

**EXPERIENCE ECONOMY, EXPERIENCE INDUSTRY
AND EXPERIENCE PASTORAL TOURISM**

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Abstract: *This paper distinguishes between goods (merchandise or possessions)-whose purchase leaves the customer with a physical object to keep services (intangible, value-added activities that a company provides to its customers)-which leave the customer with something done for him or his possessions or on his behalf; and experiences (events or occurrences which leave an impression on someone)-which leave the customer with the memory of the encounter with the experience provider. The paper analyses the goods-services-experiences sequence in tourism following the pattern of experience economy.*

Key words: *experience, experience economy, experience industry, experience tourism*

INTRODUCTION

To thrive in a world of economic competition, companies need to provide, besides goods and services, experience. This is experience economy. Pine II & Gilmore [22,23] made the necessary economic distinctions between commodities, goods, services, an experience from the perspective of an economic offering (Table 1) and emphasised that "An experience occurs when a company intentionally uses services as the stage, and goods as props, to engage individual customers in a way that creates a memorable event." [14]. Experiences are characterized by:

- Customer participation;
- Connection.

To function, experiences must be deliverable, be new, engage, involve learning, meet a customer's need (i.e., have personal relevance), surprise, and work [26].

Table 1.

Economic distinctions in the progression of economic value

"Economic Offering"	"Commodities Extracted"	"Goods Made"	"Services Delivered"	"Experiences Staged"	"Transformations"
"Economy"	"agrarian"	"industrial"	"service"	"experience"	"transformation"
"Economic Function"	"extract"	"make"	"deliver"	"stage"	"lead"
"Nature of Offering"	"fungible"	"tangible"	"intangible"	"memorable"	"effective"
"Key attribute"	"natural"	"standardise"	"customized"	"personal"	"individual"
"Method of Supply"	"stored in bulk"	"inventoried afte production"	"delivered on demand"	"revealed over duration"	"lasting over time"
"Seller"	"trade"	"manufacture"	"provider"	"stager"	"generator"
"Buyer"	"market"	"user"	"client"	"guest"	"aspiring transformers"
"Factors of Demand"	"characteristics"	"features"	"benefits"	"sensations"	"effects"

Source: [16,24]

MATERIAL AND METHOD

The material use in this study consists in articles and books on experience economy, experience industry, and experience tourism. The research method used are the bibliographic method and the comparative method (are compared the three aspects mentioned above to identify the evolution experience economy to experience tourism).

RESEARCH RESULTS

1. Experience Economy. According to Richards [28], “In the experience economy, [...] business will have to start charging for the experience they offer, rather than the services and products they sell.” because all companies sell goods and services, but very few sell experiences, and because there are more and more experience-hungry consumers. Providing good experiences is even more important in health care services [21,23].

Entertainment, Internet, manufacturing, retailing, and tourism “have been at the forefront of the development of the experience economy” [19,20,28].

Pine II & Gilmore [22] identified five key experience-design principles to observe if one wants to enter the experience economy:

Thematization of the experience (e.g., the world of animated cartoons in Disneyland);

Harmonization of impressions with positive clues to fulfil the theme (e.g., the interior of a café whose theme is jazz, decorated with jazz players’ photos);

Elimination of negative clues (e.g., poor service);

Mixing of memorabilia (e.g., postcards, T-shirts, etc.);

Engagement of all five senses (e.g., by producing mist in a “Rainforest Café”).

2. Experience/Experiential Tourism/Visit. Tourists (particularly cultural tourists) “play a major role in the development of the experience/experiential tourism” (“tourism with a strong appeal to the emotions of visitors”) [1,17,18] because they are increasingly experience-hungry consumers. According to Richards [28], in experience tourism, “passive consumption of cultural services is shifting towards more participatory forms of consumption – doing, interaction, learning.” Thus, from a tourism point of view, experience belongs to educational tourism, escape tourism, cultural tourism (for the aesthetic component), and entertainment tourism [11]. In tourism, there are four levels of hierarchic expectations (conditioned by oral information, past experiences, personal needs, and trade information) in terms of leisure activity [2,21,36]:

Form of the activity: requirements that apply during a visit to a tourism site: various forms of activities offered at the museum, specific motives which persuade someone to visit the site, and the feeling of satisfaction experienced by participating in this type of activity;

Place where this activity is carried out and visitors’ expectations toward the place of the activity itself: the context in which a given activity takes place (environmental, organizational, and social);

Experiences and sensations [6,33] resulting from the activity and associated with its environs: what the tourist feels when he participates in a certain activity in a certain place (feelings, reactions, sensations, thoughts);

Benefits from that activity: various social or psychological benefits resulting from participating in each activity.

Thus, in experience tourism, tourists anticipate and plan, participate and enact, and tell travel tales [5]. During the experience, they go from activity to benefits (Figure 1).



Figure 1. Route map in experience tourism

Source: [8]

Emotion plays an important role in the following new types of tourism [31]:

- Adventure tourism “a type of tourism involving travel to remote or exotic locations in order to take part in physically challenging outdoor activities” [15];

- Black/dark/grief/morbid tourism or thanatourism “a particular type of cultural tourism which includes cognitive or cognitive-religious trips to sites documenting and commemorating death” [12];

- Creative tourism (“an opportunity to develop creativity through active learning, e.g., by participating in courses and other educational events, especially those which make use of the visited destination’s potential”). [3,13]

- Culinary/food/gastronomy tourism “the act of traveling for a taste of place in order to get a sense of place” [10,35];

- Event tourism “journeys whose main purpose is to take part in an organized cultural-entertainment event [art exhibition, carnival, concert, fair, festival, open-air show, parade, state celebration, trade fair], held at a set time and place” [4];

- Extreme tourism “tourism involving activities that are physically challenging [bungee jumping, canyoning, cross-country car racing, extreme skiing, rafting, survival]” (Collins Dictionary);

- Fan/sports tourism “passing through different tourism spaces and making sense of being present, taking photos and appearing as a fan in these spaces” [9,25];

- Film (-induced) tourism “a specialized or niche form of tourism where visitors explore locations and destinations which have become popular due to their appearance in films and TV series” [36];

- Literary tourism “a type of cultural tourism that deals with places and events from literary texts as well as the lives of their authors” [7,27].

There are a few methods of intensifying tourists’ emotions [32]:

- Creating a so-called ‘augmented reality’;

- “Developing new forms of tourism to provide original, extraordinary emotions and develop the tourist’s skills, creativity, and personality”;

- “Discovering new tourism spaces, to provide unique, sometimes even extreme experience”;

- Expanding older forms of a tourism product by elements of experience and emotion;

- “New forms of recording tourism experience and sharing it”;

- Transforming the tourism infrastructure to offer unique tourist attractions;

To note that a meaningful and satisfactory tourist experience contributes towards tourist’s brand loyalty [6,13,29].

Experiencing tourist product has three phases [31,34]:

- Preparation (website, booking and purchasing, travelling “on the map”);

- Consumption (sightseeing with a storyline, boutique hotel, live cooking);

- Memories (souvenirs, gifts).

Obradović et al. [14] pointed out the following memorable nature-based tourism experiences: experience escape, experience intensification, hedonism, involvement, knowledge, local culture, meaningfulness, memory, novelty, refreshment, recommend, revisit, satisfaction, sharing of experience, and tourist environmentally-responsible behaviour.

Singh, Khandelwal & Saxena [30] investigated linkages among mall (already a “tourism” attraction) attractive dimensions, visitors’ experiences, and visitors’ emotions.

CONCLUSIONS

The following conclusions can be drawn from the presentation above:

- In both economy and tourism, there is a distinction between goods, services, and experiences;
- Experience is of paramount importance in both economy and tourism;
- Progression of economic value goes beyond experiences, and it consists in commodities, goods, services, experiences, and transformations;
- Experience economy relies on five key experience-design principles;
- Experience/experiential tourism belongs to educational tourism, escape tourism, cultural tourism, and entertainment tourism;
- There are four levels of hierarchic expectations in tourism;
- Emotion plays an important role in the new types of tourism.
- Experience/experiential tourism is about memorable authentic tourism experiences.

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