company has to work in a satiated world. We have hundreds of solutions for every problem in the Western world. Of course, as a company, you want your product to be the one selected but that requires more and more inventiveness. We have to be conspicuous, seek out new frontiers, and do things differently than we did in the past. Moreover, that is where artists can help* (Huisjes, 2009b: 7).

He claims that artists have different outlook and speak different language than regular business professionals; thus demonstrating the power of this cooperation. Furthermore, the qualities like to be curious and inquisitive and to work with motives such as passion and beauty under the association of ideas and emotions make artists appropriate to respond to the emerging demands and wants of the postmodern society. On the other hand, the business professionals have been trained to think analytically. He indicates that artists could be involved duties such as design, innovation, making products, trade fairs, and co-operation between people. As a good example in this context, management guru, Prahalad reports that Unilever has recently realized this type of co-creation by hauling a number of international artists into the firm during a project (Huisjes, 2009b).

APPENDIX 11: Interview Question Form

 INTERVIEW QUESTIONS

Question 1: How do you get informed about the needs and wants of your customers?

Prop: Do you contact directly with your customers in order to receive their complaints or advices?

Prop: Do you collect feedback from your employees who are in first touch with the customers?

Prop: In this process, do you prefer to work with competitors, suppliers, or industry specialists?

Prop: Do you think that the cultural values, beliefs, attitudes of customers are also necessary to consider in this process?

Question 2: What do you want your customers to perceive vis-à-vis your services?
Prop: On your opinion, what distinguishes you from your competitors? How do you position your business in the market?

Prop: Do your goods and services possess social, cultural, and educative attributes besides their functional attributes?

Question 3: In positioning your business in the market, do you have a specific theme that you want your customers to perceive? Do you recount your business' raison d'être with your services as a story?

Prop: To provide quality service to your customers, how do you use the physical positioning and planning, design, esthetics and architectural aspects of your business?

Prop: How the name, the logo, the signs, the characters of your business was constructed? Did you find them successful?

Prop: While launching new products and services how do you manage packaging design and esthetical aspects?

Prop: Do you have specific colors, signs, symbols, music, taste, or design principles that you believe to evoke specific meanings and perceptions on the mind of consumers?

Question 4: What can you tell about the licensing, franchising and property rights politics of your business?

Prop: Do you add different consumption patterns from your main offering to enhance the attraction of your main offering?

Question 5: On your opinion, to what extent do on-the-job behaviors of your employees influence the perception of your costumers towards your business?

Prop: Do you train your employees? If yes how? What are the main qualities you want your employees to gain after the trainings?

Prop: Do you empower your employees to take responsibility and make decisions when needed? Do you let them tell you about their opinions to solve a problem?

Question 6: What channels do you use to communicate with your customers?

Prop: What do you focus on in preparing and designing your brochures, magalogs, newsletters, annual reports and press releases?

Prop: Do you have a public relations department or do you realize any public relation campaigns?

Prop: What can you tell about the advertisement politics of your company? What kind of advertisement types do you apply? While planning your advertisements, do you stress on the functional features of your offering or the emotional aspects, which will appeal to customers' inner world?

Prop: In your advertisements, how would you make your customers feel privileged to be your customers?

Prop: Do you use surprising, mind-challenging, and instructive elements in your advertisements?

Prop: Do you have a website? How do you manage your website? Do you think that the visual attributes of your website are important? Do you have a special message that you want to give via your webpage? If yes, what is this message? What are the benefits of having a website?

Prop: Do you have apps? How do you manage your apps? Do you think that the visual attributes of your apps are important? What is the message that you want to give via apps? What are the benefits of having apps?

Prop: Do you utilize from social media? How do you manage social media relations? Do you think that the visual attributes you use during social media interactions are important? What is the message that you want to give via social media? What are the benefits of communicating your customers via social media?

Prop: Do you organize events? For what aim do you do that? What contribution do you think events make to your business?

Prop: Do you do any sponsorship? For what aim do you do that? What contribution do you think sponsorships make to your business?

Prop: Do you collaborate with other companies? Do you have co-branded attractions or products or any partners?

Question 7: What is the importance of innovations for your business?

Prop: What kind of innovations do you realize?

Prop: How do you collect information in order to make innovations?

Prop: During making innovations, do you collaborate with customers, employees, industry specialists or your partners?

Question 8: Do you have any memorabilia to offer to your business for either selling or giving as a gift?

Prop: Do you offer the memorabilia of your overall brand or the specific memorabilia for each event or interaction?

Prop: On your opinion, what are the advantages and contributions of offering memorabilia to customers?