

1 Experiential Marketing: A Reflection on its Evolution

Dora Agapito

The objectives of this chapter are to:

- ☐ Reflect on the evolution of experiential marketing
- ☐ Depict the main theoretical approaches used to study the customer experience
- ☐ Discuss trends in research on experiential marketing in tourism.

Introduction

Marketing has evolved increasingly over the past century, moving from product-centric approaches to customer-centric, experience-centric and values-based foci (Kotler, 2024; Kozak & Correia, 2024). While marketing efforts developed around the functional attributes of products aligned with a transactional approach to relationships between customers and businesses, the focus on extraordinary experiences (Price, 1993) expanded to include emotional and symbolic aspects of consumption, laying the path for experiential marketing. Experiential marketing represents a paradigm shift in the approaches organisations have been taking to engage consumers (Becker & Jaakola, 2020; Schmitt, 2011).

Although the focus on consumer experiences was popularised with the works on the experience economy developed by Pine and Gilmore (1998; 1999), the experiential value of consumption was highlighted by seminal works such as Holbrook and Hirschman (1982), which established the perspective of hedonic consumption in consumer behaviour and marketing fields. The early idea that consumers are eager for satisfying experiences rather than the functional value of products themselves can be traced back to works such as Abbot (1955) and Kahneman and Tversky (1979). The perspective that conventional product value proposition suffices for differentiation is currently well acknowledged in management and marketing literature, placing customer experiences as a key aspect in organisations for gaining competitiveness (Waqas et al., 2021). Recent studies, in general and in tourism, highlight the increasing role of a more humanised approach to customer experi-