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Stefan O. Grbenic
Amila Omazic



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20 Determining Different Activities within Experience Economy Model for Cultural Institution

Ezeni Brzovska, Ph.D

Faculty of economic – Skopje

Ss. Cyril and Methodius University in Skopje

Stojan Debarliev, Ph.D

Faculty of economic – Skopje

Ss. Cyril and Methodius University in Skopje

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Abstract

The experience economy as an emerging concept is implemented across a wide range of industries, but still there is no existing research within cultural institutions. This indicates the need and importance of implementing the model in certain consumption situation, while visiting and experiencing cultural institution.

The present study suggests certain activities within the experience economy model to explain the experiential nature of main cultural institutions. The study contributes new information to research and advances the growing theory in experiential cultural consumption. Examination of different activities of the experience economy in creating and delivering visitor's experience within cultural institutions will lead to contemporary applications for all the involved parties.

Introduction

The experience economy has recently emerged as a relevant framework for understanding how to improve the consumers' experience across different industries. Cultural institutions are facing new challenges where tourists are in search for exiting, unique and memorable experiences. Bernstein, J. S. (2014). Therefore, cultural institutions should strive to develop and offer a distinct, engaging and unique offerings in order to improve their current offers and to maintain the competitiveness on the market.

The purpose of the present study is to determine pertinent activities of the experiential – based model as proposed by Pine and Gilmore (1999) within cultural institutions. The authors proposed different activities within experience economy framework as a foundation for augmenting cultural experience with authentic experience and for employing the qualitative research methods.

Literature review

The relevance to a cultural institutions is increased due to emerged visitors' need for the new authentic and memorable experience. The content of the activities of the cultural institutions plays key role in social cohesion and in building trust for a better society. Therefore, cultural institutions should develop innovative approaches and extended the main repertoire in order to elicit the interest of new audiences. The use of new technologies and non-formal educational activities may help to address and engage younger audiences. Wide range of activities within cultural institutions should be integrated and interconnected with the intention

of creating holistic approach for experience - seeking visitors. Consequently, cultural institutions should interact and be open to audiences' needs and interests (European Union, 2014). Due to increased tendency for tourists to seek experiences that are subjective and meaningful, cultural institutions should strive to promote different type of entertaining and educational activities (Lord, 2002).

The cultural institution are facing with great competitive challenge where formal and basic cultural products are now extended and transformed into the authentic experiences. Prentice (2001, p.10) confirms that "experiential cultural tourism is therefore diverse in forms but singular in purpose: namely, sampling what is imagined to be personal and authentic experience."

Pine and Gilmore (2000) describe and explain the progression of economic value and define the experience as distinct economic offer built on top of services, goods, and commodities. The present study utilizes pertinent constructs of the experience economy model to explore the importance of different items for visiting cultural institutions. Pine and Gilmore (1998) identify four dimensions of consumer experiences divided by the degree of customer participation and connection within the performance. The four types of experiences are entertainment, educational, escapist and esthetic. Educational and escapist dimensions reflect active participation, whereas entertainment and esthetic dimensions are characterized by the passive participation of the customer, in this case, wine tourist. Consequently, during the educational and escapist experience, the visitor will directly affect or influence the performance of the specific cultural institutions. On the other hand, visitors are immersed in the esthetic or escapist experiences; they absorb entertaining and educational offerings within cultural institutions. Each dimension in the experience economy framework engages individual customers in a way that creates a memorable and perception-changing experience. Esthetic dimension occurs when visitors are immersed passively in the experience, specifically when they are indulged in sensorial environments. The esthetics dimension refers to visitors' interpretation of the physical environment around them. Educational experiences engage the mind of the consumers and play a vital role in co-determining their experience. Visitors strive to enhance their knowledge during the.

Escapism experiences occur when visitors are actively immersed in the experience, and it requires their participation. Most scholars examined the experience economy framework within wine tourism remains scarce (e.g., Ali-Knight and Carlsen, 2003; Pikkemaat et al., 2009, Quadri-Felitti and Fiore, 2012, Quadri-Felitti and Fiore, 2013, Brzovska, 2017, Brzovska, Ozretic-Dosen and Simjanovska, 2017). Ali-Knight and Carlsen (2003) emphasize the necessity for creating a memorable and compelling experience in the wine industry. Therefore, winery operator must provide memorable and sensory experience, which will have enduring novelty, and a visitor will be engaged and entertained through different targeted events and will be offered with unrivaled sampling opportunities. The article was criticized due to lack of aligning the suggested activities within the 4Es framework (Quadri-Felitti and Fiore, 2012). Pikkemaat et al., (2009) applied the experience setting model to measure the potential of experience-orientation of South Tyrolean wine routes. They emphasize the necessity to create multi-optional attractions and to stage experiences for wine tourists. The four dimensions of the experience realm of Pine and Gilmore were employed for analyzing the expectations and the degree of visitors' satisfaction. Results have indicated that esthetic dimension, such as landscape and information about wine, is the most significant regarding visitors' expectations and satisfaction. In terms of expectation, education was noted as a least important dimension, while escape was ranked as lowest concerning visitors' satisfaction. Each dimension of 4Es was comprised of three items which did not fully capture the constructs. The authors excluded outdoor architecture from measuring esthetic dimension and did not provide clear distinguishing for all the items (Quadri-Felitti and Fiore, 2012). Brzovska (2017) emphasized the need for extending the basic wine offers with personalized activities and additional services in order to improve the current wine offers. Therefore wineries should broaden their offerings by including a diversity of appealing esthetic, educational, entertaining and escapist experiences, and gain lasting competitive ad-

vantage (Brzovska, Ozretic-Dosen and Simjanovska, 2017).

Very few studies empirically tested the 4Es and expanded understanding of the experience economy by examining how tourists' memories operate together with the 4Es and whether satisfaction has influence on their destination loyalty in different tourism settings (Quadri-Felitti and Fiore, 2013; Hosany and Witham, 2010; Oh et al., 2007). Four realms of experience offer not only conceptual but also a practical measurement framework for analyzing the tourist experience. Quadri-Felitti and Fiore (2013) measured the experience economy's 4Es by adapting Oh et al.'s (2007) validated 16-item scale and structural equation modeling. The results demonstrate the supremacy of the esthetic experience in predicting positive memories and destination loyalty in the wine tourism context. Hosany and Witham (2010) have employed the four dimensions for understanding cruisers' onboard experiences. Esthetics has appeared to be a dominant determinant in predicting satisfaction and intention to recommend. Oh et al. (2007) constructed a measurement scale and they empirically tested experience economy conceptual model using customers' lodging experiences with bed-and-breakfasts, and the results have proved that the esthetic dimension was of the high importance of the experiential outcomes. All the studies demonstrate the need of implementing the experience economy framework as the consumers across wide industries seek for diversity of activities and unique experience. The measurement model of the experience economy awaits for further validation across different consumption situation (Oh et al., 2007) Hence, the authors proposed different activities within experience economy model and suggest the need for a more encompassing view of the experiential nature of visiting cultural institutions.

Methodology

Although the experience economy is model is employed in different consumption situation, there is no evidence in the current literature for applying this framework within cultural institutions. Following the experience economy framework (Pine and Gilmore, 2011), the authors proposed different activities within cultural institutions. It was employed qualitative research approach, conducting focus groups, in order to gather initial association and visitors opinion regarding cultural institutions. The 5 focus group were consist of seven members, and as a precondition they should have visited at least two cultural institutions or performances in the last two months. The mentor gave them initial instruction and started discussion for the activities that might part of the holistic cultural experience within specific cultural institution. As a second part of the study, the survey was carried out, where 50 students on postgraduates study proposed different types of activities for improving the whole experience while being part of specific cultural performance. The analysed data in these two complementary method are shown in Table 1.

Table 1: Different activities within the 4E model of experience economy

<p>Entertainment Visitors are engaged by performances</p> <ul style="list-style-type: none"> ▪ Great and outstanding performance ▪ Organized activities for children ▪ Special effect during the performance ▪ Possibility for engagement with audience ▪ Shops within cultural institution ▪ visitors can also dine or have a drink at the bar and restaurant of the opera house, located under an impressive glass roof ▪ Having possibility to be photograph with the main characters 	<p>Educational Visitors enhanced their knowledge</p> <ul style="list-style-type: none"> ▪ Extensive variety of frequent tours, events and exhibitions to explore, ▪ Organized different thematic event ▪ Educational manual, brochures and print materials ▪ Interactive mediums for announcement and educational activities
<p>Esthetics Visitors are enriched by sensual environment</p> <ul style="list-style-type: none"> ▪ Superb acoustic qualities ▪ Great costume and scenic construction (stage) ▪ Beautiful interiors ▪ A well organized parking lots ▪ Modern object ▪ Graphic design of tickets 	<p>Escapist Visitors become engrossed by participating in a different time or place</p> <ul style="list-style-type: none"> ▪ Possibility to explore the halls, stages and various collections of costumes, photographs and paintings. ▪ Being part of performance rehearsals ▪ guided tours enable to have a glimpse behind the scenes - access to the backstage,

Source: Adapted from Fellitti and Fiore (2012)

The proposed activities within experience economy model should increase the degree of awareness of cultural institutions among potential audience. Experiential cultural tourism is about the search for authentic experience and therefore be embraced (Prentice, 2001).

Conclusion and future recommendation

Cultural institution should employ the experience economy model and create innovative approaches around presentation and interpretation to become more relevant for wider audiences. Defining and understanding the different dimensions of the experience economy model within cultural institution will contribute for creating unique and memorable offerings, which consequently leads to increased visitors satisfaction. Hence, as our future work we will investigate how these dimensions within experience economy model influence post consumption evaluation in certain cultural institutions. The future research should examine whether defined experiences play an important role in creation of visitors’ memories, satisfaction and loyalty.

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About the authors

Ezeni Brzovska, PhD is an Assistant Professor at the Department of Marketing, Faculty of Economics - Skopje, Ss. Cyril and Methodius University in Skopje. She earned her M.Sc. and Ph.D. degree in the field of marketing at Ss. Cyril and Methodius University in Skopje. In the period from 2003 to 2009 she was employed in Makedonski Telekom - Skopje in the Marketing communication department and she was rewarded for the best employee in Marketing and Sales Area in 2007. During this period she was part of the world known seminars, workshops and trainings, gaining extensive marketing experience. Her teaching and research interest is in the fields of marketing, experience economy, product and brand management, marketing channels. She actively participates in the first and second cycle of studies. She has published research papers in international scientific journals and proceedings and has participated in few domestic and international conferences and COST action.

Stojan Debarliev, PhD is an Associate Professor at the Department of Management, Faculty of Economics - Skopje, Ss. Cyril and Methodius University in Skopje. He earned his M.Sc. and Ph.D. degree in the field of business management at Ss. Cyril and Methodius University in Skopje. He has been employed at the Faculty of Economics-Skopje since 2005. He has acquired practical working experience in Macedonian On-line and Pekabesko. His teaching and research interest is in the fields of management, business planning, strategy, business models, entrepreneurship and sustainability. Debarliev is an author of text books, as well as research papers in international scientific journals and proceedings. He has delivered lectures at several summer schools, workshops and seminars. He actively participates in the first, second and third cycle of studies.