

Master Degree programme in Management

Final Thesis

The contribution of experiential marketing studies to the brand value creation: an investigation of marketing experience strategies adopted by companies.

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ABSTRACT

This study explores the crucial role of research in the field of experiential marketing in brand value creation. Through a detailed investigation into the marketing experience strategies adopted by companies, the aim is to understand how such approaches significantly contribute to brand enhancement.

INTRODUCTION

In today's dynamic and interconnected market landscape, all the business industries are driven to adapt and rework their marketing strategies to align and meet the evolving desires and aspirations of consumers. This thesis launches an in-depth examination of the shift from traditional marketing paradigms to the realm of experiential marketing. Through an accurate examination of the consumer behavior, the strategic experiential frameworks, and the design methodologies of the experience, this study delves into the innovative transformation that companies and businesses of medium-big dimension are dealing with while creating immersive and holistic brand experiences.

The first chapter of the thesis delves into the fundamental shift from traditional marketing to experiential marketing, focusing on the continuous evolving of consumer landscape shaped by phenomena such as the ubiquity of information technology, brand dominance, and pervasive communication and entertainment channels. Through a critical lens, it examines the 7E framework of the experiential marketing mix and their corresponding counterparts to the 7 Ps of traditional marketing, unraveling its elements of experience, exchange, extension, emphasis, empathy capital, emotional touchpoints, and the emic/etic process. Afterwards, it analyzes the redesign of the four dimensions crucial in designing customer experiences "Who, What, Where, When", which allows companies to strengthen brand loyalty, forge connections, and establish a lasting competitive edge.

The second chapter of the thesis focuses on the comprehensive analysis of key elements shaping brand experiences. It starts with the analysis of the Strategic Experiential Modules (SEM) made by Schmitt in 1999: sense, feel, think, act, and relate, providing a systematic framework for understanding the interactions between brand and consumer and for building emotional interconnection. These modules are reviewed and examined alongside the Customer Experience Management (CEM) frameworks, highlighting the importance of understanding the customer, environment, brand, platform, and interface of the brand experience.

Moreover, Pine and Gilmore's model takes center stage, delineating the progression of economic value and the four primary dimensions of experience, which are entertainment, education, aesthetics, and escapism. Finally, a comparative analysis with Schmitt's Immersive Perspective adds depth to our understanding, highlighting the commonalities and main differences between the two theoretical models.

The third chapter examines strategic approaches to design brand experiences, emphasizing the synergies between brands and design in crafting immersive experiences. It starts with the study of the dynamic customer journey, an innovative framework for assessing the customer itineraries, with the influence loop positioned at its core. Furthermore, the importance of experience touchpoints are explored, encompassing engagement backstory, setting, branded characters, experience plot, and sequence, serving as a bridge between the world of products and the world of brand emotions. Finally, the role of experience providers as a tool for activating the Strategic Experiential Modules is examined: they are communication, visual and verbal identity, product presence, co-branding, exhibition spaces, and electronic media.

The last chapter delves into the critical aspect by examining the main metrics for performance measurement, and their impact. As brands and companies strive for excellence, the need for sophisticated and tailor-made models has become increasingly prevalent regarding the experiential marketing strategies. This chapter explores key metrics such as the Customer Satisfaction Score (CSAT) and the Net Promoter Score (NPS), highlighting their importance within the experience and in evaluating the performance, and making a comparison between the two metrics explaining their characteristics.

Furthermore, with the ever-expanding digital landscape, the analysis extends to digital activities, emphasizing their role in contemporary performance evaluation, and analyzing in detail the role of User Generated Content (UGC) in experiential marketing.

In summation, this thesis offers a holistic exploration of the evolutionary shift from traditional marketing to experiential marketing. By unraveling the complexities of the consumer behavior, the strategic frameworks, and design methodologies, the goal is to provide valuable insights for businesses as it helps them to understand the changing landscape and develop in today's experiential economy.

CHAPTER 1: THE SHIFT FROM TRADITIONAL MARKETING TO EXPERIENTIAL MARKETING

1.1) Consumer evolution in the postmodern marketing landscape

In recent years, we have experienced the unfolding of profound changes that have significantly changed established practices within the knowledge acquisition system. These shifts, characterized by notable variances and deviations from preceding norms, clearly announce the dawn of a new era, firmly situated within the postmodern landscape. This historical transformation we are presently navigating permeates all facets of social existence, with consumption behaviors standing out as a focal point. In the postmodern landscape, characterized by fragmented narratives, hyperreality, and a rejection of grand metanarratives, consumption behaviors have assumed an even more intricate and pervasive role in shaping emerging phenomena and dictating new trends during transitional phases.

The phase of social change has accelerated significantly and, simultaneously, has become unpredictable, abandoning the linear and gradual logic that once characterized it. Today, it is marked by a discontinuous dynamic with abrupt interruptions, with the consequence of traditional market analyses that are progressively inadequate in comprehending consumption dynamics. Marketing strategies are showing signs of inefficacy when dealing with consumers who have become elusive, volatile, and saturated with information: in fact, this new class of consumer is demanding, selective, and challenging to predict.

A significant rupture can be identified back to the late 1980s and the first half of the following decade, when during this period a sort of disorder, at both the social and individual levels, began to render consumer behavior highly unpredictable, breaking the paradigm that had previously directed the field of marketing. In particular, the effectiveness of correlating consumers' socio-demographic characteristics, their psychographic inclinations, and their actual consumption behaviors began to decrease.

Since the 1990s, consumers have evolved into increasingly complex individuals with less linear consumption paths, becoming more receptive to market innovations, more exploratory, and, consequently, less loyal to traditional brands: these consumers exhibit a growing sense of individualism and a strong inclination to innovate and stand out.

The widespread instability that emerged in the early 1990s opened the way for a clear change towards unique life paths, often separate from group memberships and leaning towards individualism. In this context, the field of marketing faces substantial challenges in formulating comprehensive perspectives and systematically analyzing an ever-evolving environment: the dynamics of supply and demand have become integral components of complex social relationships extending beyond conventional sales and purchasing activities. It is increasingly evident that understanding this new reality and developing innovative marketing strategies that deviate from traditional models is imperative; indeed achieving this necessitates the ability to adopt fresh viewpoints and interpret the new environment using systematic methods.

"The consumer's new empowerment and discretion are exponentially enhanced by digital technologies that redeem him from his traditional passive role. He finds a more dialectical role and claims, vis-à-vis those who produce and sell, a pro-activity that he intends to exercise to the full. The new information and communication supports could now, if managed and finalized, allow the company's ability to listen to be disproportionately expanded, to realize for the first time, in deeds and not in words, unprecedented forms of collaboration, co-creation and partnership with the consumer. A consumer who is changing his skin and who - having left behind the historical period dominated by needs, which is in the process of overcoming that of satisfying desires - is moving along the paths of the experience economy." ¹

¹ Giampaolo Fabris, "Societing. Il marketing nella società postmoderna", Egea, Milano, 2008.

As we transition from an industrial society to a post-industrial one, we can observe a progressive diversification of symbolic references: this has led to the fragmentation of the social sphere and the proliferation of individual life contexts. The characteristics of postmodern society, such as a lack of unity and stability, polycentrism, variability, and the abandonment of the principle of noncontradiction, challenge the efficacy of class and stratification concepts in categorizing social differences: consumers are becoming increasingly unclear in their boundaries, tending to overlap and lose the distinctions that once defined them.

The ascent of the internet, digital media, and technological interfaces has profoundly reshaped the interaction between enterprises and their audiences, offering individuals entirely novel opportunities to articulate their long-neglected needs. We find ourselves in an era where individuals, whether as consumers, users, or citizens, not only influence the decisions of brands and companies but actively participate in them, with the consequence of a transformation that is revolutionizing the rules of marketing, public relations, and communication, and is significantly reshaping corporate business models.

What is evolving and progressing is the very concept of consumption itself, not because products and services are no longer in high demand or essential for customers, but more because they are assuming a less central role in the process of value creation. Indeed, the production of value is shifting to a different realm: the domain of interactive experiences. While not entirely new, this realm has acquired fresh dimensions, thanks to the support provided by digital networks and media, that are pushing to a more experience-central role, and where innovative brands and corporations are competing with remarkable creativity and cleverness, achieving exceptional results.

We faced a revolution that rendered the principles and models of traditional marketing obsolete and permanently altered the landscape of marketing, replacing traditional feature-and-benefit marketing with experiential marketing.

As the new millennium approaches, three phenomena signal a completely new approach to marketing: the ubiquity of information technology, the dominance of the brand and the pervasiveness of communications and entertainment.

Technology is now driving almost everything: is finding more ways to infiltrate our lives, with intelligent sensors in products measuring and delivering information and assistance. Information technology enables the collection and analysis of vast amounts of data, allowing marketers to gain valuable insights into consumer behavior and preferences. Through the use of intelligent sensors, digital platforms, and data analytics, marketers can track and understand how consumers interact with their products or services in real-time: this data-driven approach provides the foundation for creating tailored and highly personalized marketing approaches with customers.

"With the emergence and development of Web 2.0 technologies and applications that allow users to generate content and promote ideas, products and businesses (customer generated media), individuals enter into direct competition with traditional corporate communication for the attention of the target audience. Thanks to digital technologies and, in particular, thanks to open and participative architectures - which increase their value for each individual as the active contribution of users increases - it is, in fact, possible to share ideas, information, dreams, aspirations, flashes and moments of one's private and working life. These greater opportunities offered by digital technologies combine in particular with two extremely evident social trends: individuals' renewed need for sociability and the need/opportunity to express new forms of customer protagonism." ²

² Andrea Boaretto, Giuliano Noci, Fabrizio Pini, "Open Marketing", Etas, Milano, 2009.

Furthermore, other implications of this digital interconnection, starting from businesses, are the possibility of communicating with customers and partners in ways that were unimaginable just a few decades ago. Individuals can maintain relationships across vast distances, collaborate with colleagues from different corners of the globe, and access information and services at their fingertips. Our experiences are no longer confined to physical locations, and the world is becoming a global village where we can exchange knowledge, culture, and ideas effortlessly, in any moment with any medium.

Another important phenomena is connected to the dominance of the brand: potent brands have become a fundamental trend, as observed by Roper Starch Worldwide as we entered the new millennium. ³ The power of brands is immediately evident as we walk through Times Square in New York or any entertainment hub worldwide: brands are omnipresent, and information about them, in various forms and media, is instantly available globally; even entities we don't traditionally consider as brands are now being regarded and advertised as such, from business academies to museums and medical practices.

All these brands evoke distinct images, affiliations and experiences, all of them can be marketed and extended, and all of them possess brand equity and require management and planning: brand expansions are ubiquitous. The dominance of brands is integral to the modern marketing paradigm, since it underscores the evolving nature of our consumer culture and the power of narrative and association in influencing customer choices. Brands have surpassed mere commercial organization, they have become emblematic of customer shared experiences and connections in a globalized world.

³ Bernd H. Schmitt, "Experiential Marketing: how to get customers to sense, feel, think, act and relate to your company and brands", The Free Press, New York, 1999.

Finally, the pervasiveness of communications and entertainment is the last important phenomena that announces a radical shift in marketing. Just as everything is becoming branded enterprise, everyhing is evolving into a form of communication: communications are everywhere and interconnected with the brand. They have the potential to influence others, be publicly disclosed and scrutinized, and give benefit or detriment; The brand is no longer confined to what an organization communicates about itself: instead, it is what the collective audience perceives and communicates about the brand. Communications it's no longer one-way, and customers and other stakeholders have the ability to communicate directly with the company, shaping its image because it is universally accessible.

The persistence of communication and entertainment in this marketing paradigm shift highlights the imperative for organizations to recognize and leverage the energy of these mediums. They are pivotal in building brand reputations, shaping consumer behavior, and supporting relationships. In this dynamic landscape, brand perception is collaboratively shaped, requiring organizations to be agile, receptive, and authentic in engaging with stakeholders.

These three phenomena represent the initial signs of an entirely new approach to marketing, and so to business as a whole, outline a marketing and management driven by experience. With this fresh approach, companies have restructured themselves, identified their core competencies, and are set to maximize their assets. The focus is on growth, regeneration, and expansion, as enterprises seek to capitalize on the opportunities offered by the information revolution and create globally integrated two-way communication with their clients.

Brands face a dual choice, starting with the persistence in a continuous pursuit of customers, attempting to keep concurrently their evolving preferences and adapting messaging to the prevailing medium. This option, commonly referred to as the "push" approach, necessitates allocating financial resources to pursue consumers as they migrate to their latest favored medium, followed by the task of developing strategies to interrupt them with promotional messages.

Alternatively, brands can start a different journey: a deep investigation into the foundational elements of our human genetic structure, engaging target audiences in such a way that they stop, pay attention, and get involved. This approach is called the "pull" methodology, and it forms the central doctrine of experiential marketing, an increasingly influential strategy embraced by leading brands to foster genuine customer engagement with quantifiable outcomes. In its most elementary form, experiential marketing constitutes nothing less than a highly improved representation of companies values. However, despite its initial appearance of simplicity combining different brand messages, interactive elements, a specific target demographic, and presenting it in a live context to produce a predetermined outcome, achieving success in experiential projects involves a fusion of artistic expression and scientific accuracy. Embracing experiential marketing mandates a paradigm shift in our conceptualization of marketing, creativity, and the media's role within the overarching sphere of promotion.

This prospect may appear somewhat disconcerting to numerous marketers, as it necessitates a departure from long-established mental paradigms and branding practices. Nevertheless, those who have made the transition to an experiential marketing mindset are discovering that any initial challenges associated with this transformation are eclipsed by the advantages of enhanced marketing efficacy, heightened customer engagement, and a superior return on marketing investments.

1.2) The 7E framework of the experiential marketing mix

Marketers are embracing the concept of the "experiential marketing mix" or the "7E framework", which expands upon the traditional marketing mix by incorporating elements such as experience and engagement.

These elements emphasize the creation of meaningful and memorable experiences for consumers, cultivating relationships, fostering interactive communication, and helping companies to be more competitive in the industry.

This approach is particularly relevant in the "phygital" era, where consumers expect seamless and integrated experiences across physical and digital channels.

The 7Es framework utilizes the following seven pillars to assist businesses in designing immersive experiences in the phygital age, implementing competitive marketing strategies: experience, exchange, extension, emphasis, empathy capital, emotional touchpoints, and emic/etic process. ⁴

Experiential marketing mix	Marketing mix
_ Experience	☐ Product
_ Exchange	☐ Price
_ Extension	☐ Place
☐ Emphasis	☐ Promotion
☐ Empathy capital	☐ People
☐ Emotional touchpoints	☐ Physical
☐ Emic/etic process	Process

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⁴ Wided Batat, "Why is the traditional marketing mix dead? Towards the "experiential marketing mix" (7E), a strategic framework for business experience design in the phygital age", Journal of Strategic Marketing, 2022.

⁵ Wided Batat, " *Digital Luxury: Transforming Brands and Consumer Experiences*", SAGE Publications Ltd, 2019.

EXPERIENCE

To gain a competitive edge and distinguish themselves in a highly competitive market, companies should shift their focus from mere product production, which can be a physical object or a service, to the creation of meaningful experiences.

The experience, which can be viewed as a three-stage process encompassing idiocentric and allocentric perspectives, should play a vital role in shaping the outcomes of customer experiences because it is the core of the "offer" made by the company to its customers. In fact, in the panel of the new experiential marketing mix, experience takes precedence over the traditional "product" of the old marketing mix. By prioritizing experiences, companies can leverage the seven components of the new marketing mix, to effectively create engagement with customers and set themselves apart, creating emotions and feelings that bond consumers to the brand. Indeed, for a brand it is important to create a feeling or emotional connection with its customers because it helps to cultivate loyalty, differentiates the brand, builds trust and advocacy, enhances the customer experience, and ultimately drives long-term value for the brand.

Equally important for a company, is to measure and enhance the quality of the customer experiences, considering the innovative tools developed by Batat.⁶

Among these new tools, the Experience Territory Matrix (ETM) is a significant and strategic planning instrument for businesses. Businesses can utilize the ETM to analyze their portfolio of experiential offerings and gain a deeper understanding of how customers perceive them. Armed with this information, businesses can make informed decisions regarding investments to improve the quality of the customer experience. This approach allows for the revitalization of offerings, the development of new experiences (physical and digital), and ultimately, the retention of clients.

⁻

⁶ Wided Batat," Experiential Marketing: Consumer Behavior, Customer Experience and The 7Es", Routledge (2019)

In addition to experience design, the evaluation of experience quality holds utmost significance: in fact, companies can employ EXQUAL to facilitate this evaluation, which consists in a measurement instrument specifically designed to analyze and evaluate the quality of the customer's experience. There are four key measurement parameters that EXQUAL integrates for the analysis: offering characteristics, perceived value, environment and human interaction. By taking into account these variables, companies can comprehensively gauge and enhance the quality of the customer experience they provide.

EXCHANGE

Active engagement of customers in the collaborative process of value co-creation defines exchange as a pivotal element within the context of experiential marketing. Unlike the conventional marketing approach that places price (the 'P') at the forefront, exchange assumes precedence as the second component of the 7E experiential marketing mix. Exchange includes a multifaceted concept of value that emerges from the interactive and reciprocal relationship between companies and customers: this notion of value extends beyond monetary transactions and embraces a wide range of elements. These elements encompass contextual factors that shape the co-creation process, the objectives pursued by the company, and the desired outcomes sought by customers. To foster the creation of common values among companies and consumers, it becomes imperative for them to prioritize transparency and information sharing. By ensuring transparency in their actions and openly sharing relevant information, companies can cultivate trust and cooperation with their customers.

For example, a clothing brand that discloses its sourcing practices and provides detailed information about the materials used in its products establishes a transparent exchange with customers, building trust and enhancing the perceived brand value.

Furthermore, the exchange of co-created value necessitates specific competencies and capabilities. These skills act as fundamental sources for establishing a sustainable competitive advantage, and the recognition of customers as active partners and economic actors is vital for companies.

Customers possess the capacity to embody the values of the enterprise or brand, effectively communicate them, and propose innovative solutions that contribute to enhancing the quality of the brand's products and services. Through collaborative exchange, companies can create experiences that deeply resonate with their customers, thereby driving loyalty, differentiation, and long-term success in the marketplace.

EXTENSION

Extension, as the next element within the experiential marketing mix, assumes a pivotal role in broadening the horizons of customer experiences, surpassing the limitations of physical settings and embraces a more comprehensive perspective that encompasses both digital and offline realms. By offering extended experience, companies have the opportunity to create a seamless and integrated journey for their customers. The concept of extension encourages companies to break free from the constraints of the traditional marketing mix's 'P' of 'place' and adopt a more holistic approach to the customer experience. It recognizes that the customer journey is no longer confined to physical locations such as shops and bars. Instead, it encompasses a dynamic and evolving landscape where customers interact with brands through various touchpoints, both in an online and offline contest.

In today's interconnected world, customers expect a cohesive and consistent experience across different channels and platforms: expansion enables companies to bridge the gap between physical and digital environments, ensuring a unified brand experience.

Moreover, expansion opens up new avenues for creativity and innovation: companies can leverage digital technologies and artificial intelligence to enhance and amplify the customer experience.

They immersive virtual environments. offer can create personalized recommendations based on customer data, or provide interactive and engaging content through mobile apps or social media platforms. By embracing these digital extensions, companies can enrich the customer experience and deepen their engagement with the brand. However, the challenge lies in ensuring that these extended experiences maintain the same level of quality and engagement as their physical counterparts. Companies must strive to deliver seamless experiences that captivate customers across different channels and platforms. This requires careful planning, coordination, and attention to detail to ensure a consistent and compelling brand experience throughout the entire dynamic customer journey.

In conclusion, expansion is a crucial element in the experiential marketing mix, enabling companies to transcend physical boundaries and create immersive, interconnected experiences. By embracing digital extensions and maintaining a focus on quality and engagement, companies can differentiate themselves, build strong customer relationships, and stay ahead in today's competitive marketplace.

EMPHASIS

Expanding on the significance of emphasis, it underscores the pivotal role that brand-cultural meaning plays in establishing a profound and meaningful bond between companies and their customers, replacing the Promotion in the 4P. Rather than depending solely on conventional methods of brand promotion, which often communicate messages in a unilateral manner, the emphasis on brand-cultural meaning recognizes the paramount importance of cultural contexts and shared interpretations in shaping both brand identity and customer relationships.

In today's interconnected and diverse world, customers seek more than mere products or services: they yearn for brands that align with their values, beliefs, and aspirations. By placing emphasis on brand-cultural meaning, companies can leverage the power of cultural elements to craft authentic and rich experiences for their customers. Rather than adopting a one-dimensional communication approach, companies need to adopt a comprehensive and immersive strategy: this entails breathing life into the brand's persona, infusing it with human qualities that customers can relate to. Through this approach, companies can shape a deep emotional connection with their customers, resulting in heightened loyalty and differentiation from their competitors.

An illustrative example of a company effectively highlighting brand-cultural meaning is a sustainable fashion brand. While the brand certainly promotes its products, it goes above and beyond by organizing engaging and immersive events that bring its brand-cultural values to life. By creating an experiential platform for customers to connect with the brand on a deeper level, the company fosters a sense of community and strengthens its brand identity.

In conclusion, the emphasis on brand-cultural meaning signifies a transformative shift in marketing strategies. By moving beyond conventional promotion methods and embracing cultural elements, companies can build deeper connections with their customers. These connections are shaped on shared values, authenticity, and the humanization of the brand: by placing emphasis on brand-cultural meaning, companies can distinguish themselves, foster loyalty, and foster enduring relationships with their customers.

EMPATHY CAPITAL

Developing adaptive empathy capital is crucial for employees to effectively leverage their social and interpersonal intelligence: this enables them to discern the customer's unique profile, moods, aspirations, and expectations throughout their journey.

Armed with this deep understanding, employees can tailor their approach, communication, and offerings to meet the specific needs of each customer, fostering a sense of connection and satisfaction.

An effective experiential marketing mix revolves around the core principle that employees, who directly engage with customers, place the customer's well-being at the forefront of their interactions. This entails recognizing and catering to the customer's emotional state and understanding their immediate requirements. By fostering a strong customer-centric culture within the organization, employees are empowered to deliver personalized and meaningful experiences that resonate with customers. Furthermore, marketing professionals who embody customer-centricity in their interactions play a pivotal role in delivering exceptional experiences.

By stepping into the customer's shoes, they can anticipate their needs, address their concerns, and provide relevant solutions. This customer-centric approach transcends mere transactions and establishes a genuine connection that resonates with customers on an emotional level.

Customers who receive customer-centric service and experience a genuine sense of understanding from the company are more likely to be satisfied with their overall experience. Customer-centric marketing professionals have the ability to exceed customer expectations, foster loyalty, and cultivate long-term relationships. By consistently demonstrating a customer-centric mindset, marketing professionals contribute to the creation of positive brand experiences, positioning the company as a trusted and customer-focused organization.

An illustrative example of empathy capital in the context of experiential marketing can be observed in a food company that prioritizes customer-centricity and emotional connection in its brand experiences. Through the utilization of empathy capital, the food company creates experiential marketing initiatives that go beyond transactions and focus on building emotional connections.

By understanding and empathizing with their customers' desires for healthy and enjoyable dining experiences, the company not only promotes their products but also contributes to their customers' well-being and satisfaction.

In conclusion, customer-centricity capital serves as a powerful replacement for the 'P' in the traditional marketing mix, which signifies 'People'. This concept underlines the principal importance of customer-centricity in designing impactful and efficient phygital experiences, seamlessly integrating the physical and digital realms.

By supporting a workforce that deeply understands and prioritizes the needs of customers, companies can create exceptional and memorable experiences. Furthermore, by emphasizing customer-centricity, companies can design and deliver emotionally resonant phygital experiences. Empathetic employees, equipped with adaptive customer-centricity capital, possess the ability to prioritize customer needs and create tailored experiences: marketing professionals who demonstrate customer-centricity contribute to higher customer satisfaction by understanding and addressing customer expectations.

EMOTIONAL TOUCHPOINTS

Encompassing the various interactions customers have with a brand throughout their experience, emotional touchpoints play a pivotal role in the 7E experiential marketing mix, serving as a substitute for the traditional 'Physical evidence' element in the P of the marketing mix. While customers may encounter a brand through online platforms, advertisements, or recommendations from friends during their journey, emotional touchpoints extend beyond these initial touchpoints by focusing on the moments that trigger customers' emotions and activate their memories. In customer experience design, it is essential for companies to understand the emotions they want to evoke before identifying the touchpoints that can generate those specific emotions. This approach shifts the traditional perspective of customer touchpoints, placing a greater emphasis on the emotional impact of the experience offered.

By incorporating emotional touchpoints into their customer experience design, companies can create memorable and meaningful interactions that connect with customers on a deeper level, leaving a lasting impression.

For example, a luxury hotel brand pays careful attention to designing emotional touchpoints to enhance the guest experience. Upon arrival, guests are greeted with a warm welcome and personalized greetings, instantly making them feel valued and special. The hotel also offers indulgent spa treatments that promote relaxation and tranquility. Guests can enjoy spa services evoking positive emotions of comfort, and delight. By understanding the desired emotions and mapping out the touchpoints that can generate those emotions, companies can create a more impactful and memorable customer experience. These emotional touchpoints enable companies to forge stronger connections with their customers, fostering loyalty and advocacy.

In conclusion, emotional touchpoints are vital elements of the 7E experiential marketing mix, replacing the traditional 'Physical evidence' component. By prioritizing emotional touchpoints and focusing on the emotions related to the customer experience, companies can design more meaningful and memorable interactions that build strong customer relationships.

EMIC/ETIC PROCESS

The emic/etic process component plays a vital role in the experiential marketing mix, replacing the traditional "Process" element in the marketing framework. In this context, the focus shifts towards the value delivered to the customer, following a hierarchical approach where meanings are crafted and conveyed by the firm throughout the customer's journey. However, the emic/etic process expands this vision by transforming it into an iterative process that incorporates consumer value, considering both the consumer and company perspectives within a specific cultural context.

Both the emic and etic perspectives are employed to comprehend customers' behaviors, attitudes, and cultural consumption patterns. These two perspectives provide distinct yet complementary viewpoints, as they analyze behaviors from the standpoint of either the insider (the observed: consumer) or the outsider (the observer: company).

Consequently, the distinction between etic and emic perspectives contrasts the knowledge produced by community members themselves (emic) with the knowledge generated by observing a community or social group's behavior (etic).

The emic perspective focuses on understanding the consumer's subjective viewpoint, taking into account their individual experiences, interpretations, and cultural context. It aims to unravel the meanings and significance customers assign to their experiences, and how these experiences shape their behaviors and consumption choices. This perspective captures unique insights, beliefs, and experiences of individuals within a specific cultural context. It is crucial for unveiling the subjective aspects of consumer behavior and understanding the cultural details influencing their decision-making process.

On the other hand, the etic perspective examines consumer behavior from an external, objective stance: it seeks to identify patterns, trends, and generalizations that transcend individual experiences and reflect broader societal or cultural influences. This perspective allows marketers to analyze consumer behavior in a systematic and comparative way: the etic perspective produces knowledge based on observations and analyses of a community or social group's behavior, offering valuable insights into collective patterns and trends. By integrating both the emic and etic perspectives, marketers can develop a more differentiated understanding of their target audience.

This comprehensive approach enables them to create tailored marketing strategies that deeply resonate with customers, considering their cultural values, preferences, and aspirations. The integration of emic and etic viewpoints allows for a holistic understanding of customers' behaviors, attitudes, and cultural consumption patterns.

Furthermore, the differentiation between etic and emic perspectives highlights the diverse sources of knowledge generated. The emic perspective draws above the knowledge originating from community members themselves, capturing the subjective experiences and beliefs within a specific cultural context.

On the other hand, the etic perspective offers a broader view, based on observations and analyses of behavior, which provides insights into collective patterns and trends.

For example, a company that specializes in designing and selling athletic footwear wants to gain a deeper understanding of their target audience's preferences and behaviors when it comes to choosing running shoes. By utilizing the emic/etic process within the experiential marketing mix, they can gather valuable insights from both the consumer's perspective and an external viewpoint.

From the emic perspective, the company conducts focus groups and interviews with avid runners who are loyal customers. They aim to understand their subjective experiences, motivations, and emotional connections to running and the role that footwear plays in their performance. Through these discussions, the company uncovers insights into how runners perceive comfort, durability, and style, as well as the factors that influence their purchase decisions.

On the other hand, from the etic perspective, the company employs market research techniques such as surveys and data analysis to examine broader patterns and trends in the running shoe market. They analyze data on customer demographics, purchase behaviors, and preferences across different regions. This external viewpoint allows them to identify emerging trends, understand competitors' strategies, and gain a comprehensive understanding of the overall market landscape. By integrating both the emic and etic perspectives, the company gains a holistic view of their target audience that enables them to develop innovative and customer-centric marketing strategies.

For example, they may create personalized advertisements that highlight the emotional benefits of their running shoes, leveraging the insights gained from the emic perspective. They can also utilize the etic perspective to identify market gaps and introduce new features or technologies to meet evolving customer demands.

In conclusion, the emic/etic process component within the experiential marketing mix emphasizes the significance of integrating both consumer and company perspectives within a specific cultural context.

By considering the emic and etic viewpoints, marketers can gain a profound understanding of customers' behaviors, attitudes, and cultural consumption patterns.

This comprehensive understanding enables the development of more effective marketing strategies aligned with customers' values and preferences, ultimately enhancing the overall customer experience.

After this in-depth evaluation, we can notice that every pillar of the 7Es model analyzes different and divergent aspects of the experiential marketing related to various themes, more or less abstract, where companies should put more attention during the experience development phase. Furthermore, companies should consider the different dimensions and aspects of this model, including emotions, physical elements, senses, intellectual stimulation, behaviors, attitudes and social interactions.

However, the seven pillars are demarcated, but they do not lead to independent decisions: they are interconnected and interdependent, meaning that decisions made in one pillar can impact the others. This highlights the need for a holistic approach to customer experience design; since they are linked one another, they should be used combined creating an hybrid integrated experiential marketing mix.

In conclusion, by adopting a hybrid integrated experiential marketing mix strategy, businesses can tailor their approach to different experiential realms, where the design of customer experiences should encompass various aspects depending on the specific context and desired results.

This means that the design of customer experiences should encompass various aspects and elements from the 7E model, depending on the specific context and desired outcomes. By carefully selecting and seamlessly integrating the pillars that align with their specific objectives, firms can craft exceptional and influential experiences that deeply resonate with their target audience.

1.3) The four dimensions designing the customer experience

The 4 W's in the marketing mix, which are Who, What, Where, and When, play a vital role in the success of a business, because they shape the customer experience and outline the distinct strategic approaches associated with the four key dimensions that necessitate consideration by companies.

The areas highlighting the pending evolution of the experiential marketing mix are categorized and summarized to provide a comprehensive understanding of the strategic approaches. Furthermore, these dimensions are crucial for businesses as they navigate the landscape of creating immersive and engaging experiences for their target audience and highlighting the forthcoming evolution of the experiential marketing mix, categorized and summarized to provide a comprehensive understanding of the strategic approaches.

By examining each area closely, businesses can gain insights into the various factors that influence the success of their experiential marketing efforts and make informed decisions to enhance their overall impact.

REDESIGN THE WHO

"Who" refers to the target audience or the individuals for whom the experiential marketing campaign is designed. Identifying the target audience is crucial because it helps businesses understand the needs and preferences of the people they want to reach.

It involves conducting market research, analyzing consumer data, and gaining insights into the target audience's demographics (such as age, gender, location, income), psychographics (such as interests, values, lifestyle), and behaviors (such as purchasing habits, online activity, media consumption).

Once the actors involved are defined, the experiential marketing efforts can be customized to resonate with and engage this specific group. This can involve designing experiences that align with their interests and preferences, leveraging appropriate channels and touchpoints to reach them, and utilizing relevant messaging and creative elements to capture their attention and evoke emotional responses.

However, not only the customers are the key players engaged in the experience design: employees must be integrated during all the procedures, because their presence can have a positive impact on the creation of the experience, and they can convey the experience and emotions in a more direct and real way to the end customer. In fact, according to recent research made by Batat the experience of employees and customers is intricately linked and mutually influential. ⁷

The satisfaction and engagement of employees can directly impact the overall experience that customers have with a company or organization. Likewise, the quality of customer experience can significantly influence the motivation and the overall productivity.

To achieve this, it is essential to conduct comprehensive research and analysis to uncover the intricacies of how employee experiences and customer experiences intersect and influence one another. By exploring the diverse factors at play, such as employee engagement, customer satisfaction metrics, and organizational culture, a more holistic understanding can be attained.

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⁷ Wided Batat,"Experiential Marketing: Consumer Behavior, Customer Experience and The 7Es", Routledge, 2019.

Furthermore, organizations should prioritize open and transparent communication channels to facilitate dialogue between employees and customers. Encouraging feedback from both parties allows for a dynamic exchange of perspectives, enabling the identification of potential areas for improvement and the development of tailored solutions. In conclusion, embracing the interconnectedness between employee experiences and customer experiences is not merely a strategic imperative but a way to building enduring relationships, fostering customer loyalty, and driving organizational excellence.

REDESIGN THE WHAT

The "what" in the experiential marketing mix refers to the specific experience or event that is designed to engage the target audience. It involves choosing the type of activity or campaign that will effectively communicate the brand's message and objectives, that could include product launches, brand activations, live demonstrations, pop-up stores, immersive installations, interactive exhibits, general events, concerts and much more.

While the traditional marketing mix primarily revolves around the product or service itself and its associated features, the experiential marketing mix places greater emphasis on the overall experience and emotional impact. Experiential marketing recognizes the importance of creating holistic and memorable experiences that not only meet customer needs, but also enhance their well-being and create lasting impressions.

The "what" factor is crucial in experiential marketing as it determines the core focus and purpose of the campaign. By selecting the right type of experience, businesses can create unique and memorable interactions that capture the attention of consumers and leave a lasting impression.

These experiences help convey the brand's values, products, or services in an engaging and immersive approach, fostering stronger connections with the audience, playing a significant role in achieving increased engagement, brand loyalty, and positive word-of-mouth. Instead of just emphasizing sales and profit generation, the "what" in the experiential marketing mix allows businesses to prioritize the well-being and satisfaction of their target audience. By crafting experiences that resonate with consumers on an emotional level, businesses can foster positive associations with their brand and enhance customer satisfaction: this shift towards well-being outcomes aligns with the notion that experiential marketing seeks to create value for consumers beyond just the transactional aspect.

By prioritizing well-being outcomes and adopting an experiential marketing approach, businesses have the opportunity to drive success in various ways. By creating meaningful and immersive experiences that prioritize customer satisfaction and emotional connections, businesses can cultivate strong relationships with their customers and employees. This, in turn, leads to increased brand loyalty, positive word-of-mouth, and a sustainable competitive advantage in the marketplace. Ultimately, these factors contribute to long-term success and growth for the business, positioning them as a preferred choice among customers and driving ongoing success in the future

REDESIGN THE HOW

The "how" in the experiential marketing mix refers to the strategies and tactics employed to create and deliver immersive experiences to the target audience, involving the implementation and execution of the experiential marketing campaign in a way that effectively engages, captivates, and resonates with the targeted audience. Its aspect encompasses a range of considerations, such as event planning, creative concept development, technological integration, staffing, logistics, and overall execution of the experiential marketing activities.

By employing innovative and creative strategies, leveraging technology, and designing seamless and memorable experiences, businesses can effectively engage customers, foster emotional connections, and leave a lasting impression.

The evolution from product-centric to experience-centric research methods and design thinking approaches has been a significant shift in the field of experiential marketing. Traditionally, product-centric research methods focused primarily on understanding consumer preferences and gathering insights about product features, functionality, and performance. However, as businesses recognize the importance of creating memorable experiences, the emphasis has shifted towards understanding the holistic customer journey and designing experiences that go beyond the product itself.

Design thinking approaches, on the other hand, emphasize a human-centered and incremental problem-solving process: they encourage cross-functional collaboration and empathy-driven ideation to identify and address customer needs.

Design thinking frameworks, such as empathize, define, ideate, prototype, and test, enable businesses to iterate and refine their experiential marketing strategies based on continuous feedback and user insights. The integration of experience-centric research methods and design thinking approaches allows businesses to gain a comprehensive understanding of their customers and design experiences that truly resonate, facilitating a shift from transactional relationships to emotional connections, fostering customer loyalty and advocacy.

These studies, conducted by Batat, underscore the significance of reviewing the concept of design thinking to incorporate experiences that encompass not only economic drivers but also ethical considerations throughout the innovation process. ⁸

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⁸ Wided Batat,"Experiential Marketing: Consumer Behavior, Customer Experience and The 7Es", Routledge,2019.

REDESIGN THE WHERE

The "where" in the experiential marketing mix refers to the physical or virtual setting where the experiential activities take place. Traditionally, experiential marketing was primarily associated with physical locations such as events, pop-up stores, or branded spaces. However, with the advancement of technology and the rise of digital platforms, the concept of the "where" has expanded to include virtual spaces as well.

In the digital realm, experiential marketing can take place through websites, social media platforms, mobile apps, virtual reality (VR) experiences, augmented reality (AR) campaigns, and interactive online content. These digital spaces offer unique opportunities to engage with a wider audience, create personalized experiences, and leverage the power of data and analytics to measure and optimize the impact of the experiential marketing efforts.

On the other hand, the physical setting remains significant in experiential marketing, as it allows for face-to-face interactions, tangible sensory experiences, and the creation of immersive environments. This can include events, exhibitions, retail spaces, branded installations, or any physical location where customers can directly engage with the brand and its offerings.

Moreover, the concept of "phygital" has emerged as a third experiential setting, combining elements of both physical and digital experiences. This integration seeks to create seamless and immersive experiences that bridge the gap between the online and offline worlds. It involves using digital technologies and interactive elements within physical spaces, or creating physical manifestations of digital experiences, to provide a holistic and interconnected brand experience.

The ultimate objective of phygital is to deliver exceptional and captivating customer experiences that ensure a seamless progression in providing consumer value, both intrinsic and extrinsic, across the digital and physical realms.

The choice of the "where" influences accessibility, reach, and impact, allowing businesses to engage their target audience effectively. Digital platforms provide wider reach and personalization opportunities, while physical spaces offer sensory and interactive experiences. The integration of physical and digital elements in the phygital setting creates a seamless customer journey, and the strategic utilization of the "where" enables businesses to differentiate themselves, foster brand loyalty, and deliver unique and memorable customer experiences.

The traditional marketing mix has long served as a valuable toolkit for scholars and businesses, evolving over time to meet changing needs. However, as consumers have transformed, there is a need for companies to shift their focus from product-centric approaches to experience-centric design.

In conclusion, the utilization of the 4W (What, Where, Who, How) in experiential marketing holds significant importance for businesses, because they provide a framework for designing and delivering immersive experiences that go beyond traditional product-centric approaches. By incorporating the 4W into their experiential marketing strategies, businesses can cultivate strong customer relationships, foster brand loyalty, and gain a sustainable competitive advantage in an increasingly experience-driven marketplace.

CHAPTER 2: A COMPREHENSIVE ANALYSIS OF THE KEY ELEMENTS IN THE BRAND EXPERIENCE

2.1) Strategic Experiential Modules (SEM)

Contemporary customers are increasingly mature, individualistic, and demonstrate reduced brand loyalty: in fact, individuals strive to define their self-identity through the act of consumption. The abundant availability of products and extensive communication channels present challenges for enterprises in establishing their unique differentiation, with the consequence of the adoption of experiential marketing, the estabilished emotional bonds with clients through captivating and the impressive experiences. This strategy aims to foster empathy, engagement, and perceived distinctiveness throughout the consumption journey. Enterprises sell not solely products but also emotions and experiences, characterizing this viewpoint as an "experiential" product-service.

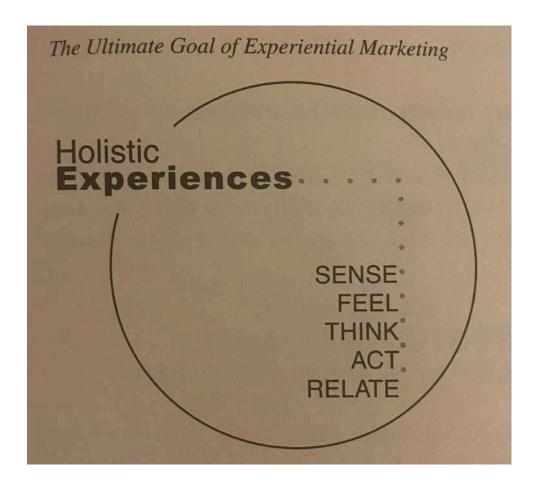
In 1999, a professor of international business in the marketing department at Columbia Business School 9, (Bernd Herbert Schmit), demonstrated a particular interest for the emotional and affectionate facets of experiences, introducing the concept of "Experiential Marketing", representing consumers as individuals led by emotions as well as rationality, actively pursuing pleasure and encounters in their product consumption.¹⁰

B.Schmitt suggests that to attract consumers, businesses can use Strategic Experiential Modules (SEMs): they are essential building blocks for Experiential Marketing, empowering managers to craft and provide different customer experiences. Drawing from cognitive science and the philosophy of mind, the term "module" pertains to discrete functional aspects of the mind and behavior, each with its distinct structures and processes.

⁹ Bernd H. Schmitt, Wikipedia,

¹⁰ Bernd H. Schmitt, "Experiential Marketing: how to get customers to sense, feel, think, act and relate to your company and brands", The Free Press, New York, 1999.

Every SEM embodies a specific facet of the customer journey, complete with exclusive goals, internal organization, and leading beliefs. The ultimate aim is to involve customers, leaving them with lasting and impactful impressions of their interactions with the brand through the experiences.



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¹¹ Bernd H. Schmitt, "Experiential Marketing: how to get customers to sense, feel, think, act and relate to your company and brands", The Free Press, New York, 1999.

In experiential marketing, a mixed range of experiential modules can be managed to create captivating customer interactions.

These modules encompass sensory experiences (sense), where brands utilize sight, sound, taste, touch, and smell to immerse customers in a multi-sensory journey. Affective experiences (feel) foster emotional connections, empathizing with customers' desires and aspirations, leaving a lasting emotional impact. Creative cognitive experiences (think) engage customers intellectually, stimulating their curiosity and providing unique perspectives that challenge conventional thinking. Physical experiences, behaviors, and lifestyles (act) encourage active participation, organizing interactive events or personalized interactions to shape positive habits and align customers with the brand's values. Furthermore, social-identity experiences (relate) recognize the power of reference groups and cultural affiliations, enabling brands to resonate with specific communities and cultivate a sense of belonging. By strategically managing these experiential modules, marketers can craft an all-encompassing brand journey, creating enduring impressions and forging loyal connections with their valued customers.

SENSE

The sense module, also known as sense marketing, centers around the art of appealing to customers' senses, with the primary goal of crafting immersive sensory experiences through sight, sound, touch, taste, and smell. By tapping into the sensory realm, sense marketing aims to set companies and products apart from the competition, motivate customers, and enhance the overall value proposition of their offerings. This approach leverages aesthetics and excitement to leave a lasting impression on customers, making their interactions with the brand more memorable and captivating.

At the core of the sense module lies the principle of "cognitive consistency/sensory variety": this principle underscores the need for a cohesive and recognizable underlying concept within the marketing experience, allowing customers to quickly associate it with the brand.

However, to ensure continued engagement and novelty, the sense approach also embraces a constant infusion of sensory variety: this means continuously introducing fresh and innovative elements that captivate customers and keep their experiences with the brand ever-evolving.

As B.Schmitt said: "The objective of sense marketing campaigns is to appeal to the five senses and thereby provide aesthetic pleasure or excitement to customers. If managed appropriately, sense marketing creates powerful sensory experiences and that differentiate companies and products, motivate customers, and convey value to them" ¹²

For instance, a perfume brand may employ sense marketing by using visually stunning packaging, a captivating audio-visual campaign, and an experiential in-store setup that allows customers to touch and smell various scents, to live a tangible experience that the customer will remember. By maintaining a consistent brand identity while continuously refreshing the sensory elements, customers are more likely to establish a deep emotional connection with the brand and remain excited about its offerings.

FEEL

Feel marketing is an art that delves into the profound depths of customers' inner feelings and emotions, with the ultimate goal of crafting rich and affective experiences that cover a wide spectrum of emotions.

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¹² Bernd H. Schmitt, "Experiential Marketing: how to get customers to sense, feel, think, act and relate to your company and brands", The Free Press, New York, 1999.

It has the power to evoke soft positive moods for non-involving, non-durable products or services, as well as intense emotions of joy and pride in response to consumer durables, technology, or social marketing campaigns. Through feel marketing, brands can establish deep and meaningful emotional connections with their target audience.

The key to a successful feel marketing strategy lies in understanding the stimuli that trigger specific emotions: marketers must be sensitive to the nuances of human psychology and the factors that elicit emotional responses. Moreover, customers' willingness to engage in perspective-taking and empathy plays a crucial role in the effectiveness of feel campaigns. By appealing to customers' emotions and aligning the brand's values with their emotional needs, feel marketing can foster profound and long-lasting bonds between the brand and its customers.

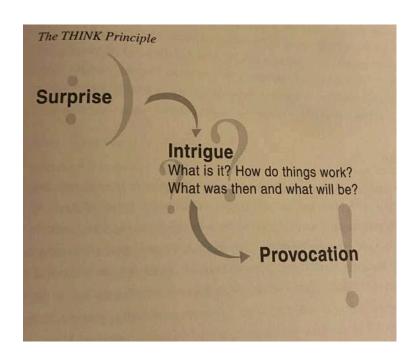
Consider, for instance, a global initiative for a charitable organization: although emotional triggers and empathetic responses may differ among diverse cultures, the core message of hope and compassion remains universally realistic.

A proficient execution of experiential marketing in this scenario requires customizing the campaign's emotional appeal to harmonize with the distinct cultural values and sensitivities of each target audience, ensuring widespread resonance of the message globally.

THINK

Think marketing is a dynamic approach that captivates the intellect, with the primary goal of crafting thought-provoking and cognitive experiences that engage customers' creativity and problem-solving abilities. Through think marketing, brands seek to spark curiosity and intellectual exploration among their target audience, encouraging both convergent and divergent thinking processes.

By presenting innovative and novel ideas, products, or services, think campaigns challenge customers to think beyond the ordinary and explore new perspectives under new points of view. According to Schmitt's analysis, the think-marketing-approach revolves around three fundamental principles: generating a "sense of surprise," promoting an "intrigue," and implementing a "provocation."



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Firstly, it is necessary to create a sense of surprise for consumers, aiming to evoke deep interest in the brand and message through unexpected and innovative elements. In a subsequent phase, the emphasis shifts to the creation of a sense of intrigue, encouraging consumers to think unconventionally by using incisive questions that arouse their curiosity. The goal is to encourage thinking beyond predefined patterns, promoting deeper and more lasting mental engagement.

¹³ Bernd H. Schmitt, "Experiential Marketing: how to get customers to sense, feel, think, act and relate to your company and brands", The Free Press, New York, 1999.

Finally, the third step involves provocation, meaning the creation of controversies and generating contrasting emotions in consumers. The intention is to evoke an emotional reaction that goes beyond mere attention, pushing the audience to actively engage with the conveyed message. Thus, through generating debates and stimulating strong emotional reactions, Schmitt's marketing approach aims to solidify the brand's positioning in the minds of consumers and catalyze active participation in response to the promotional proposition.

Think marketing campaigns go beyond traditional advertising methods, creating an immersive experience where customers actively engage with the brand, envisioning how the product or service fits into their lives and satisfies their needs. This intellectual connection fosters a stronger brand-customer relationship and instills a sense of empowerment among consumers, knowing they are making informed and innovative choices.

This approach is particularly common and effective for launching new technology products: it strategically introduces cutting-edge technologies, leveraging the power of novelty and intellectual appeal to attract tech-savvy customers who are eager to explore the latest innovations. For instance, a marketing campaign for a new smartphone might showcase its advanced features and functionalities through intriguing and interactive advertisements and an in-store event that promotes the launch of the new product. By posing reflection-provoking questions and encouraging consumers to imagine how the technology could improve their daily lives, the campaign-event sparks curiosity and pushes them to explore the product further.

ACT

Act marketing is a powerful approach that goes beyond the conventional boundaries of traditional marketing, focusing on enriching customers' lives by targeting their physical experiences and introducing them to alternative ways of doing things, particularly evident in the business-to-business and industrial markets. However, act marketing also extends its reach to encompass alternative lifestyles and interactions, making it a versatile and all-encompassing strategy.

In contrast to the limited scope of rational approaches to behavior change, such as theories of reasoned actions, act marketing embraces a lot of behavioral change options. Rather than trusting solely on logical arguments, act marketing taps into the motivational, inspirational, and emotional aspects of human behavior, recognizing that changes in lifestyles and behaviors are often driven by deeper emotional connections, influenced by the power of role models and aspirational figures.

Act marketing thrives on the principles of experiential marketing, where customers become active participants rather than passive observers. Brands leverage interactive events, immersive experiences, and personalized interactions to encourage customers to embrace alternative lifestyles and behaviors, feeling the brand as protagonists.

For instance, a fitness brand might organize community workout sessions or wellness retreats with clients, creating an environment where the people can actively experience the benefits of a healthy lifestyle, engaging with other people and with the brand, feeling it. Through meaningful connections and empowering interactions, the campaign creates a lasting impact on consumers, elevating the brand as an authentic advocate for wellness and fitness.

RELATE

Relate marketing transcends the confines of individual emotions, forging connections that extend beyond personal feelings to engage with external realities. These dynamic brand experiences resonate with the individual's aspirations for self-improvement, inviting them to envision their future "ideal self" and aspire to achieve that higher state.

Appealing to the innate human desire for positive validation, related campaigns seek to be perceived favorably by others, whether it be co-workers, romantic partners, family members, or colleagues. By fostering a sense of acceptance and recognition, these campaigns encourage individuals to cultivate harmonious relationships and strengthen their social bonds.

However, related marketing takes it a step further by aligning the individual with broader social systems and cultural identities: it emphasizes a sense of belonging to a distinct subculture, community, or even the collective identity of a country, inspiring a shared sense of pride and unity.

As B.Schmitt reported on his book: "Relate experience range from relatively straightforward reference-group identification, in which consumers feel connections with other users, to the highly complex formation of brand communities, in which consumers actually view a brand as the center of social organization ad take on a marketing role themselves" ¹⁴

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¹⁴ Bernd H. Schmitt, "Experiential Marketing: how to get customers to sense, feel, think, act and relate to your company and brands", The Free Press, New York, 1999.

In the pursuit of crafting captivating customer experiences, successful corporations often mix and integrate the diverse qualities of sense, feel, think, act and relate modules: each of these five SEMs has unique structures and guiding principles, but experiential appeals frequently merge and intersect. Experiential hybrids hold significant power for brands, combining two or more SEMs to widen the scope of appeal: by engaging customers' senses, emotions, intellect, actions, and social connections simultaneously, brands create holistic experiences that leave a lasting impact on their audience.

The ultimate goal for marketers is to strategically coordinate the integrated experiences, where the essence of sense, feel, think, act and relate seamlessly converge. This art of mixing results in profound brand experiences, supporting loyalty and making a significant impression on the target audience.

For example, we can imagine an innovative retail store that skillfully incorporates both sense and act marketing elements, where customers are immersed in aesthetically pleasing displays and ambient music, appealing to their sensory experiences. Interactive touchscreens and immersive product demonstrations then engage their intellect, encouraging a problem-solving approach to shopping. Beyond just transactions, the store fosters a sense of community and belonging by hosting events for customers to interact with like-minded individuals, reinforcing the related aspect of the brand experience. Throughout their visit, customers form emotional connections to the brand, creating a memorable and inclusive experience that offers diverse preferences and desires.

In conclusion, the art of experiential marketing joins the seamless integration of sense, feel, think, act and relate elements: this strategic fusion allows brands to craft experiences that not only captivate the senses but also mix emotions, provoke thought, drive action, and establish meaningful connections. As a result, they gain a significant edge in the highly competitive marketplace and cultivating enduring brand loyalty among their audience.

2.2) Customer Experience Management

The foundation of customer experience management (CEM) is frequently associated with the concept of experience economy. As per Schmitt's perspective, the term "customer experience management" signifies a meticulously structured approach employed to holistically oversee a customer's intricate web of interactions, transactions, and immersive encounters with a company, brand, product, or service across a diverse range of communication channels.

This overarching strategy aligns coherently with the concept of a carefully curated program, replicating the notions introduced by Cantone and Risitano¹⁵, which evolves through a meticulously controlled sequence of five core steps. These steps invite customers to engage on various profound levels: rational, emotional, sensory, physical, and even spiritual, all synergistically coordinated to craft a holistic and unforgettable journey.

In a landscape marked by ever-increasing complexity, executives and marketing leaders across an aggregation of industries and organizational sizes, are embracing the power of customer experience management. This enfold is rooted in its profound influence in achieving multifaceted objectives that extend far beyond mere transactional outcomes. The strategic implementation of CEM is a pillar for propelling growth, amplifying revenues, and catalyzing organizational metamorphosis: this systematic process emerges across every touchpoint of the customer journey, concurrently serving as a dynamic toolkit. This holistic approach optimizes the establishment of genuine connections with the target audience, enriching their experiences at each pivotal interaction.

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¹⁵ Luigi Cantone, Marcello Risitano, "Building consumer-brand relationships for the customer experience management", 10th International Marketing Trend Conference, Paris, 2011.

As we navigate the intricate landscape of today's global economy, where the power of technology and timeless business models converge, it becomes important to appreciate the intricate facets that collectively grow customer experiences. These facets range the spectrum from the intangible realm of emotional resonance to the touchable world of sensory engagement.

Their fusion contributes profoundly to the encompassing perception and reliable loyalty exhibited by customers. Consequently, a growing group of enterprises is progressively acknowledging the indispensable role of customer experience management (CEM) as a pivotal strategic tool, leveraging it to not only enhance customer interactions, but also to forge timeless relationships.

B.Schmitt's comprehensive perspective on the CEM serves to underscore its pivotal importance as a systematic framework for expertly managing customer interactions, transactions, and exposures across a multitude of communication channels.

This narrative perfectly integrates with Cantone and Risitano's ¹⁶ illustration of CEM as a precise program encompassing a well-organized sequence of distinct steps, inviting customers to engage on a spectrum covering rational, emotional, sensory, physical, and even spiritual dimensions. This meticulously managed approach empowers organizations not only to meet their customers' evident needs but also to address their desires, culminating in the creation of profoundly transformative experiences.

Among a lot of industries, the adoption of CEM framework is facing a speedy growth: this speed is apparent across startups and established corporations, signaling a growing realization that customer experiences are at the core of success. This realization is rooted in the understanding that CEM goes beyond simple transactional interactions, enveloping the entire arc of the customer journey, from the inception of awareness to the culmination of post-purchase interactions.

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¹⁶ Luigi Cantone, Marcello Risitano, "Building consumer-brand relationships for the customer experience management", 10th International Marketing Trend Conference, Paris, 2011.

Through the cultivation of enriching experiences at every pivotal point, businesses can not only retain their existing customer base but also draw new users through organic approvals and suggestions.

In an era fueled by technological advances, businesses must enthusiastically acknowledge that customer experiences handle unparalleled potential to differentiate them within competitive landscapes. The convergence of online and offline interactions mandates that a seamless and memorable journey is no longer a discretionary feature but rather an imperative. Finally, as enterprises increasingly channel their energies toward delivering exceptional customer journeys, the methodologies and strategies intrinsic to CEM continue to shape the narrative of how businesses interact with their audiences, forging indelible impressions that reflect over time.

THE CEM FRAMEWORK

This structure has been shaped to assist organizations in proficiently overseeing and elevating the customer experience, including elements like: the Customer, the Environment, the Brand, the Platform, Interface.

The Customer

Exploring into an evaluation of customers established in socio-economic markers and their estimation of value encompasses a deep understanding of their demographic profiles, tendencies, behaviors, and necessities. This aims to uncover what genuinely carries significance for customers and surface the way for tailoring experiences that mean a lot for them, in connection with their feelings and their behavior.

The Environment

The undertaking of crafting an investigative platform implies the establishment of an arena where customers can continuously connect with the essence of the brand. This imaginative journey encompasses the skillful creation of a framework that outlines the deep core of the experience the brand pursues to offer, strategically incorporating within the larger story. The ultimate objective revolves around the definition of the inherent value that the brand wants to provide, while carefully plotting the trajectory for the realization of this overarching vision.

The Brand

The intricate process of supporting and shaping brand experiences is a true art form, requiring a touch to create interactions and engagements that effortlessly align with the brand's identity and core values. This journey involves the meticulous curation of consistent communication, captivating visual elements, and authentic emotional connections.

These carefully linked lines come together to reinforce the brand's essence and also to infuse it with a sense of vitality and resonance that leaves a lasting impact on its audience.

The Platform

Shaping a precisely organized customer interface goes beyond design, laying the foundation for exceptional experiences: it involves precise operational executions, from designing physical store layouts and events to refining e-commerce mechanisms. The aim is to manage interactions that surpass expectations, leaving lasting satisfaction to customers and make the brand image and brand reputation stronger step by step. This structured interface connects the brand's vision with customer reality, whether in the tangible or digital world, bridging the gap between what the brand represents and what customers experience, be it in physical products or digital interactions, or both together.

Interface

This core element places a strong emphasis on the perpetual cycle of innovation and refinement when it comes to customer interactions covering a variety of touchpoints. It encompasses the strategic optimization of engagements between customers and the brand, while also encompassing the intricate dynamics at play between technology-driven interactions and the invaluable human-to-human connections. The overarching objective remains persistent: to ensure the delivery of attractive and entertaining outcomes at every single point where these interactions intersect.

In essence, the CEM framework highlights the depth of understanding customers, creating a holistic environment, aligning experiences with the brand essence, establishing effective operational structures, and continuously optimizing interactions. This approach aims to elevate customer experiences, fostering a symbiotic relationship that benefits both customers and the brand, in every single phase.

FOUR PRINCIPAL PHASES

B. Schmitt, in his comprehensive analysis, identifies the four principal phases that define the essence of customer experience management.

The initial phase of customer experience management starts with a deep analysis of the customer's experiential world, which means a profound understanding of the insights of their world. According to B. Schmitt, there is a distinction between b2b and b2c: in business-to-consumer (B2C) markets it is fundamental to examine the socio-cultural context of customer (including factors such as their values, beliefs, traditions, and social norms), studying their lifestyle (daily routines, behaviors, and choices), knowing what customers desire or aspire and understanding the knowledge level of them.

On the other hand, in the business-to-business (B2B) context, it is very important to deeply analyze the diverse industrial contexts and meticulously evaluate a wide range of innovative solutions that have the potential to significantly elevate and enrich the customer experience.

With this first phase of CEM, B. Schmitt emphasizes the importance that companies should place on the customer's perspective when developing strategies, adopting a customer-centric approach. It is only by starting from the point of view and the feedback of customers that it is possible to realize a satisfying brand experience and create a strong long-term relationship with them. In this regard, Schmitt indeed asserts that: "Companies need such suggestions to develop the experiential platform and implement it successfully. These, in fact, enable the company to position the product in a way that features, appeals, communication, and a relationship appropriate to the customer." ¹⁷

Furthermore, to obtain an explicit understanding of the customer's experiential area and the relationship between them, B. Schmitt designed a framework with four phases to comply: identify the target audience, segment the customer's experiential sphere, monitor customer experience across touchpoints and assess the competitive landscape.

Identifying the target audience in experiential marketing means determining the specific group of individuals or consumers who are most likely to engage with and benefit from the experiential marketing campaign. Experiential marketing is a marketing strategy that focuses on creating memorable and immersive brand experiences for customers: so when you identify the target audience, you are essentially defining the demographic, psychographic, and behavioral characteristics of the people who are the best fit for your brand's experiential activities.

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¹⁷ Mauro Ferraresi, Bernd Schmitt, "Marketing esperienziale. Come sviluppare l'esperienza di consumo", Franco Angeli, Milano, 2018.

This phase involves understanding factors such as age, gender, interests, lifestyle, values, and buying behaviors of the potential consumers who are most likely to be receptive to and engage with the brand, helping marketers to tailor the experience and, consequently, increase the effectiveness of the impact of their activations.

At the next stage, B. Schmitt suggested segmenting the customer's experiential sphere into four ranks, advancing from a broad perspective to a more detailed one, ultimately culminating in the brand experience. This entails the use of the SCCV (Socio-Cultural Consumption Vector), offering a more comprehensive analytical perspective than specific product attributes and encompassing the examination of the context related to the product's consumption within the wider social, ethical and cultural environment

Schmitt's four ranks include:

- -The experience represented within the customer's socio-cultural framework for B2C; markets and within the industrial context for B2B;
- -The experience among the brand's utilization or consumption habitat;
- -The experience among the product category;
- -The experience created by the brand under its own power.

With this four stage procedure, B. Schmitt enables the marketers to correlate various levels of connection, creating a brand immersion that leads customers to appreciate the real values of the brand.

The third phase of the framework regards the monitoring of customer experience across touchpoints, with the elevation of the customer's journey across their behavior and their decisions. This process begins with the first recognition of a customer's need and extends continuously through the stages of product acquisition and utilization, carefully evaluating the quality of the experience at every touchpoint along their journey. This comprehensive and customer-centric approach ensures that the brand remains aligned to their evolving needs and aspirations, ultimately leading to a more profound and enduring customer relationship.

The last phase of the framework aims to assess the competitive landscape of the market, gaining insights regarding how the competitor might influence the customer's overall experiences. It's a very important evaluation for a brand because usually customers evaluate the products and the services offered considering the overall experience offered by different brands and the relative emotions that they feel.

In fact, to stay competitive in the market, businesses should perform an in-depth "experience benchmark", analyzing in detail all the types of experiences provided by the competitors, by potential entrants in the market, and external stakeholders that operate in the industry. These four stages of the framework collectively form a systematic designed methodology aimed at thoroughly understanding and improving the customer experience in a holistic and comprehensive technique.

The following phases of the customer experience management are involved in the creation of the experiential platform, with the incorporation of an ever-evolving, immersive, and multifaceted scenario which goes beyond a static representation, embracing the dynamic and changing nature of customer preferences and experiences.

According to B. Schmitt, the adoption of the customer experience management framework and the related customer-centric concept of experiential platform, can effectively determine the strategic positioning of a company, of a product or a brand. This innovative experiential platform, in contrast to conventional positioning strategies, surpasses in articulating both within the organization and to the external world, a comprehensive understanding of what the company and its brand truly stand for.

B. Schmitt explains the differences between the classic managerial concept of positioning and the experiential platform as follows: "It is essential to always remember that the experiential platform is distinct from traditional positioning, which is often buried within a dense strategic advisory report and never comes to the forefront. In contrast, the platform provides tangible guidance for implementation and everything that is presented to the customer." ¹⁸

The author describes the experiential platform as a strategic tool with three key strategic components: the Experiential Positioning, the Experiential Value Promise (EVP) and the Implementation Theme.

The Experiential Positioning delineates the brand's identity, giving a classical marketing positioning, yet elevated with a multidimensional strategy intimately linked with the customer base. Its primary objective is to craft pragmatics and captivating narratives that design the brand's experiential essence, with the capacity to remain dynamic and adaptable, especially when substantial shifts develop in the customer's experiential journey. It has the potential to be seamlessly related into and integrated within all facets of the organization's multifaceted interactions with its diverse stakeholders, ensuring a consistent and immersive brand experience.

The Experiential Value Promise (EVP) departs from the conventional functional value proposition, transforming into a comprehensive illustration of the benefits customers derive from their interactions with a company, reframed in experiential terms. It designs a vivid picture of what customers can anticipate experientially when they engage with a brand and its associated organization, ensuring a more holistic and engaging representation of the value offered.

¹⁸ Mauro Ferraresi, Bernd Schmitt," *Marketing esperienziale. Come sviluppare l'esperienza di consumo*", Franco Angeli, Milano, 2018.

"An experience value proposition revolves around creating memorable and enjoyable interactions with your brand. It highlights aspects such as personalized recommendations, exceptional customer service, and delighting customers at every touchpoint." ¹⁹

Finally, the Implementation Theme outlines the design, the style and the core meaning of the communication deployed by a company, as well as it carries out the brand experience, facilitating the relationship between companies and their customers. It provides a comprehensive layout, detailing not only the style but also the content of these messages, ensuring a cohesive and resonant engagement with the target audience.

Together, these three integral components collaboratively constitute the foundation of the experiential platform, a fundamental framework that plays a pivotal role in the meticulous development and effective communication of a brand's experiential identity to its valued customers.

Customer experience management initiatives usually don't produce a singular type of experiences, but many of them embrace a hybrid strategy designing various and captivating experiences, in order to make a difference between them.

In fact, the goal is to combine heterogeneous aspects delivering to visitors a spectrum of experiences that not only surpass the expectations, but also foster enduring connection with the company and its brands.

This multiplicity in the range of experiences proves to be indispensable when satisfying an even more diverse customer base and maintaining a leading border in the competitive marketplace landscape. In fact, B.Schmitt sustains: "The management should strive to create holistic experiences that simultaneously possess the qualities of Sense, Feel, Think, Act, and Relate." ²⁰

²⁰ -Mauro Ferraresi, Bernd Schmitt," *Marketing esperienziale. Come sviluppare l'esperienza di consumo*", Franco Angeli, Milano, 2018.

¹⁹ Eric Renaud, "Value Proposition: What is it? How to create it?", La Growth Machine, 2023.

The third phase of customer experience management involves the creation and the design of the brand experience, encompassing all the components in interaction with the customers: the product, the brand, the package, the logo, and the publicity / communication.

Concerning this, B. Schmitt describes these components as consistent because they are usually manufactured within a company's marketing departments/factories, or they are contracted out to third parties like communication and advertising studios, ultimately providing the customer in their pre-established format.

The author recognizes the fact that the brand experience, in its essence, isn't essentially fluid or individually tailored because it doesn't link instantaneous interactions with people: nevertheless, there are some circumstances like a visit to a retail shop where people can participate with the fixed facts of the brand, such as structural and interior layout, and the responsive facets of the relationship.

The experiential stage encapsulates crucial insights into the type of experience customers seek and is designed to set the brand apart and provide incremental value. According to B. Schmitt's perspective, the brand experience consists of three fundamental components: the product presence, the sensory and emotional allure and the experiential communication.

The product's presence remains a cornerstone in the customer experience, encompassing not only the functional and utilitarian aspects, which have historically played a pivotal role in traditional marketing, but also a spectrum of experiential elements such as aesthetics, design, color schemes, shapes, and more. These elements collectively contribute to the rich diversity of the overall customer journey, elevating it beyond mere functionality to a holistic and sensory discovery.

The sensory and emotional charm is a concept intricately mixed with the brand identity, encompassing the complete assortment of sensory and emotional facets that envelop a product, and constituting an integral facet of the brand experience. When customers make a purchase, they are not merely acquiring a product, but they are investing in a name, a logo, brand insignias, and an entire purchase experience meticulously crafted to captivate the consumer.

Consequently, the sensory and emotional charm encompasses elements such as visual identity, packaging, store ambiance, product presentation, and website graphic design. Once a company has solidified its experiential positioning, it becomes imperative to convey it to customers in a way that deeply engages their senses and evokes their emotions.

The third fundamental component is the experiential communication: B. Schmitt contends that the effective communication must encompass the experiential facets, presenting the Experiential Sales Model (ESM), a framework for experiential sales. The ESM framework introduces a fresh perspective on communication and advertising, with the aim of shaping the brand encounter and it's founded on the experiential platform with its three elements:

- -The experiential positioning, that establishes the message's atmosphere;
- -The experiential value proposition, that outlines what the message aims to market, defining the transaction's subject;
- -The implementation concept, that elucidates the role of advertising and other experience facilitators;

The final phase of the customer experience management is centered on the creation of a link with the customer, a pivotal element in adopting the experiential platform. This connection involves a fluid interaction of knowledge and solutions between the two actors, taking place through various channels: face to face interaction, online exchange or other hybrid modalities. To craft this relationship, companies necessitates thoughtful deliberation following the principles of implementation of the experiential framework, and the related structure.

In Schmitt's analysis, there are three varieties of correlations: in-person interactions, involving direct contact between sales or service representatives and customers and remote interactions conducted via the internet that are customized for people; lastly, digital interactions, encompassing transactions on e-commerce bases.

To effectively craft the customer relationship and harmonize different points, marketers should take into account three critical components: the capacity to merge core attributes with adaptability, design and content.

2.3) Pine And Gilmore's Model

In 1999, Joseph Pine and James Gilmore offered this idea to readers as a new way to think about connecting with customers and securing their loyalty. ²¹ According to Pine and Gilmore, the 21st century observes a shift from the service economy to the emergence of a new economy: the experience economy, where experiences are regarded as higher-value products capable of delivering maximum customer satisfaction and thereby enhancing a company's profitability.

"Experiences represent the fourth economic form, distinct from services as services are from products, and products are from commodities, yet they have largely remained unrecognized as such. When a person purchases a service, they are acquiring a set of intangible activities on the periphery. However, when they buy an experience, they are paying to invest their time in enjoying a sequence of memorable events organized by the company – similar to a theatrical performance – to engage them directly." ²²

The concept of the experience economy is employed as a comprehensive notion that covers a range of sectors with the aim of crafting experiences.

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²¹ B. Joseph Pine, James H. Gilmore, "*The experience economy, updated edition*", Harvard Business Review Press, 2011.

²² M. Mehmetoglu, M. Engen, "*Pine and Gilmore's Concept of Experience Economy and Its Dimensions: An Empirical Examination in Tourism*", Journal of Quality Assurance in Hospitality & Tourism, 2011.

In fact, Pine and Gilmore perceive the experience economy as the ultimate stage in an economic advancement that has transitioned through the phases of commodities, products, and services economies, with a notable focus on creating and managing experiences.

Within this fresh context, the enterprise generates value for its customers by presenting experiences, as opposed to merely offering goods and services: similar to goods and services, experiences stand as a distinct new category of "product" sought after by consumers. This transition signifies a paradigm shift wherein companies recognize the potent attraction of crafting and delivering meaningful encounters that resonate deeply with their client, thus leading in a new era of customer-centric business strategies.

The economic propositions encompass basic items, consumer goods, and services, each distinct in significant manners:

- Commodities constitute fundamental natural elements, non-differentiable, exchanged in self-governing markets.
- Goods are items derived from raw materials, retailed from business to other business or final customers.
- Services represent intangible activities, tailored for targeted customers, and they employ commodities for operations.
- Experiences intentionally involve services or commodities to engage consumers emotionally, physically, or intellectually. Experiences are personal, one-of-a-kind for each individual, and the enterprises that capture this value not only secure a place in consumers' affections but also economically benefit.

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

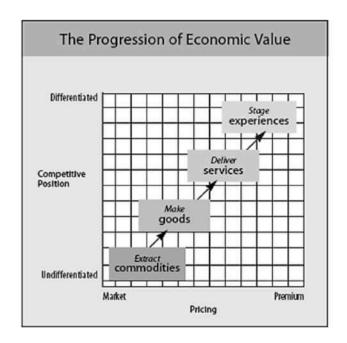
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THE PROGRESSION OF ECONOMIC VALUE

The progression of economic value highlights how each successive proposition (from commodity to good, from good to service, and from service to experience) significantly increases in value, as each step becomes more relevant to the buyer. According to the economic value progression model, the market inevitably becomes saturated with a broader and more cost-effective offer (massification). However, simultaneously, a new demand of a "higher" nature emerges.

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²³ Pine B.J., Gilmore J.H., "Welcome to the experience economy", Harvard Business Review, 1998.



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The service economy is becoming oversaturated, as evident from the increasing number of services offered, price battles between companies and industries, the trend of businesses using intermediaries for customer interactions, and the automation of various tasks.

In this inactive market, companies need to set themselves apart by combining experiences with their existing products and services: creating varied experiences facilitates differentiation and enables pricing based on unique value, rather than competitive market rates.

The progression of economic value illustrates that superior offerings, perceived more valuable by consumers, captivate companies, allowing for higher pricing and distinctive competitiveness. However, these offerings necessitate dedicated resources and skills for maintaining long-term competitive edge.

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²⁴ Pine B.J., Gilmore J.H., "Welcome to the experience economy", Harvard Business Review, 1998.

THE FOUR PRIMARY DIMENSIONS OF EXPERIENCE

An experience constitutes an independent and unique proposition compared to raw materials, goods, and services, as it is memorable and engages the individual on a personal level: Pine and Gilmore's theory is anchored in customer engagement, stating that creating an experience doesn't merely involve entertainment but active participation.

In fact, Pine and Gilmore affirm that "while commodities are fungible, goods tangible, and services intangible, experiences are memorable": they concretely define the idea of the experience economy by articulating four primary dimensions of experience: learning, immersive diversion, aesthetics, and amusement. ²⁵

The model introduced by Pine and Gilmore effectively illustrates the transformative influence of curating experiences as a fresh avenue for generating value. Through this perspective, they draw a clear distinction between mere services and experiences, highlighting the pivotal role of skillfully staging an encounter tailored to the desires of customers.



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²⁵ Pine B.J., Gilmore J.H., "Welcome to the experience economy", Harvard Business Review, 1998.

²⁶ Pine B.J., Gilmore J.H., "Welcome to the experience economy", Harvard Business Review, 1998.

Within this strategic pursuit, the capacity to differentiate one's offering from competitors is clarified: essentially, the core of significance isn't exclusively anchored in the product or service itself.

Pine and Gilmore propose a framework based on four primary facets of experiences, delineated across two axes: the customer's level of participation and the customer's connection with the environment or surroundings.

The customer's engagement ranges between dynamic and receptive involvement: active engagement closely aligns with the concept of the customer as a "prosumer", implying an individual who both consumes and contributes to the service: in such instances, the creation of experiences depend on the customer's dynamic participation. On the other hand, passive engagement involves customers who do not utilize influence over the performance and are more mentally present.

The secondary dimension of the experience relates to the degree of the customer's connection with the environment or surroundings: on one end of the spectrum of connection, we find absorption, while on the opposing end, there is immersion, as proposed by Pine & Gilmore.

Absorption implies that the customer maintains a certain level of indifference from the stage or the experience (e.g. observing a movie), whereas immersion signifies that the customer becomes fully engaged within the experience, effectively becoming part of it. This distinction underscores the contrast between passive and active involvement: these two categories are not entirely distinct from one another but rather differ in degrees.

Experiences can be categorized into four expansive groupings based on their position along the spectrums of the two dimensions: entrateinment, education, esthetic, escapism.

The types of experiences that typically come to mind as forms of entertainment, for example attending a concert, often fall into the category where customers engage more in a passive manner rather than actively participating. In these scenarios, the level of connection with the event tends to lean more toward absorption rather than complete immersion.

This means that while customers may derive enjoyment and engage mentally, the level of personal involvement might not be as profound, because they're observers rather than deeply engaged participants. This distinction aligns with a more reflective and observational approach, where individuals find themselves drawn into the experience to changing degrees.

Educational occurrences essentially demand a more active role from participants. However, even in such instances, individuals, whether students or customers, often maintain a certain degree of detachment from the core experience, positioning themselves more as observant participants rather than becoming fully immersed in the unfolding action: this intricate balance between active engagement and a degree of detachment characterizes the educational domain.

It's exemplified by scenarios such as ski schools and diving programs, where education materializes as an unfolding encounter that absorbs participants as it progresses, while they learn and they live the experiences with a certain level of "separation".

The aesthetic aspect encompasses a form of participation that inclines towards passivity, but with an intensified level of engagement and immersion when it comes to what is visually perceived or experienced by customers.

In the aesthetic realm, participants go beyond mere observation: they delve into the details that the experience offers. This dimension suggests not only passively absorbing the external beauty but to become deeply enveloped in the shades and sensory richness that the connection provides, revealing the profound capacity of aesthetics to create a profound and introspective engagement.

For example, considering an art exhibition where the audience engages passively, yet with a heightened depth of involvement and immersion in what is seen or experienced. In this dimension, the connection with art extends beyond the visual, evoking emotional and intellectual link to the artwork and the artist behind it.

Escapism, the ultimate dimension, encompasses experiences where participants actively participate while deeply engaging with the events. However, their distinguishing feature lies in the raised degree of customer immersion they facilitate. In these instances, individuals aren't mere observers but they are completely absorbed and engaged, blurring the lines between learning and active participation.

For example, a live interactive theater performance can represent the dimension of escapism, where the audience not only watches the play unfold but is also encouraged to actively participate in shaping the outcome: this form of engagement offers both the power of learning, as well as entertainment.

We might conclude that the essence of the entertainment encounter revolves around emotions, while the educational one centers on knowledge acquisition. The aesthetic experience relates to a sense of being present, and the escapist encounter focuses on active involvement.

An experience isn't confined solely to one of these dimensions: even with an emphasized aspect, it commonly incorporates facets from all four. Design a captivating and involving experience for customers necessitates avoiding the choice of remaining confined within a solitary sphere. In fact, it's when customers recognize that they're emotionally engaged, acquiring knowledge, and immersing themselves by just being there or actively participating that all their senses integrate, creating a profoundly meaningful and exceptional experience.

Likewise, the "central point" for any significant experience, integrating elements of entertainment, education, escapism, and aesthetic encounter within an otherwise generic space, functions as a memory-forming tool, distinct from the usual inconsequential realm of goods and services.

2.4) A comparative analysis of Schmitt's immersive perspective and Pine & Gilmore's model

In the contemporary marketing landscape, the theory of "experiential marketing," as put forth by B. Schmitt, and the concept of the "experience economy", introduced by Pine and Gilmore, align with a shared objective: not merely to enhance, but to significantly amplify a brand's value. This mutual goal is achieved by fostering a deep, lasting connection between consumers and the experiential elements engaged with the brand.

However, B. Schmitt's theoretical framework takes a distinct trajectory when compared to Pine and Gilmore's "experience economy" model: this divergence becomes more notable as B.Schmitt's perspective accentuates the intricate and immersive nature of consumption experiences. In fact, according to B. Schmitt, the experiences of marketing are not just "transactions", but multifaceted and multidimensional interactions that encompass the emotional, sensory, and psychological dimensions of consumer engagement.

They are looking actively to pursue experiences that trigger their emotions and sense, and meet their expectations to strengthen their self-identity and self-expression: he introduced and highlighted the shift in the marketing strategy approaches, thanks to the creations of immersive brand experiences that help companies to create a deep connection with their customers on a personal and emotional level.

In contrast, Pine and Gilmore view the experiences mainly through the perspective of economic transactions, where the progression of economic value theory pushes to sell "emotions" and brand engagement as merely products, on their own, because of the evolutions of the society. According to this point of view, brands can create value and strengthen their brand identity by creating these experiences as a "product", designing and delivering differentiated types of engagements at different levels. This approach underscores the purpose of standing out the competitors, driving results and KPIs, and satisfying the target audience.

Despite these differences, both B. Schmitt's experiential marketing and Pine and Gilmore's experience economy share a common viewpoint of the transformative power of experiences in shaping consumer behaviors and anticipate it. In today's always-changing landscape, where consumers are overwhelmed with information and external-stimuli, the ability to create meaningful and memorable experiences has emerged as a critical differentiator for brands seeking to stand out and succeed. Moreover, as consumer preferences continue to evolve towards seeking out innovative and authentic experiences, it's fundamental for brands to embrace experiential marketing principles to become even more valuable and stable in the market.

From immersive brand activations and sensory marketing initiatives to personalized customer interactions and experiential retail environments, the possibilities for leveraging experiential marketing strategies are various. These transformations of consumer desires underscore the necessity for innovative product strategies to adapt and develop in this evolving landscape.

By understanding and capitalizing on the emotional, sensory, and psychological dimensions of consumer experiences, brands can create deep connections with their audiences, foster brand loyalty, and drive sustainable growth in an increasingly experiential economy.

As such, the adoption of experiential marketing principles, using the insights from the Schmitt analysis and from Pine & Gilmore analysis, it's essential for brands who want to stay competitive in today's dynamic landscape.

CHAPTER 3: STRATEGIC APPROACHES TO DESIGN THE BRAND EXPERIENCES

3.1) Synergies of brands and design in crafting experiences

At first glance, the term "design" may sound a bit out of context and misunderstood, as in common language there is a tendency to perceive design as the creation of artifacts or interior furnishings. In reality, design should be understood as a creative process that involves considering aesthetic, functional, practical, and ergonomic aspects to create solutions that meet the needs of end-users or clients.

Design can significantly influence the daily experiences of everyone, from the shape of the objects we use to how we interact with technologies and surrounding environments. The distinction between experiential marketing and experience design lies in the former guiding brand strategies, while the second translates these strategies into acts and moments, facilitating a 360-degree sharing of the brand with consumers and creating strong and lasting connections.

Consequently, the importance and intensity of the link between brand and design in the design process become clear while maintaining certain well-defined and diverse characteristics. The various elements must be connected through a systematic and logical method commonly known as *systems thinking*, with the common goal of know-how, know-what, and know-why.

This approach implies the need to understand not only how to achieve a particular design (know-how) but also what is being done (know-what) and why certain choices are made (know-why). Furthermore, this process can also help to ensure that design is strategically aligned with brand objectives and that each element is designed for a specific purpose. This technique proves very useful in the world of brand experiences, addressing diverse yet interconnected issues and situations, developing high-quality multidimensional solutions that generate value for the brand and all the stakeholders.

In experience design, the "systems thinking" approach is guaranteed by an experiential system that interconnects two essential types of components present in all systems: visible elements and invisible elements.

Visible elements include all the components that are physically observable or perceptible by users, such as digital artifacts (for example a website's user interface, a mobile application, or hardware devices). Additionally, media and channels through which users interact with the system, such as social media and websites, are also visible elements.

In contrast, invisible elements consist of a range of intangible components that manifest through behaviors and profoundly influence the user experience. These elements include partnerships, processes, organizational culture, and brand values as they contribute to shaping the user's overall perception, influencing the quality of services and products offered and fostering a better trust relationship with stakeholders.

Understanding and integrating invisible elements with visible elements in the experience design process are essential to ensure a holistic and coherent approach. The synergy between visible and invisible elements enables the creation of an experiential environment that goes beyond the superficial aspects of the user interface, offering an experience that reflects the totality of the interaction between the user and the system.

Among the various methods used by companies to design customer experiences, there are three well-established ways of connecting design perspectives with those of marketing, communication, and business in a hybrid context: the Dynamic Customer Journey, the Experience Touchpoints and the Experience Providers.

3.2) The Dynamic Customer Journey

Until a few years ago, customer itineraries were outlined by agencies, businesses, and consulting firms, following widely adopted psychological models in the fields of advertising and marketing. An example of such models is represented by the acronym AIDA, which synthesizes the four stages (Attention, Interest, Desire, and Action) that characterize the user's path to purchase through steps directed top-down by the company using the 4Ps, the fundamental marketing tools.

Despite the numerous updates implemented in marketing strategies, these models are currently mostly outdated and completely ineffective in providing proper guidance to professionals operating in a context different from the one calibrated by such models. Consequently, there is a need to design innovative tools capable of addressing the current digital paradigm with leadership and dynamism, where users navigate. The main limitation recognized in this type of model is the linearity of the process, in which consumer acquisition is determined by a series of preceding stages; in fact, this conclusion marks the dynamics of the relationship between the consumer and the company.

<< In 2009, McKinsey's research and consulting experience with over 20,000 users across three continents and five sectors led to the proposition of a new consumer decision journey in four phases:

- The consumer considers an initial set of brands based on personal perceptions and exposure to different brand touchpoints.
- As the evaluation progresses, the consumer adds or subtracts brands as they clarify their value objectives.
- A brand is finally selected at the time of purchase.
- Consumer experiences with the purchased item enrich the information that will guide choices in the subsequent customer journey. >> 27

²⁷ David Court, Dave Elzinga, Susan Mulder, Ole Jørgen Vetvik, "*The consumer decision journey*", McKinsey & Company, 2009.

Models like the one presented by McKinsey in "The consumer decision journey" are interesting, updated, and have the great merit of recognizing a more complex, circular path characterized by interactivity and sub-paths, undertaken by the buyer to reach the final act of purchase. Within the marketing model, the possibility that the buyer may reject the company's offer is also considered and introduced, and the benefits of a solid relationship capable of establishing user loyalty are recognized.

However, when the consumer's interest still lies in the transactional aspect, a problem arises: often, companies focus only on those directly involved in the purchasing process, risking the loss of many opportunities in terms of social influence and engagement. In the experience economy, the goal is to design experiences so vivid and valuable that individuals themselves are motivated to move to the next step: the purchase. A more detailed investigation regarding the evolution of the customer journey influenced by the experience paradigm, has given rise to the conception of the *dynamic customer journey*. ²⁸ In the more deconstructed and omni-channel interaction with the company, the impact of the generation connected to a social customer journey is strongly perceived. Being connected implies that the actions of an individual, not only via mobile but also through technologies such as wearable devices, are highly likely to have impactful reactions on the lives of other people.

At each stage of the process, following the purchase and testing, the user shares the experience and opinions with their contacts, such as friends and relatives. These shared experiences become fundamental "information atoms" as they have the strong power to influence and guide the purchasing decisions of all individuals within the user's circle of contacts. Indeed, the more trust circles are formed among users through interactions on major digital communication channels (e.g., online communities, forums, e-commerce, etc.), exchanging opinions, information, and evaluations related to various products and brands.

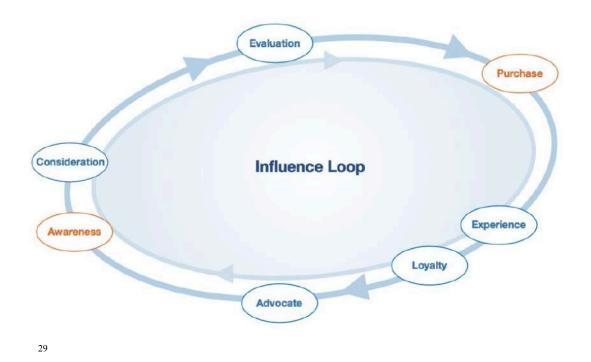
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²⁸ Alberto Maestri, Joseph Sassoon, "Customer experience design. Progettare esperienze di marca memorabili sui media digitali", Franco Angeli, 2017.

As a result, at the center of the dynamic customer journey model there is the influence loop, transforming users' purchasing and consumption experiences into a true information experience. In this experience, digital content such as opinions, reviews, and comments becomes a fundamental part of the evaluation by other individuals, influencing their purchases.

Conversely, in the absence of an information experience (meaning no reviews) or in the case of negative product evaluations, the effect obtained is a significant decrease in customer purchases and the loss of potential new customers: this also poses challenges for the brand in countering strong competition.

Thanks to this in-depth analysis of the dynamic customer journey, the utility and importance of this established method for creating successful brand experiences can be observed, highlighting the centrality of the influence loop in the digital era, where shared opinions are a key element for the brand's success.



²⁹ Alberto Maestri, Joseph Sassoon, "Customer experience design. Progettare esperienze di marca memorabili sui media digitali", Franco Angeli, 2017.

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More specifically, to ensure effective alignment and successful organization of experiences, it becomes essential for brands to adopt a proactive and dynamic approach throughout all phases of the customer journey: this approach facilitates a smooth and secure transition from one phase to another. Through the design of internal experience dynamics, brands must encourage users to share their experiences through any communication channel, creating a strong experiential architecture capable of multiplying and reaching the widest audience.

When shared experiences align with the overall promise of the brand, the architecture of experiences activates a virtuous circle of trust among interconnected users. Positive sharing of each online experience becomes a stimulus of impact, significantly reducing the brand or company's dependence on the need for a constant and active presence on specific channels. This level of trust forms the foundation for solid engagement and highly effective community-building actions, creating a stable environment for the sustainable growth of the connection between the brand and its audience.

Ultimately, from this in-depth study of the customer journey in relation to experience design, two relevant points emerged:

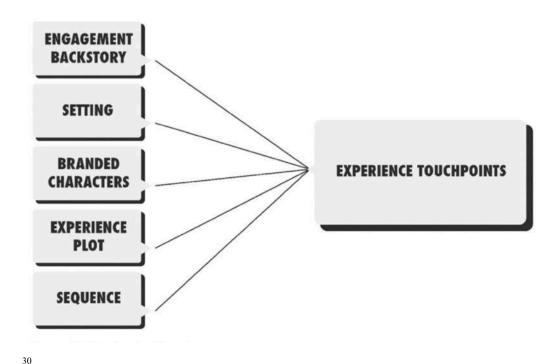
Firstly, the contemporary context characterized by a strong connection between brands and people favors the evolution of every touchpoint into true customer experiences. These experiences, in turn, are characterized by the ability to be shared, lived, and commented on, creating additional experiences in a continuous evolution and expansion, forming a true experiential chain.

Secondly, a strong connection emerges between the evolution of the customer journey and the increasingly intense relevance of the individual. Initial models, such as the AIDA model, completely focus the analysis and attention on the brand, exploring and deeply understanding the brand's role in the attention, interest, desire, and action phases, outlining the importance of each element in the engagement process.

But recently, with the spread of digital media, users are taking on a more guiding and central role in the customer journey, while companies primarily focus on conceiving and building engagement and interaction strategies at each stage of the journey without being the central focal point.

3.3) The Experience Touchpoints

In an increasingly dynamic and competitive context of modern marketing, attention has shifted to the thorough exploration of those touchpoints that constitute the core of experiential marketing strategies. These strategies are capable of creating and solidifying emotional connections, serving as a bridge between the tangible world of products and the intangible world of emotions: this transformation turns every interaction into a strategic opportunity. For this reason, there is a need to develop a model that outlines clearly and structurally the essential touchpoints to focus on and build upon during the conception and design process of the consumer-targeted marketing experience.



³⁰ Kerry Smith, Dan Hanover, "Experiential Marketing: secrets, strategies, and success stories from the World's greatest brand", Wiley, 2016.

This analytical map delves into the five fundamental touchpoints that enable brands to enhance their connection with the audience: engagement backstory, setting, branded characters, experience plot, sequence.

Before embarking on the creation of new experiences, it becomes indispensable to conduct a meticulous and thorough analysis, as well as the complete capture of every touchpoint of past experiences directly lived by consumers. This approach, centered on a detailed understanding of the past, constitutes a fundamental prerequisite for the design and development of future experiences that are not only innovative but also in line with the real needs and expectations of the customer base.

The accurate focus on two fundamental pillars of the backstory engagement, namely successes and failures, plays an extremely relevant role in shaping and reinforcing the overall experience. In particular, past successes represent a valuable resource that not only can but must be leveraged as an inspiring source for the creation of new, strong, and innovative pathways.

The creative impulse should aim to uniquely and diversely reinvent those touchpoints that have contributed to defining successful experiences, without the risk of replicating the already-lived experience. This attention to detail, in turn, enables the brand to offer an engaging and memorable experience that stands out for its originality and innovation.

On the other hand, a meticulous analysis of failures is an equally crucial component: these moments must be examined in depth with the aim of preventing future mistakes and refining strategies. Through an investigation of the key points of failure, underlying causes, and adopted solutions, a solid foundation is built to anticipate and effectively manage potential obstacles. In essence, a meticulous approach to valuing successes and managing failures in the engagement backstory could help to enrich the experiential baggage and forms the vital core of an engaging narrative focused on continuous improvement.

Secondly, another touchpoint to consider in creating value for the brand involves the setting of the experience: the setting of a brand experience refers to the design and organization of elements that constitute the environment in which users or consumers come into contact with a particular brand. This concept is particularly relevant in contexts such as events, physical stores, websites, or other platforms where the interaction between the brand and consumers takes place.

The elements that make up the configuration of the environment of a brand experience may include:

- Visual design, which is how the environment is aesthetically designed, including colors, graphics, and style, to reflect the visual identity of the brand.
- Physical layout, understood as the arrangement of physical spaces, such as the layout of stands at an event or the structure of a store, to maximize impact and the way of use.
- Sensory elements, meaning the use of sounds, scents, and other sensory stimuli to create a multisensory experience that aligns with the brand's personality.
- Interactivity: the inclusion of interactive elements that actively engage users, such as touch screens, digital experiences, or participatory activities.
- Visual Communication and Messaging, such as the use of signage, displays, and other visual elements to communicate key brand messages and guide the user experience.

In conclusion, the proper configuration of the environment of a brand-related experience emerges as a crucial element in generating a significant and lasting impact through visual design, physical layout, sensory elements, interactivity, and visual communication. This targeted approach not only maximizes impact and ease of use but also creates an engaging multisensory experience. Carefully studied configuration thus becomes a strategic lever to positively influence brand perceptions and foster a deep and lasting connection with consumers over time, contributing to solidifying the brand's image and value in the market.

Subsequently, the main touchpoint that serves as a cornerstone for others concerns the branded characters, which are the distinctive set of attributes, values, personality, and visual elements that define and characterize the brand. This identity is crucial for creating an emotional connection with the audience and for standing out from the competition. In the context of brand experiences, the brand's identity is reflected through the interactions and experiences that consumers directly have with the brand. There are some key elements that contribute to the brand's identity in brand experiences, such as:

- Brand values, understood as the set of ideals and beliefs that the brand represents. These values are often communicated through key messages and consistent actions
- Brand personality, that is how the brand presents itself and communicates (it can be friendly, professional, innovative, adventurous, etc.); The brand personality is often embedded in all consumer touchpoints.
- Visual elements like logos, colors, typography, and other visual elements that identify the brand. These elements contribute to visual consistency and brand recognition.
- Brand messaging, referred to how the brand communicates its messages, including slogans, storytelling, and tone of voice: messaging must align with the brand's personality and values.

In brand experiences, it is essential that all these elements are consistent and aligned to create a unified and memorable experience for consumers. In conclusion, the brand's identity in brand experiences is a crucial element for establishing a lasting connection with the audience: through distinctive values, a well-defined personality, recognizable visual elements, and cohesive messaging, the brand can shape meaningful experiences for consumers.

Consistency in all interactions and touchpoints helps solidify the brand's perception, creating an emotional bond beyond the simple act of purchase; investing in the care and construction of a solid brand identity within brand experiences is essential to differentiate oneself in the minds of consumers and cultivate lasting relationships in the competitive market landscape.

Continuing with the analysis, another crucial point for the design of the experience, which constitutes the "frame" of the narrative, is the "Experience Plot" or "Live Flow": this concept takes shape as a clear and well-structured narrative representation of the entire experience that customers go through, interacting with the brand in various circumstances. This fundamental element involves a series of touchpoints and interactions over time, creating a sort of plot or story that outlines people's perception, interaction, and engagement with the brand.

For example, the experience plot can encompass various facets, including online and offline interactions, user engagement on social media, the overall shopping experience, customer support provided by customer care, and brand-organized events to engage consumers. It is evident that creating a good and solid experience plot is crucial for building and establishing a positive and lasting connection between the consumer and the brand, based on the idea that a consistent and engaging experience can positively shape the brand perception in the minds of consumers.

Finally, the last significant consideration in the realm of experience design concerns the previously mentioned sequences identified as the experience plot. After establishing the basic structure of the experience, the next step involves a detailed analysis of the sequences that make up its flow, as well as the various components that regulate their interconnection.

This phase of the design process aims to systematically and thoroughly outline the interactions and relationships that characterize the overall experience, thus contributing to consolidating and enriching the previously established foundation. In this way, the creation of a coherent and engaging environment is promoted, capable of fully meeting user expectations and optimizing the desired impact.

The main objective is to focus on the temporal and relational dynamics that govern the creation of the experience itself: the sequences are analyzed in depth, breaking down each significant moment and every involved element to understand how they integrate to create an engaging experience.

The components that link the sequences are precisely examined, highlighting details that contribute significantly to the overall coherence of the experience. This involves examining transitions, causal connections, and various elements that guide users through the path in which they are involved.

This approach aims to create a comprehensive framework of the intrinsic interactions and relationships between the different stages of the experience. Through meticulous analysis, opportunities for optimization are pursued to enhance the desired emotional impact. Ultimately, this phase constitutes a crucial step toward realizing a coherent, engaging environment capable of effectively responding to the needs and expectations of users.

In conclusion, this method underscores the multifaceted nature of experiential marketing, emphasizing the need for strategic attention to touchpoints such as past experiences, brand identity, narrative structure, and the intricate components that constitute a memorable consumer journey. By embracing these insights, brands could play a central role in a competitive landscape and create strong connections with their audience, With a comprehensive understanding of all the elements to consider during the experience design phase

3.4) The Experience Providers

The third and final model proposed for shaping the brand experience is configured according to Schmitt's perspective, presenting it as a tool for activating the Strategic Experiential Modules (SEM), known as Experience Providers (ExPros).



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This system is outlined as a strategically relevant resource, serving as an accelerator for the sensory and emotional involvement of the consumer during their interaction with the brand or company, with the aim of leaving a lasting impression on consumer experience. ExPros, as we can see from the graphic, are made by communication, visual and verbal identity, product presence, co-branding, exhibition spaces, electronic media, and people.

³¹ Bernd H. Schmitt, "Experiential Marketing: how to get customers to sense, feel, think, act and relate to your company and brands", The Free Press, New York, 1999.

Communication encompasses a broad spectrum of strategies through which brands aim to effectively promote and disseminate their distinctive values, key messages, or fundamental concepts, while also supporting the experiences that the brand offers to its consumers.

This activity involves various modes through which an organization seeks to establish a strong and meaningful connection with its audience, ranging from the design of impactful advertising campaigns to the strategic use of digital and social channels, as well as internal communication within the company.

In the field of marketing, this communication process is organized through the implementation of a strategic plan that integrates various promotional activities, taking into account the characteristics of the target market and the related consumer behaviors. The main objective is to create a coherent synergy between the brand and the audience, conveying clear and authentic messages that align with the interests and values of the client. Ultimately, communication represents a crucial element in building and maintaining a strong and positive brand identity, thanks to its ability to dynamically adapt to market needs and create authentic dialogue with its audience.

The construction of visual and verbal identity represents an essential component in the overall architecture of a brand experience. It precisely involves all distinctive elements, such as names, logos, and brand codes, which act as fundamental reference points within the context of the brand itself. Visual and verbal identity forms the foundation on which the experiential architecture of the brand is based, serving as a catalyst for the creation of meaningful and consistent experiences that engage the target audience. This targeted approach goes beyond aesthetics and becomes a key element in defining the brand's market positioning, creating the perception of the brand in consumers' minds

In line with the development of visual and verbal identity, the presence of the product emerges as a crucial element in defining the brand's positioning in the market.

This presence is manifested through a holistic approach that encompasses the distinctive product design, the innovative packaging adopted and the strategic use of selected testimonials. The product design and packaging, in fact, act as visual stimuli, aiming to capture the consumer's attention and indirectly communicate the brand's values.

In addition to being aesthetically aligned, the design and packaging must be functional, contributing to enhancing the overall consumer experience with the product and the brand, becoming a vehicle for storytelling and visual communication.

In the context of brand experience, this synergy between product design, packaging, and testimonials represents an integrated approach to creating distinctive and impactful experiences, consolidating the brand's positioning in the market and reinforcing consumer loyalty.

Definitely relevant is co-branding, a marketing strategy widely adopted by companies, based on synergy and interaction resulting from the collaboration of two or more brands. In the context of brand experience, this concept connects to event marketing, which unfolds through sponsorships, partnerships, and licensing. Co-branding, within the framework of brand experience, plays a fundamental role in developing an impactful experiential landscape for the audience, through a strategic synergy aimed at creating a deeper connection with consumers, expanding the emotional value associated with the brands involved. To understand the impact of co-branding in experience marketing, it is important to analyze the dynamics related to sponsorships, where two brands actively collaborate to create events and moments, fostering the sharing of values and resources, ensuring the mutual success of proposed initiatives.

Partnerships, other key components of co-branding, go beyond the concept of sponsorship, involving a longer-term bilateral commitment with the goal of creating a collaborative context and ecosystem that contributes invasively to the holistic consumer experience.

Thanks to the integration of each other's resources, know-how, and shared values, brands are able to generate a lasting impact on consumer perceptions of the brand. In summary, co-branding in the realm of brand experience is a sophisticated strategy that extends well beyond mere collaboration between companies, involving the creation of synergistic experiences and aiming to establish strong and lasting connections with the target audience through various forms of sponsorship, strategic partnerships, and carefully curated expansions through licensing.

The exhibition spaces constitute the tangible environment in which consumer-space interactions materialize: this includes architectural structures, workspaces, industrial facilities, commercial locations, and so forth. In these spaces, various consumer experiences unfold and manifest, becoming the backdrops for user interactions with the surrounding environment, with the aim of facilitating and enhancing emotional and sensory connections between consumers and the experience, creating an engaging context.

In conjunction with the exhibition spaces that make up the tangible environment of experience marketing, intangible elements represented by media and websites emerge, shaping the digital environment in which consumer experiences develop and amplify. The synergy between tangible and intangible spaces forms a holistic experiential ecosystem, within which brands express themselves and create connections with users.

The virtual space, therefore, reflects the innovative evolution of brand engagement strategies in the contemporary context, using advanced digital media (like the Artificial Intelligence) and creating a dynamic backdrop for the creation of lasting and ubiquitous experiences through the involvement of digital touchpoints.

Finally, people are a crucial component for the creation of successful brand experiences, as they represent the collective of all stakeholders contributing to the creation and sharing of the experience, playing a key role in shaping and spreading, influencing key aspects.

This phenomenon can be described through the concept of "inter-stakeholder engagement", indicating the complex interaction and mutual involvement among the various stakeholders converging to spread the experience. This term underscores the relational dynamics that emerge among the different involved parties, highlighting how each contributes uniquely to the creation of a meaningful experiential context.

In conclusion, Experience Providers require targeted treatment that revolves around three fundamental principles:

- Coherence, ensuring a synergistic and seamless integration that persists in every aspect and phase of the consumer's experience.
- Consistency over time, committing to maintaining high standards throughout the entire experience, thereby establishing a long-term relationship of trust with all users, based on stability and reliability in interactions.
- Attention to detail, aiming to fully leverage the unique potential of each experience provider to refine the overall experience and brand reputation as much as possible. This strategy, also known as experiential management, is based on a professional approach that seeks to optimize the creation of impactful and consistent experiences, highly tailored to the target audience.

3.5) A comprehensive analysis of the three main methods

In conclusion, after a detailed analysis of the three key methods proposed for creating brand-related experiences, the essential nature of the connection between the brand and the experience itself becomes clear. This connection serves as a fundamental tool for translating marketing and business strategies into tangible acts and moments of significance for consumers.

The systemic thinking approach, ensuring a synergistic connection between visible and invisible elements within the system, has allowed for operation in a holistic and dynamic context.

This context is characterized by multiple factors and cardinal points, as highlighted in the three proposed methods. The Dynamic Customer Journey, the Experience Touchpoints, and Experience Providers are capable of integrating perspectives from design, marketing, management, and communication within an integrated framework. They provide a range of configurable and flexible solutions, while simultaneously generating absolute value for the brand and all stakeholders involved.

It is of fundamental importance to highlight that the simultaneous or sequential use of the three methods can significantly enhance and refine the desired impact. It is suggested to draw inspiration from distinct highlights of each method in order to achieve a more comprehensive outcome. This practice aims to engage consumers more fully, addressing a multitude of tangible and intangible aspects of brand-related experiences, thus ensuring comprehensive coverage over time and in different spaces.

An exemplary and comprehensive approach to crafting a brand experience, integrating the three proposed methods, can be outlined as follows:

The initial step involves analyzing touchpoints within the engagement narrative. This requires a thorough examination of consumers' past interactions with the brand, encompassing both successful and unsuccessful moments, and a deep analysis of the underlying motivations. This preliminary stage is crucial for gaining a thorough understanding of the current state of the brand's engagement with its customers and identifying necessary actions, whether positive or negative, to enhance this engagement. Subsequently, a crucial aspect entails a thorough examination of the dynamic customer journey within the target audience. This involves a meticulous investigation into each step customers take before their ultimate action. It is imperative to identify pivotal moments during this journey where customers transition from one step to another. By understanding these key touchpoints, strategic stimuli can be implemented to effectively influence and guide their progression.

Moreover, it is fundamental to analyze all the influence waves in which they are involved and how they interact with them, providing invaluable insights that serve as the foundation for designing a tailored and impactful customer experience. Upon completing this comprehensive dual analysis, providing a clear overview of the prevailing situation, we can then engage experience providers in an exploration of critical resources: communication, visual and verbal identity, product presence, co-branding, exhibition spaces, electronic media, and people. These resources require careful consideration to forge a cohesive experiential framework that seamlessly intertwines with the brand's values and objectives.

CHAPTER 4: ANALYZING EFFECTIVENESS: METRICS AND STRATEGIES IN PERFORMANCE MEASUREMENT

4.1) The emergence of sophisticated measurement models

During the formulation and conclusion of the marketing strategy, industry professionals face one of the most significant challenges: assessing the actual effectiveness of these strategies. This is particularly challenging in the context of experiential marketing strategies, which often involve higher costs compared to more traditional marketing approaches. The evaluation of performance and the demonstration of real economic effectiveness thus become even more intricate and complex. Such complexity could, in turn, reduce the credibility of the adopted project, highlighting the importance of an analytical and critical approach in assessing the achieved results.

Indeed, an assessment based only on the "cost-per-touch" method would unequivocally highlight the higher cost of experiential marketing strategies compared to the average costs associated with traditional marketing strategies. This disparity is primarily attributable to the elevated cost of fundamental components of experiences, particularly logistics and production costs: this gap is accentuated especially in the case of experiences that extend over a longer period or are characterized by more complex design compared to more standard events, or events that are made in far-away location or particular location (like in the mountain).

At this point, it becomes of primary importance to make a decisive observation: by adopting standard methods to assess the effectiveness of an atypical strategy, there is a risk of completely overlooking the three benefits that experiential marketing provides:

Firstly, experiential marketing allows companies to establish stronger and more lasting connections with their customers, reinforcing loyalty and increasing the likelihood of repeated interactions over time between users and the brand. This practice also encourages the sharing of experiences with friends and family, thereby expanding the user's reach.

Secondly, experiential marketing provides brands the opportunity to gain a deeper understanding of their customers, enabling them to spend quality time together, observing and actively interacting with. In contrast to marketing strategies that engage consumers in a "passive" and superficial way, experiential marketing acts more persuasively and effectively, allowing the company to achieve more solid and enduring benefits.

Finally, experiential marketing provides a direct channel for collecting real-time feedback from users. During experiential interactions, companies can observe and capture information about behaviors, preferences, the customer journey, and consumer reactions to various aspects of the experience and related details. This direct feedback collection represents an excellent opportunity for companies, enabling them to quickly and effectively modify, adapt, and optimize their strategies and the offered experience.

Therefore, it becomes evident how crucial it is to assess the performance of experiential marketing strategies in relation to their ability to generate and improve long-term outcomes for a brand: instead of focusing just on the overall cost of interactions with individuals involved in the strategies, it is essential to adopt a more comprehensive and goal-oriented approach. This way, one can fully appreciate the contribution of experiential strategies in creating sustainable value for the brand and accelerating successes in the realm of long-term marketing. Performance measurement should therefore consider not only immediate engagement indicators but also their lasting impact on brand perception, customer loyalty, and the achievement of long-term strategic objectives.

In recent years, there has been an increasing adoption of innovative and sophisticated measurement models, marking a significant transformation in the progress of technology and marketing tools. This transformation has led to a notable shift from the traditional singular focus on the brand to a broader approach, centered on analyzing the actual economic impact of adopted strategies. This evolution reflects a growing awareness of the need to evaluate performance not only in terms of brand visibility but also in relation to tangible effects on the overall economic situation.

"At Microsoft, for example, marketers are being encouraged by management to move away from looking at pure ROI as a measure of success or failure, and to instead focus on the impact of their efforts on the company's specific business objectives. For a company that produces more than 10,000 events around the world each year, this is a signal that experiential marketing has moved from tactic to strategy." ³²

Through the use of sophisticated professional tools and cutting-edge techniques for data acquisition and processing, companies can analyze in extremely detailed manner a wide range of elements intrinsic to their experiential marketing strategies. This analytical approach goes beyond qualitative and quantitative information about users, such as age, gender, and social status, extending to their behavior during the experience itself.

Reflection on user interactions plays a crucial role in this perspective, involving aspects such as purchases made, participation in events or initiatives and the sharing of experiences across various digital platforms. In this context, the use of professionally collected data becomes fundamental in guiding business decisions, enabling a thorough and comprehensive understanding of the underlying dynamics of experiential marketing strategies.

³² Kerry Smith, Dan Hanover, "Experiential Marketing: secrets, strategies, and success stories from the World's greatest brand", Wiley, 2016.

Firstly, it assumes a primary role of importance that brands direct their attention towards defining all the objectives they intend to pursue through the implementation of an experiential marketing strategy: these objectives must be *specific*, *measurable*, and relevant.

In particular, brands should proceed by clearly and scrupulously identifying the desired objectives through the experiential marketing strategy, thus providing a more defined and easily followed direction.

A paradigmatic example involves expressing a specific goal such as "increasing sales by 10% by the end of the year through the organization of workshops in retail locations," which proves significantly more effective than a generic goal like "increasing sales." The measurability of the strategy constitutes a fundamental trait for evaluating success, as appropriate indicators can quantify the impact of the strategy itself and make any necessary adjustments based on concrete data.

Finally, it is important that the objectives are relevant within the corporate context, maintaining a close alignment with the brand's values and related purposes. This ensures that each objective actively contributes to the growth and success of the brand, ensuring a synergistic integration into the overall organization.

Following a thorough analysis, subsequent to the definition of the objectives based on the three criteria mentioned earlier, companies precisely employ the metrics: these tools not only allow for monitoring the progress of the strategy and established objectives but also enable the targeted processing of collected data, addressing specific needs within the context. It should be emphasized that these metrics go beyond conveying information of both quantitative and qualitative nature; the combination of both perspectives provides a detailed and articulated framework. This informative approach proves crucial for guiding business decisions and shaping experiential marketing strategies more effectively.

It is crucial that the selected metrics represent a balanced mix of quantitative and qualitative measures, ensuring a comprehensive evaluation of marketing performance and allowing for a holistic approach to analysis. The importance of this balance arises from the need to capture not only objective numerical data but also qualitative elements that contribute to outlining a complete picture of overall performance, in harmony with specific goals and the brand's identity. After carefully identifying and examining the data obtained from these measurements, it is feasible to develop significant insights into consumer behavior at a comprehensive level, exploring various facets. These insights are valuable and can be applied in various business contexts, ranging from product development to pricing policy definition and beyond.

4.2) The Customer Satisfaction Score

One of the oldest and most widely used methods for evaluating customer satisfaction is the "Customer Satisfaction Score" (CSAT). This method is direct and effective for businesses to assess how happy their customers are. CSAT focuses on how satisfied customers feel about their overall experience or participation in an event. This is done through simple questions tailored to different types of experiences or contexts. For instance, a question might ask, "How satisfied are you with your recent experience?" or "How is your level of satisfaction with our brand?". It's worth noting that this question, and thus the resulting satisfaction measurement, can be asked at any point during the dynamic customer journey. This is because we can't always predict if customers will follow each step in order or if they'll ultimately achieve their goal. So, by capturing satisfaction at various points, businesses can better understand and improve the overall customer experience, in every moment of the journey.

Assessing the quality of customer experience goes beyond just a simple evaluation: it's about understanding and prioritizing customer satisfaction. When customers are genuinely happy with their interactions, it not only fosters positive perceptions of your company but also strengthens their loyalty. The relationship between overall customer satisfaction and their specific experience with our brand is connected, almost like pieces of a puzzle fitting perfectly together. Recognizing and measuring this connection it's very important for ensuring our brand continues to deal with customers on a profound level.

"Since it's a quick survey, you can ask it across multiple experiences during a customer's journey and get a big-picture view of how your customer feels at various touch points during the process. This makes it easier to find potential bottlenecks and improve the customer experience." ³³

To evaluate customer satisfaction, it's essential to gather accurate data on the total number of consumers who participated in the experience or event, along with the total number of satisfied customers, rated on a scale from 1 to 5:

- 1= Very dissatisfied
- 2= Somewhat dissatisfied
- 3= Neither satisfied nor dissatisfied
- 4= Somewhat satisfied
- 5= Very satisfied

³³ Alex Birkett, "What is Customer Satisfaction Score (CSAT) and How to Measure it?", HubSpot, 04/09/2023.

The result of this division will then be multiplied by 100, providing a percentage representing overall consumer satisfaction with the brand experience (for example 80 customers satisfied, 100 total customers = 80% of satisfaction). This approach enables obtaining a clear and detailed view of customer appreciation levels, allowing identification of areas for improvement and strengthening the relationship with the target audience, also for future brand experiences.



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The results can be categorized into four main areas, depending on their percentage:

• 0-50% : Needs improvement

• 51-70% : Fair

• 71-90% : Good

• 91-100% : Excellent

³⁴ "How to Measure CSAT to Boost Your Business", Screver, 2023.

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▼ Touchpoint

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If the company's performance falls within the range of 0% to 70%, it means that there may be something that is going wrong in the implementation of the experiential strategy. In these cases, it becomes important to identify areas for improvement and implement necessary changes to enhance customer satisfaction. This suggests that adjustments are necessary to optimize the experiential strategy and better meet the needs of the target.

First of all, brands should develop a deep understanding of the customers' needs, preferences, and pain points, using surveys, interviews, and data analysis to gather insights into their behavior and expectations. This allows companies to get in contact with them in a better way, in the right point and the right moment, stimulating all the important touchpoints of the dynamic customer experience.

³⁵ "How to Measure CSAT to Boost Your Business", Screver, 2023.

Secondly, it is crucial to customize and personalize the experience to each user's preferences and interactions. Providing tailor-made experiences and interactions help to create a sense of trust and loyalty among users, ultimately enhancing their satisfaction with the overall experience and leading to an increase in Customer Satisfaction (CSAT) scores.

Finally, it's important to continuously collect feedback and opinions from customers, focusing on the area of improvements and taking significant action to improve them. Brands must take substantial measures to address these areas and implement improvements according to these feedback, showing that they are responsive to customers needs.

4.3) The Net Promoter Score

The Net Promoter Score (NPS) is a tool aimed at quantifying the level of customer loyalty, utilizing an evaluation of users who have been involved in an experiential marketing campaign. In particular, this metric calculates the proportion of "promoters" associated with a specific brand compared to its "detractors."

In order to achieve this goal, NPS presents users with only one question: "How likely are you to recommend this brand/product to a friend?" and provides the opportunity to respond using a scale of values ranging from 0 to 10.

Subsequently, the categorization of the obtained responses is divided into three ranges:

• Range 0-6: Detractors, representing dissatisfied users with the experience or the brand in question, expressing negative criticisms and disapprovals. Careful management of detractors is important as there is a risk of impacting the reputation and user perception of the associated brand or product.

- Range 7-8: Passives, meaning satisfied customers but not completely enthusiastic and engaged, with the consequent risk that the user is more inclined to be attracted to competing brands.
- Range 9-10: Promoters, loyal and devoted individuals who will certainly recommend the brand to other users and will remain engaged with it.

To determine the value of the NPS, it is necessary to use the following formula:

NPS = $\frac{9}{6}$ Promoters - $\frac{9}{6}$ Detractors $\frac{36}{6}$

This formula yields a numerical result ranging from -100 (if every customer is a detractor) to +100 (if every customer is a promoter): the higher the NPS value, the greater the business growth.



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³⁶ Kerry Smith, Dan Hanover, "Experiential Marketing: secrets, strategies, and success stories from the World's greatest brand", Wiley, 2016.

³⁷ Grigore Raileanu, "What is a Good Net Promoter Score? (2023 NPS Benchmark)", Rentently, 2023.

To improve the Net Promoter Score of brands, there are various strategies that they could implement: improvement of experience's quality, engage with detractors and compare the benchmark against competitors.

Firstly, after a deep analysis of the target and their insights, companies can leverage the quality of their experiences through an user-centered approach, ensuring that transitions between different touchpoints or stages of the experience are seamless and consistent. Furthermore, brands can use trends and emerging technologies to enhance the quality of experiences, and the satisfaction of customers.

Secondly, companies should reach out to the customers classified as "detractors", which means that they were given a low Net Promoter Score rating based on the evaluation of the experience. Brands should try to proactively resolve their issues, understanding the motivations behind their low ratings and helping them to live a higher quality experience, trying to turn them into promoters of the brand.

In conclusion, conducting a comparative analysis between the Net Promoter Score of a company industry benchmarks and competitors it's important to identify strategic areas where companies can excel and distinguish themselves through unique brand strategies tailored to meet customer needs and expectations.

Thus, leveraging these insights effectively help companies to strategically position themselves against competition, fostering sustainable growth and success in the dynamic marketplace.

4.4) Customer Satisfaction Score vs Net Promoter Score

Companies often face a crucial decision regarding which tool to use to assess customer satisfaction: some opt for the traditional Customer Satisfaction Score (CSAT), while others prefer the Net Promoter Score (NPS). Both offer to brands various and distinct approaches to the measurement and evaluation of the overall brand experiences, identifying various areas of strength and weaknesses.

The Customer Satisfaction Score is primarily concerned with evaluating the effectiveness of each individual interaction with customers. It offers a comprehensive analysis of the intricate details of customers' personal perceptions and experiences during these interactions.

On the other hand, the Net Promoter Score focuses on the improvement of the customer experience and fostering customer loyalty, providing a tool to measure the customer's intention to recommend the brand to others and the potential organic growth through positive word-of-mouth recommendations.

It's important to highlight that the use of one metric will not exclude the use of the other one: both are valid tools that can be used together for a more complete overview of the situation regarding the customer experience, customer satisfaction and customer loyalty. At the end the choice depends just on the company's goals for that marketing strategy, and the nature of the customer relationship: adopting the right tool is very important for brands that want to always improve their overall customer experiences.

4.5) The analysis of digital activities

The analysis of digital activities is assuming a crucial role day by day in the context of brand experience, offering the possibility to quantify all user interactions online with the experience across various channels and digital means. These interactions range from sharing multimedia content on social platforms to visiting the brand's website and downloading related content, to providing positive feedback across various channels. The evaluation of digital activity analyzes the level of engagement of a participant and provides various important insights into their perspective, making a distinction between the more purchase-oriented phase and the more advocacy-oriented phase. This detailed analysis of participants' online behavior constitutes a crucial informational foundation for customizing follow-up strategies.

For example, a participant identified with a purchase-oriented mindset might benefit from an approach more focused on presenting promotional offers. In parallel, those exhibiting an inclination toward advocacy might be involved in initiatives aimed at promoting the organic spread of the message. Finally, it is important to emphasize that the analysis of viral activity highlights how users' use and sharing on digital channels can be strategic for brands, as they reduce digital user-contact costs by allowing the company to reach a wider audience at reduced costs: the viral effect reduces dependence on traditional paid media.

User Generated Content

Among all of the digital activities related to the brand experience that allows to measure the online user interactions with the experience, there is one that emerges: the User Generated Content (UCG).

User-generated content, within the realm of experiential marketing, encompasses a variety of digital content (such as images, videos, text, podcast, reviews etc.) related to the brand and the experience, freely shared by users across their social channels and the web. Since these contents are freely shared, they become accessible by other online users (subject to various platform restrictions), significantly amplifying the brand visibility and the associated experience that creators are showcasing.

Moreover, these contents boast originality and creativity, as each user emphasizes different aspects of the experience or captures different moments and locations, thereby generating a plethora of distinct contents that stand out from one another.

"Consumers ages between 18 and 24 are the biggest content generators out there, generating over 70% of all UGC;

86% of Millennials note that the User Generated Content is a very good indicator of brand quality;

User generated content beats professional produced content for Millennials in at least three categories: Travel (74% of Millennials prefer UGC over professional photos), Consumer goods (83%) and Fashion (85%)" ³⁸

³⁸ Mike Dragan, "User generated content for events: How does it work?", Oveit.com, 08/05/2018

The main benefit for brands of the use of User Generated Content is the amplification of brand reach: thanks to users consistently sharing content about their experiences with the brand, they provide their followers with the opportunity to explore and value the brand and its offerings more extensively. This, in turn, aids in disseminating brand awareness among a larger and more diverse audience, fostering genuine connections with consumers worldwide.

Another important benefit is related to social traffic and connected-sales: in fact, social engagement and the leverage of social validation help businesses to drive sales. During the experiences or the events, the website and social media of the brand are full of attention, and this can lead to higher sales, both online and offline, fostering immediate conversions at reduced expenses.

Finally, experiential marketing activations and the user generated content can foster a sense of community among customers that have interest in common or passions to share. The content shared is a useful way to connect people who have participated in the brand experience or the event. This not only builds strong connections between customers but also creates a dedicated community of brand ambassadors who enthusiastically promote and advocate for the brand.

It's important to highlight that after the experience or the event, companies should follow up and stay connected with their customers, especially the one that created the content, sharing some photos of them on the social media profile and being in touch with them through email, comments and so on. This is important to make the relationship created through the experience more stable and solid, and to encourage users to stay in touch with the brand, both online and offline.

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It is crucial that the selected metrics represent a balanced mix of quantitative and qualitative measures, ensuring a comprehensive evaluation of marketing performance and allowing for a holistic approach to analysis. The importance of this balance arises from the need to capture not only objective numerical data but also qualitative elements that contribute to outlining a complete picture of overall performance, in harmony with specific goals and the brand's identity. After carefully identifying and examining the data obtained from these measurements, it is feasible to develop significant insights into consumer behavior at a comprehensive level, exploring various facets. These insights are valuable and can be applied in various business contexts, ranging from product development to pricing policy definition and beyond.

CONCLUSION

"Best things in life are not things"

In conclusion, my thesis has explored the realm of experiential marketing, emphasizing its important role in today's business landscape. By analyzing consumer behavior, strategic frameworks, and design methodologies, it has highlighted the significance of brand experience for companies in today's dynamic marketplace.

The exploration began by examining the transition from traditional to experiential marketing and the factors influencing this shift, providing a context for companies adopting experiential marketing strategies. It emphasized the motivations behind this strategic choice and its strengths. Additionally, clarifying the 7Es and the four dimensions of marketing is crucial for navigating various aspects of the strategy.

After outlining the context and spaces where brands can operate, Schmitt's Strategic Experiential Modules analysis offers a fundamental reference model for building a holistic and efficient experiential marketing strategy. In contrast, Pine and Gilmore's economic value progression model provides a different perspective, offering deeper insight into the emotional connections between brands and consumers. As emphasized, there is no correct or incorrect model; each company can freely choose an approach based on its structure, goals, and resources. This may lean towards strengthening brand value and consumer engagement or viewing experiential marketing as "commodities" for customers. Finally, the Customer Experience Management framework is significant for companies, providing a structured approach to analyzing consumer interactions with experiential marketing strategies and, consequently, with the brand.

The thesis then offers practical and effective tools for designing a brand experience, highlighting the synergy between brands and design and the role of experience touchpoints and providers in activating emotional connections.

These tools aim to guide brands clearly and comprehensively during the design phase of experiential marketing strategies, focusing on the steps to follow and the key points to touch on through experience. They can be used individually or together, mixed according to the brand's needs and the structure it wants to give to the strategy, creating a holistic and comprehensive experience from various perspectives.

Lastly, this thesis provides an important point for companies: the ability to measure experiential marketing strategies qualitatively and quantitatively. Through various metrics and strategies, particularly focusing on customer satisfaction and digital activities, a final evaluation can be made, adjusting the results of the strategy preemptively for future strategies. In particular, metrics such as CSAT and NPS have been analyzed, highlighting the need for sophisticated evaluation models tailored to experiential marketing strategies, while also recognizing the growing influence of digital activities and User Generated Content in contemporary performance assessment. Understanding these measures can significantly impact decision-making processes within organizations, ultimately leading to enhanced customer satisfaction and improved overall performance.

In essence, this thesis serves as a guide for businesses navigating the experiential economy, offering valuable insights into understanding consumer dynamics and adapting marketing strategies to meet evolving demands. By recognizing the transformative power of immersive brand experiences, companies can foster deeper connections with their audiences, enhance brand loyalty, and thrive in an increasingly competitive market landscape.

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